



# Client relationship summary, as of July 31, 2023



This summary is provided to help you make informed decisions about the services, products and accounts offered by TIAA-CREF Individual & Institutional Services, LLC (“**TC Services**,” “**we**,” “**us**,” “**our**”), and includes important information about the recommendations we make and the fees we charge. TC Services is a TIAA affiliate and Securities and Exchange Commission registered broker-dealer (“**BD**”) and investment adviser (“**RIA**”). *BD and RIA services and fees differ, and it is important that you understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/crs). The site also provides educational materials about BDs, RIAs and investing.*

## 1. What investment services and advice can you provide me?

We offer both BD services and RIA services to retail investors. If you have a Plan, or are a participant of, we may use data from the Plan to provide these services to you. Plan sponsors do not review or endorse any services, accounts or products available outside of their Plans.

 <b>Broker-dealer services<sup>1</sup></b>	 <b>Registered investment adviser services<sup>2</sup></b>
<p><b>Through our BD representatives and online tools and calculators we can:</b></p> <ul style="list-style-type: none"><li>Recommend that you open, contribute or consolidate your assets (by rolling over or transferring) to accounts/products we recommend as a BD (listed on right)</li><li>Recommend that you purchase and sell specific investments for your Plans (where available), IRAs offered by TIAA (excluding managed account IRAs) and certain affiliated annuities, but not for brokerage accounts offered by us</li><li>Recommend annuitizing affiliated annuity products to create lifetime income</li><li>Buy and sell securities for your accounts at your direction</li><li>Offer education and enrollment services that do not involve a recommendation</li></ul> <p>We are a distributor for TIAA-affiliated mutual funds and variable annuities and for certain state-issued education savings plans.</p> <p><i>Our BD services are provided based on your needs at the time of the service.</i></p> <p><b>Recommendations to purchase or sell specific investments for:</b></p> <ul style="list-style-type: none"><li><b>Plans</b>—limited to a menu of investments selected by the plan sponsor</li><li><b>IRAs offered by TIAA (excluding managed account IRAs)</b>—limited to a menu of TIAA-affiliated mutual funds, annuities and bank deposits</li></ul> <p><i>Our BD services and accounts/products we recommend as a BD are <b>not subject to minimums and do not provide ongoing monitoring</b>. They are <b>non-discretionary</b>. <b>You make the ultimate decision</b> regarding the purchase or sale of investments.</i></p>	<p><b>Through our RIA representatives we can:</b></p> <ul style="list-style-type: none"><li>Provide financial planning to help you understand your goals and make a plan to pursue them</li><li>Recommend that you open, contribute or consolidate your assets (by rolling over or transferring) to accounts/products we recommend as an RIA (listed on right)</li></ul> <p><i>Financial planning is provided based on your needs at the time of the service and <b>does not include any investment recommendations</b>. Your accounts are <b>not monitored</b> as part of this service, and <b>TC Services does not make any decisions</b> regarding the purchase or sale of investments in your accounts.</i></p> <p><i>Our managed accounts include a customized model portfolio limited to mutual funds and/or exchange-traded funds (“<b>ETFs</b>”), are subject to minimums and provide ongoing monitoring and discretion by us.</i></p> <p><i>TIAA Trust, N.A. managed accounts include a customized portfolio limited to mutual funds, ETFs, individual equity securities and/or bonds, are subject to minimums and provide ongoing monitoring and discretion by TIAA Trust, N.A.</i></p>

### As a BD we recommend:

- Employer-sponsored plans recordkept by TIAA (“Plans”)
- Brokerage accounts offered by us
- Individual Retirement Accounts (“IRAs”) sponsored by TIAA (excluding managed account IRAs)
- Affiliated retirement annuity products available in Plans and IRAs
- Affiliated annuity products available outside of Plans and IRAs

### As an RIA we recommend:

- Managed accounts offered by us
- Managed accounts offered by TIAA Trust, N.A. (our affiliated trust company)

<sup>1</sup> For BD recommendations you’ll receive the *Regulation Best Interest* disclosure.

<sup>2</sup> For RIA services you will also receive the ADV 2A disclosure brochure.

## Other services

Separate from our BD and RIA services, we may also:

- **Offer you nonsecurities products** such as fixed annuity products
- **Refer you to third-party providers** for bank deposits and lending products
- **Refer you to TIAA Trust, N.A.** for trust services, investment management, and in-Plan asset allocation and quarterly rebalancing services
- **Refer you to TIAA-CREF Tuition Financing, Inc.** for education savings
- **Refer you to third-party agency** for life insurance and long-term care

## 2. What fees will I pay?

There are fees associated with our BD and RIA services and the accounts/products we recommend (see fee chart on page 3).

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

These fees create conflicts of interest. We have an incentive to encourage you to invest or consolidate your assets into the accounts/products we recommend because TC Services and its affiliates and representatives are compensated when you do so. Specific conflicts of interest are addressed in the next question.

 **Fee types and definitions**—A fee is the principal amount you pay for the product or service  
For more information about fees and their frequencies, see [TIAA.org/relationshipdisclosures](https://www.tiaa.org/relationshipdisclosures).

### Account fees

These fees can include various account maintenance fees, transfer fees, a termination fee, contingent deferred sales charges or other charges that may be incurred upon the sale of a security transferred into an account at your request and/or redemption fees.

### Asset-based fee

The account's monthly fee determined by the market value of assets in an account.

### Asset-based wrap fee

The account's quarterly fee determined by the market value of assets in an account and inclusive of most transaction costs and fees charged by TC Services and its clearing firm.

### Referral fees

We may receive one-time or ongoing referral fees for referring you to affiliated or unaffiliated service providers for bank deposits, insurance sales or investment management services.

### Brokerage commissions

Fees for the purchase or sale of securities in an account.

### General administrative expenses

Expenses charged to or deducted from Plan balances to pay service providers like TIAA for plan administrative service.

### Insurance fees

These fees can include state premium taxes, upfront sales loads, surrender charges, cost of insurance charges, administrative charges and mortality and expense risk charges.

### Investment expenses

Expenses associated with the investments held (i.e., funds), whether directly or in an account, as disclosed in a prospectus or similar document. Such expenses vary by product and share class and depend on the distribution arrangement we have in place with the product sponsor.

### Transaction fees

Transaction charges for each applicable transaction.



## What to ask a representative

Given my financial situation, should I choose a registered investment adviser service? Should I choose a broker-dealer service? Should I choose both types of services? Why or why not?

How will you choose investments to recommend to me?

What is your relevant experience, including your licenses, education and other qualifications? What do those qualifications mean?



## Additional information

You can find detailed information about each of our BD and RIA services, the accounts/products we recommend, fees and costs at [TIAA.org/relationshipdisclosures](https://www.tiaa.org/relationshipdisclosures).

What we recommend/provide		Fees
Broker-dealer services	Plans	General administrative expenses, investment expenses
	Brokerage accounts offered by us (including retail, IRA and accounts associated with employer-sponsored retirement plans)	Account fees, brokerage commissions, investment expenses, transaction fees Important: You are charged more when there are more trades in your account.
	IRAs offered by TIAA (excluding managed account IRAs)	No brokerage commissions, except for brokerage account windows (which charge brokerage commissions and transaction fees), investment expenses
	Affiliated annuities (available both in and out of Plans and IRAs)	Account fees, investment expenses
	Third-party life insurance products referrals	Commissions, insurance fees and/or investment expenses (we receive referral fees from a third-party agency)
Registered investment adviser services	Financial planning	No fee (but if you choose an account/product we recommend or buy or sell securities after receiving financial planning services, you will pay the fees associated with that account/product, purchase or sale)
	Managed accounts offered by us	Asset-based wrap fee, account fees, investment expenses <i>Important: The more assets in your managed account, the more TC Services or TIAA Trust, N.A. will receive in fees.</i>
	Managed accounts offered by TIAA Trust, N.A.	Asset-based fee, transaction fees, account fees, investment expenses



### What to ask a representative

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

How might your conflicts of interest affect me, and how will you address them?



### Additional information

You should recognize there are differences between our RIA and BD services. The fiduciary duty that extends to RIA services is broader than the best interest standard under Regulation Best Interest that applies to our BD services. You can find more information about conflicts of interest specific to our RIA and BD services and accounts/products we recommend at [TIAA.org/relationshipdisclosures](https://www.tiaa.org/relationshipdisclosures).




## 3. What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means.

<b>TC Services and/or TIAA affiliates benefit when:</b>	<b>This creates a conflict of interest that gives TC Services an incentive to:</b>
1 You invest in TIAA-affiliated mutual funds, annuities and certain third-party bank deposits because these products result in higher compensation to TC Services and/or TIAA affiliates than third-party products	Recommend (or invest your assets in) TIAA products or certain third-party bank deposit products over third-party products
2 You hold or own third-party mutual funds, exchange-traded funds, annuities and third-party variable life insurance products because they result in compensation to TC Services and/or TIAA affiliates	Recommend (or invest your assets in) third-party products that result in compensation to TC Services and/or TIAA affiliates over other third-party products that compensate TC Services and/or TIAA affiliates less
3 We include on our platforms share classes of both proprietary as well as third-party mutual funds that pay us administrative, distribution and/or service fees	Offer a more expensive share class than a lower cost alternative, even though higher investment expenses decrease your investment performance
4 Uninvested cash in your account is swept into a third-party cash sweep option or a limited selection of other cash sweep options (with whom TC Services and its clearing firm have an arrangement in place) because these cash sweep options result in higher compensation to TC Services and/or TIAA affiliates than other cash sweep options	Offer cash sweep options that compensate TC Services more than other available cash sweep options, even if such options generate a higher yield for you than the options we include
5 You open, roll over, consolidate, annuitize or transfer assets to the accounts/products we recommend	Recommend that you move your assets to TIAA and create lifetime income/annuitize through annuities

## 4. How do your financial professionals make money?

Our financial professionals are paid a **salary plus bonuses**. The bonus is primarily based on gathering and in some cases retaining client assets at TIAA. As a result, they have a conflict of interest. For more details, see [TIAA.org/relationshipdisclosures](https://www.tiaa.org/relationshipdisclosures).

 <b>Wealth Management Advisors (WMAs)</b> Registered as both BD and RIA representatives	 <b>Advisory Consultants (ACs)</b> Registered as both BD and RIA representatives	 <b>Other representatives</b> Registered as BD representatives
<p>Have an incentive to encourage you to bring in and keep assets at TIAA and enroll in accounts/products we recommend including:</p> <ul style="list-style-type: none"> <li>Plans, IRAs and Managed Accounts, where we compensate the same regardless of the account or product type</li> <li>After-tax annuities, insurance and brokerage accounts, where we compensate differently, including among such products</li> </ul>	<ul style="list-style-type: none"> <li>Have an incentive to encourage you to bring in and keep assets at TIAA as well as to enroll in accounts/products we recommend regardless of the particular account/product</li> </ul>	<ul style="list-style-type: none"> <li>Have an incentive to encourage you to bring in assets at TIAA as well as to enroll in accounts/products we recommend regardless of the particular account/product</li> <li>Are paid for making successful referrals to WMAs and ACs regardless of the particular account/product</li> </ul>



### What to ask a representative

As a financial professional, do you have any disciplinary history? For what type of conduct?

Who is my primary contact person? Are they a representative of an investment adviser or a broker-dealer?

Who can I talk to if I have concerns about how this person is treating me?

## 5. Do you or your financial professionals have legal or disciplinary history?

**Yes.** Visit [Investor.gov/CRS](https://www.investor.gov/CRS) or [brokercheck.finra.org](https://www.brokercheck.finra.org) for free and simple search tools to research TIAA-CREF Individual & Institutional Services, LLC and its financial professionals.

**Additional information: For detailed information about our BD and RIA services and the accounts/products we recommend, go to [TIAA.org/relationshipdisclosures](https://www.tiaa.org/relationshipdisclosures). For up-to-date information or a copy of this disclosure, please call 888-583-2535.**





**EMPLOYMENT INFORMATION FOR ACCOUNT OWNER/TRUSTEE (REQUIRED)**

☐ Unemployed or ☐ Retired, state source of income:

☐ Employed, Self-Employed or Consultant, complete the following:

Employer's Name

Your Occupation/Title

Business Street Address

City

State

Zip Code

**Complete if applicable:**

☐ I am, or an immediate family member is, a director, a 10% shareholder, or a policy-making executive of a publicly traded company.

Name of Person

Company Name/Symbol

☐ I am, or an immediate family member is, affiliated with or working for another member firm, stock exchange, or FINRA, including TIAA or as an affiliated person will have any financial interest in or discretionary authority over this account.

Relationship to Person

Name of Person

Name of Firm

☐ I am, or a person with interest in this account is (i) a senior military, governmental or political official in a non-U.S. country, or (ii) closely associated with or an immediate family member of such an official.

**STEP 3: PLAN INFORMATION**

Plan Administrator Name (REQUIRED)

Administrator Phone Number

Plan/Employer

Taxpayer Identification Number

This person will serve as contact for contribution questions.

Plan Administrator Address

City

State

Zip Code





**STEP 4: YOUR INVESTMENT PROFILE (REQUIRED)**

Investment Objective(Please select only one)

<input type="checkbox"/> <b>Capital Preservation</b> A capital preservation strategy values preservation of capital above return	<input type="checkbox"/> <b>Income</b> An investment approach in which an investor generally seeks current income over time.	<input type="checkbox"/> <b>Growth</b> An investment approach in which an investor generally seeks capital appreciation through buying and holding securities over an extended period.	<input type="checkbox"/> <b>Speculation</b> The process of selecting investments with higher risk in order to profit from an anticipated price.
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Please select only one value per row. If left blank, zero or none will be used.

<b>Investment Knowledge</b>	<b>Years of Experience</b>	<input type="checkbox"/> Less than 1 year	<input type="checkbox"/> 1-2 years	<input type="checkbox"/> 3-4 years	<input type="checkbox"/> 5-9 years	<input type="checkbox"/> 10+ years
<b>Annual Income</b>	<b>From All Sources</b>	<input type="checkbox"/> \$0-\$24,999	<input type="checkbox"/> \$25,000-\$49,999	<input type="checkbox"/> \$50,000-\$99,999	<input type="checkbox"/> \$100,000-\$250,000	<input type="checkbox"/> More than \$250,000
<b>Approximate Net Worth</b>	<b>Excluding Residences(s)</b>	<input type="checkbox"/> \$0-\$49,999	<input type="checkbox"/> \$50,000-\$99,999	<input type="checkbox"/> \$100,000-\$249,999	<input type="checkbox"/> \$250,000-\$1 Million	<input type="checkbox"/> More Than \$1 Million





## STEP 5: ACCOUNT OPTIONS (OPTIONAL)

### SWEEP OPTION:

Your account will invest free cash balances to the TIAA Brokerage Sweep\* unless you select an alternative noted below.

\*Two separate bank sweep options will be used: (1) the TIAA Brokerage Sweep Account option, to be used as the primary bank sweep option for uninvested cash balances in your account up to a maximum amount set by the providing bank (not to exceed current per depositor FDIC insurance limits); and (2) the Liquid Insured Deposits option, to be used for uninvested cash balances in your Account in excess of the maximum amount accepted by the providing bank. Interest rates may change at any time.

### ADDITIONAL FDIC INSURED SWEEP OPTION:

☐ Liquid Insured Deposits

**Money Market Sweep Options:** Please note: Money market sweep options are not FDIC insured and have no guarantee to maintain a stable Net Asset Value (NAV) of \$1.00. Money market sweep options are subject to protection under the Securities Investor Protection Corporation ("SIPC").

☐ Dreyfus Government Cash Management Service Shares (DGUXXX)

☐ Dreyfus Government Securities Cash Management Investor (DVPXX)

☐ Dreyfus Government Cash Management Investor (DGVXX)

☐ Federated Hermes Government Obligations Cash II Fund (GFYXX)

☐ Federated Hermes Trust for US Treasury Obligations Cash II Fund (TTIXX)

Current rates, Agreements, Disclosures and providing bank information can be accessed at [tiaa.org/public/invest/financial-products/brokerage-accounts/interest-rate-disclosure](https://www.tiaa.org/public/invest/financial-products/brokerage-accounts/interest-rate-disclosure) or by calling **800-842-2252**.

TIAA Brokerage provides several options for managing cash balances in your brokerage account. Availability of the options is based on account type. Not all options are available in every account type. You can log in to your account or call us to find out more about which options are available for your account and for current interest rate information.

### E-DELIVERY OPTION

For your convenience, your account statements, confirmations, tax documents and notifications will be delivered electronically within your online account unless you opt out below. You will receive an email each time a new document is available for viewing. Should an email get returned or rejected, your documents will revert to paper delivery until you update or re-enroll in e-delivery. Please refer to the Electronic Delivery Terms and Conditions that are supplied with this Agreement for more information. Unless indicated below, your account will be enrolled in e-delivery. A valid email must be provided in the account owner information section. Please note that fees may apply for certain physically mailed documents. Please refer to the Customer Account Agreement fees section for more information.

☐ Do NOT enroll my account in e-delivery. I understand I will receive my statements, confirms, and account information by mail.







## STEP 6: BENEFICIARY DESIGNATIONS

If you want to name additional Primary or Contingent Beneficiaries, attach a separate sheet with all of the requested information. You understand that the beneficiary(ies) named herein may be changed or revoked by you at any time by completing a new designation in writing with TIAA Brokerage. You hereby make the following designation of beneficiary(ies) pursuant to the provisions of the SIMPLE IRA Disclosure Statement.

### INSTRUCTIONS:

1. Name the Primary Beneficiary(ies) you want to receive the balance of your IRA assets following your death. Please include all of the requested information.
2. Be sure to indicate the particular percentage of IRA assets you would like TIAA Brokerage Services to distribute to each Primary Beneficiary after your death (the sum should add up to 100%). If no percentage is indicated, your IRA assets will be distributed equally among all surviving Primary Beneficiaries.
3. If a Primary Beneficiary should predecease you and you want that beneficiary's share to go to his or her lineal descendants, check "per stirpes." Otherwise, a Primary Beneficiary's rights end with the death of that beneficiary, and the estate of a predeceased beneficiary has no claim to or interest in your account. If you do not check "per stirpes" and the Primary Beneficiary predeceases you, their share will be divided among surviving Primary Beneficiaries (if any), and if there are no surviving beneficiaries, the interest will pass to the Contingent Beneficiaries.

### PRIMARY BENEFICIARY(IES) (REQUIRED - AT LEAST ONE PRIMARY BENEFICIARY)

1. Name (First Name, Middle Initial, Last Name, Suffix/Trust Title)			Percentage	
<input type="text"/>			<input type="text"/> %	
Social Security Number/ Taxpayer Identification Number	Date of Birth/Date of Trust/ Issue Date of Will (mmddyyyy)	Relationship	Lineal Descendants Per Stirpes (LDPS)	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/> Yes, add Per Stirpes	
Address	City	State	Zip Code	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Phone Number	Phone Number Type	Email Address		
<input type="text"/>	<input type="checkbox"/> Mobile <input type="checkbox"/> Home <input type="checkbox"/> Business	<input type="text"/>		
2. Name (First Name, Middle Initial, Last Name, Suffix/Trust Title)			Percentage	
<input type="text"/>			<input type="text"/> %	
Social Security Number/ Taxpayer Identification Number	Date of Birth/Date of Trust/ Issue Date of Will (mmddyyyy)	Relationship	Lineal Descendants Per Stirpes (LDPS)	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/> Yes, add Per Stirpes	
Address	City	State	Zip Code	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Phone Number	Phone Number Type	Email Address		
<input type="text"/>	<input type="checkbox"/> Mobile <input type="checkbox"/> Home <input type="checkbox"/> Business	<input type="text"/>		









# TIAA Brokerage Simple IRA Account Application

Page 8 of 10

**3. Name** (First Name, Middle Initial, Last Name, Suffix/Trust Title)

Percentage

Social Security Number/  
Taxpayer Identification Number

Date of Birth/Date of Trust/  
Issue Date of Will (mmddyyyy)

Relationship

Lineal Descendants  
Per Stirpes (LDPS)

☐ Yes, add Per Stirpes

Address

City

State

Zip Code

Phone Number

Phone Number Type

Email Address

☐

Mobile

☐

Home

☐

Business

**4. Name** (First Name, Middle Initial, Last Name, Suffix/Trust Title)

Percentage

Social Security Number/  
Taxpayer Identification Number

Date of Birth/Date of Trust/  
Issue Date of Will (mmddyyyy)

Relationship

Lineal Descendants  
Per Stirpes (LDPS)

☐ Yes, add Per Stirpes

Address

City

State

Zip Code

Phone Number

Phone Number Type

Email Address

☐

Mobile

☐

Home

☐

Business

**Note:** If you need to add additional beneficiaries, please attach a separate letter with all of the information requested above. The attachment letter must also be signed, dated and submitted with this agreement.





**STEP 7: SPOUSAL CONSENT** (REQUIRED ONLY IF YOU ARE MARRIED, RESIDE IN A COMMUNITY PROPERTY STATE AND DO NOT NAME YOUR SPOUSE AS SOLE PRIMARY BENEFICIARY.)

If you are married, reside in a community property or marital property state (including but not limited to: AZ, CA, ID, LA, NV, NM, TX, WA, WI), and designate someone other than your spouse as your sole Primary Beneficiary, your spouse must sign this form below and have their signature notarized.

I am the spouse of the above-named account holder. I acknowledge that I have received a fair and reasonable disclosure of my spouse's property and financial obligations. Due to the important tax consequences of giving up my interest in this IRA, I have been advised to see a tax professional. I hereby give the account holder any interest I have in the funds or property deposited in this IRA and consent to the Beneficiary designation(s) indicated above. I assume full responsibility for any adverse consequences that may result. No tax or legal advice was given to me by the Custodian.

Print Name of the Signature that has been Notarized

First Name

Last Name

Spousal Signature

Today's Date (mm/dd/yyyy)

 /  / 20

**NOTARY SIGNATURE**

State

County

Notary Expiration

Date (mm/dd/yyyy)

 /  / 20

On the date noted below, the subscriber known to me to be the person described in and who executed the foregoing instrument and he/she acknowledged to me that he/she executed the same.

Notary Public's Signature

Today's Date (mm/dd/yyyy)

 /  / 20

**FOR NOTARY PUBLICS IN FLORIDA**

The foregoing instrument was acknowledged before me, by means of:

☐

Physical presence

☐

Online notarization

In this space, the Notary Public must provide his/her notarial number and the date the appointment expires.

**Note:** A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.





## STEP 8: AGREEMENT AND SIGNATURE (REQUIRED)

By signing this TIAA Brokerage SIMPLE IRA Application ("Application"), I certify as follows:

I am opening a brokerage account ("Account") with TIAA Brokerage. TIAA Brokerage is a division of TIAA-CREF Individual & Institutional Services, LLC ("Services LLC"). Brokerage accounts and related brokerage services are provided by TIAA Brokerage as a registered broker/dealer. I certify that the information I have provided in this Application is true and correct, and that I am of legal age and have the legal capacity to open this Account with TIAA Brokerage.

I understand the eligibility requirement for the type of SIMPLE IRA contributions I make, and I state that I am a participant in my employer's Savings Incentive Match Plan for Employees and do qualify to establish a SIMPLE IRA and make contributions. I also understand it is my responsibility to understand contribution limits for IRAs. Over-contributions may result in IRA penalties. I understand that neither TIAA Brokerage nor Pershing assumes responsibility for any tax consequences relating to such contributions or distributions from this SIMPLE IRA.

If I elect to make a rollover contribution to this account, I hereby certify that I understand the rollover rules and conditions as they pertain to this SIMPLE IRA and I have met the requirements for making a rollover. Due to the important tax consequences of rolling over funds or property, I have been advised to consult with a tax professional. I assume full responsibility for establishing this SIMPLE IRA and for rollover transactions and will not hold the Custodian liable for any adverse consequences that may result. I hereby irrevocably designate the rollover of funds or other property as rollover contributions.

If I am rolling over funds from an employer-sponsored retirement plan, I have reviewed the "Your Money. Your Future. Your Options." document located at [tiaa.org/making-a-change](http://tiaa.org/making-a-change). I have determined that an IRA rollover is the right option for me.

I acknowledge that I shall seek legal and tax advice and have not been provided such advice from the Custodian or from Services LLC. I understand that the Account includes a sweep option feature which automatically transfers uninvested cash balances in the Account at the end of each Business Day to the bank sweep deposit option (a "Sweep Option" and, together, the "Sweep Program") and facilitates the transfer of uninvested cash balances to the Account to cover purchases of securities and other debits in the Account. I direct Services LLC to use the default Sweep Option provided within this Account Application. A prospectus or similar disclosure document for the Sweep Option is available for the Account by calling **800-842-2252**. I agree to review this disclosure document prior to opening the Account. TIAA Brokerage may change the terms and conditions of the Sweep Program and the Sweep Options available for the Account, in its sole discretion. I understand that TIAA Brokerage will provide me with written notice in advance of adding, changing or deleting Sweep Options for the Account or making other changes to the Sweep Program to the extent required by applicable law.

I acknowledge that: (1) I have been furnished with a copy of the TIAA Brokerage Customer Account Agreement ("Agreement"), the SIMPLE IRA Disclosure Statement, the Pershing Custodial Agreement, and the Electronic Delivery Terms and Conditions, and I have read, understood, and agree to be bound by the terms and conditions as they are currently in effect and as they may be amended, from time to time; and (2) **THIS APPLICATION IS GOVERNED BY A PREDISPUTE ARBITRATION CLAUSE, WHICH APPEARS ON PAGES 2 AND 3, PARAGRAPH 13 OF THE AGREEMENT.**

### Substitute W-9 Request for Taxpayer Identification Number and Certification

Under penalties of perjury, I certify that: (1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me); and (2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and (3) I am a U.S. citizen or other U.S. person (as defined in the form W-9 instructions); and (4) the FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Your Signature (Account Owner)

Print Name and Title (if applicable)

Today's Date (mm/dd/yyyy)

 /  / 

**PLEASE REMEMBER TO DOUBLE CLICK THE OTHER DOCUMENT, IRS FORM 5304, PRINT, COMPLETE AND SEND WITH THIS APPLICATION.**

*Investment products are provided by TIAA Brokerage, a division of TIAA-CREF Individual & Institutional Services, LLC. Member FINRA and SIPC. Securities are not FDIC insured and are not a deposit or other obligation of or guaranteed by any bank or TIAA. Securities are subject to investment risk, including possible loss of the principal amount invested.*

*Brokerage accounts are carried by Pershing LLC, a subsidiary of The Bank of New York Corporation, Inc. Member FINRA, NYSE, SIPC.*





## TIAA Brokerage Simple IRA Account Application

### OPTIONS TO RETURN COMPLETED FORM(S)

Please return **all** numbered pages, including any pages you didn't need to complete.

**OPTION 1: Use the TIAA mobile app to quickly upload your completed document(s).** It's as simple as taking a picture.

Haven't downloaded the TIAA mobile app? Get it today in the **App Store** or **Google Play**.

Scan the **QR Code** to upload your documents.

**OR**

Tap the **Profile** icon in the lower-right corner of your screen, then tap **Upload files** and follow the step-by-step instructions.



**OPTION 2: Use your personal computer to quickly upload your completed document(s).**

Go to **tiaa.org/upload**, select **Upload files**, and follow the step-by-step instructions.

**OPTION 3: If you prefer to fax or mail your completed documents, use the information provided below.**

**FAX:**

**800-914-8922** (within U.S.)

**704-595-5795** (outside U.S.)

**STANDARD MAIL:**

TIAA

P.O. Box 1280

Charlotte, NC 28201-1280

**OVERNIGHT DELIVERY:**

TIAA

8500 Andrew Carnegie Blvd.

Charlotte, NC 28262



# Savings Incentive Match Plan for Employees of Small Employers (SIMPLE)—Not for Use With a Designated Financial Institution

**Do not file**  
with the Internal  
Revenue Service

\_\_\_\_\_ establishes the following SIMPLE

Name of Employer \_\_\_\_\_

IRA plan under section 408(p) of the Internal Revenue Code and pursuant to the instructions contained in this form.

## Article I—Employee Eligibility Requirements *(complete applicable box(es) and blanks—see instructions)*

- 1 General Eligibility Requirements.** The Employer agrees to permit salary reduction contributions to be made in each calendar year to the SIMPLE IRA established by each employee who meets the following requirements (select either 1a or 1b):
  - a** ☐ **Full Eligibility.** All employees are eligible.
  - b** ☐ **Limited Eligibility.** Eligibility is limited to employees who are described in both (i) and (ii) below:
    - (i) Current compensation.** Employees who are reasonably expected to receive at least \$ \_\_\_\_\_ in compensation (not to exceed \$5,000) for the calendar year.
    - (ii) Prior compensation.** Employees who have received at least \$ \_\_\_\_\_ in compensation (not to exceed \$5,000) during any \_\_\_\_\_ calendar year(s) (insert 0, 1, or 2) preceding the calendar year.
- 2 Excludable Employees.**

☐ The Employer elects to exclude employees covered under a collective bargaining agreement for which retirement benefits were the subject of good faith bargaining. **Note:** *This box is deemed checked if the Employer maintains a qualified plan covering only such employees.*

## Article II—Salary Reduction Agreements *(complete the box and blank, if applicable—see instructions)*

- 1 Salary Reduction Election.** An eligible employee may make an election to have his or her compensation for each pay period reduced. The total amount of the reduction in the employee's compensation for a calendar year cannot exceed the applicable amount for that year.
- 2 Timing of Salary Reduction Elections**
  - a** For a calendar year, an eligible employee may make or modify a salary reduction election during the 60-day period immediately preceding January 1 of that year. However, for the year in which the employee becomes eligible to make salary reduction contributions, the period during which the employee may make or modify the election is a 60-day period that includes either the date the employee becomes eligible or the day before.
  - b** In addition to the election periods in 2a, eligible employees may make salary reduction elections or modify prior elections \_\_\_\_\_, \_\_\_\_\_. If the Employer chooses this option, insert a period or periods (for example, semi-annually, quarterly, monthly, or daily) that will apply uniformly to all eligible employees.
  - c** No salary reduction election may apply to compensation that an employee received, or had a right to immediately receive, before execution of the salary reduction election.
  - d** An employee may terminate a salary reduction election at any time during the calendar year. ☐ If this box is checked, an employee who terminates a salary reduction election not in accordance with 2b may not resume salary reduction contributions during the calendar year.

## Article III—Contributions *(complete the blank, if applicable—see instructions)*

- 1 Salary Reduction Contributions.** The amount by which the employee agrees to reduce his or her compensation will be contributed by the Employer to the employee's SIMPLE IRA.
- 2a Matching Contributions**
  - (i)** For each calendar year, the Employer will contribute a matching contribution to each eligible employee's SIMPLE IRA equal to the employee's salary reduction contributions up to a limit of 3% of the employee's compensation for the calendar year.
  - (ii)** The Employer may reduce the 3% limit for the calendar year in (i) only if:
    - (1)** The limit is not reduced below 1%; **(2)** The limit is not reduced for more than 2 calendar years during the 5-year period ending with the calendar year the reduction is effective; and **(3)** Each employee is notified of the reduced limit within a reasonable period of time before the employees' 60-day election period for the calendar year (described in Article II, item 2a).
- b Nonelective Contributions**
  - (i)** For any calendar year, instead of making matching contributions, the Employer may make nonelective contributions equal to 2% of compensation for the calendar year to the SIMPLE IRA of each eligible employee who has at least \$ \_\_\_\_\_, (not more than \$5,000) in compensation for the calendar year. No more than \$250,000\* in compensation can be taken into account in determining the nonelective contribution for each eligible employee.
  - (ii)** For any calendar year, the Employer may make 2% nonelective contributions instead of matching contributions only if:
    - (1)** Each eligible employee is notified that a 2% nonelective contribution will be made instead of a matching contribution; and
    - (2)** This notification is provided within a reasonable period of time before the employees' 60-day election period for the calendar year (described in Article II, item 2a).
- 3 Time and Manner of Contributions**
  - a** The Employer will make the salary reduction contributions (described in 1 above) for each eligible employee to the SIMPLE IRA established at the financial institution selected by that employee no later than 30 days after the end of the month in which the money is withheld from the employee's pay. See instructions.
  - b** The Employer will make the matching or nonelective contributions (described in 2a and 2b above) for each eligible employee to the SIMPLE IRA established at the financial institution selected by that employee no later than the due date for filing the Employer's tax return, including extensions, for the taxable year that includes the last day of the calendar year for which the contributions are made.

\* This is the amount for 2012. For later years, the limit may be increased for cost-of-living adjustments. The IRS announces the increase, if any, in a news release, in the Internal Revenue Bulletin, and on the IRS's internet website at [IRS.gov](http://IRS.gov).



**Article IV—Other Requirements and Provisions**

- 1 Contributions in General.** The Employer will make no contributions to the SIMPLE IRAs other than salary reduction contributions (described in Article III, item 1) and matching or nonelective contributions (described in Article III, items 2a and 2b).
- 2 Vesting Requirements.** All contributions made under this SIMPLE IRA plan are fully vested and nonforfeitable.
- 3 No Withdrawal Restrictions.** The Employer may not require the employee to retain any portion of the contributions in his or her SIMPLE IRA or otherwise impose any withdrawal restrictions.
- 4 Selection of IRA Trustee.** The Employer must permit each eligible employee to select the financial institution that will serve as the trustee, custodian, or issuer of the SIMPLE IRA to which the Employer will make all contributions on behalf of that employee.
- 5 Amendments To This SIMPLE IRA Plan.** This SIMPLE IRA plan may not be amended except to modify the entries inserted in the blanks or boxes provided in Articles I, II, III, VI, and VII.
- 6 Effects Of Withdrawals and Rollovers**
  - a** An amount withdrawn from the SIMPLE IRA is generally includible in gross income. However, a SIMPLE IRA balance may be rolled over or transferred on a tax-free basis to another IRA designed solely to hold funds under a SIMPLE IRA plan. In addition, an individual may roll over or transfer his or her SIMPLE IRA balance to any IRA or eligible retirement plan after a 2-year period has expired since the individual first participated in any SIMPLE IRA plan of the Employer. Any rollover or transfer must comply with the requirements under section 408.
  - b** If an individual withdraws an amount from a SIMPLE IRA during the 2-year period beginning when the individual first participated in any SIMPLE IRA plan of the Employer and the amount is subject to the additional tax on early distributions under section 72(t), this additional tax is increased from 10% to 25%.

**Article V—Definitions**

- 1 Compensation**
  - a General Definition of Compensation.** Compensation means the sum of the wages, tips, and other compensation from the Employer subject to federal income tax withholding (as described in section 6051(a)(3)), the amounts paid for domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, and the employee's salary reduction contributions made under this plan, and, if applicable, elective deferrals under a section 401(k) plan, a SARSEP, or a section 403(b) annuity contract and compensation deferred under a section 457 plan required to be reported by the Employer on Form W-2 (as described in section 6051(a)(8)).
  - b Compensation for Self-Employed Individuals.** For self-employed individuals, compensation means the net earnings from self-employment determined under section 1402(a), without regard to section 1402(c)(6), prior to subtracting any contributions made pursuant to this plan on behalf of the individual.
- 2 Employee.** Employee means a common-law employee of the Employer. The term employee also includes a self-employed individual and a leased employee described in section 414(n) but does not include a nonresident alien who received no earned income from the Employer that constitutes income from sources within the United States.
- 3 Eligible Employee.** An eligible employee means an employee who satisfies the conditions in Article I, item 1 and is not excluded under Article I, item 2.
- 4 SIMPLE IRA.** A SIMPLE IRA is an individual retirement account described in section 408(a), or an individual retirement annuity described in section 408(b), to which the only contributions that can be made are contributions under a SIMPLE IRA plan and rollovers or transfers from another SIMPLE IRA.

**Article VI—Procedures for Withdrawals** *(The Employer will provide each employee with the procedures for withdrawals of contributions received by the financial institution selected by that employee, and that financial institution's name and address (by attaching that information or inserting it in the space below) unless: (1) that financial institution's procedures are unavailable, or (2) that financial institution provides the procedures directly to the employee. See **Employee Notification** in the instructions.)*

**Article VII—Effective Date**

This SIMPLE IRA plan is effective \_\_\_\_\_. See instructions.

\* \* \* \* \*

Name of Employer \_\_\_\_\_

By: \_\_\_\_\_ Signature

\_\_\_\_\_ Date

Address of Employer \_\_\_\_\_

\_\_\_\_\_ Name and title

**Model Notification to Eligible Employees****I. Opportunity to Participate in the SIMPLE IRA Plan**

You are eligible to make salary reduction contributions to the \_\_\_\_\_ SIMPLE IRA plan. This notice and the attached summary description provide you with information that you should consider before you decide whether to start, continue, or change your salary reduction agreement.

**II. Employer Contribution Election**

For the \_\_\_\_\_ calendar year, the Employer elects to contribute to your SIMPLE IRA (*employer must select either (1), (2), or (3)*):

- ☐ **(1)** A matching contribution equal to your salary reduction contributions up to a limit of 3% of your compensation for the year;
- ☐ **(2)** A matching contribution equal to your salary reduction contributions up to a limit of \_\_\_\_\_ % (*employer must insert a number from 1 to 3 and is subject to certain restrictions*) of your compensation for the year; or
- ☐ **(3)** A nonelective contribution equal to 2% of your compensation for the year (limited to compensation of \$250,000\*) if you are an employee who makes at least \$ \_\_\_\_\_ (*employer must insert an amount that is \$5,000 or less*) in compensation for the year.

**III. Administrative Procedures**

To start or change your salary reduction contributions, you must complete the salary reduction agreement and return it to \_\_\_\_\_ (employer should designate a place or individual by \_\_\_\_\_ (*employer should insert a date that is not less than 60 days after notice is given*)).

**IV. Employee Selection of Financial Institution**

You must select the financial institution that will serve as the trustee, custodian, or issuer of your SIMPLE IRA and notify your Employer of your selection.

**Model Salary Reduction Agreement****I. Salary Reduction Election**

Subject to the requirements of the SIMPLE IRA plan of \_\_\_\_\_ (*name of employer*) I authorize \_\_\_\_\_ % or \$ \_\_\_\_\_ (which equals \_\_\_\_\_ % of my current rate of pay) to be withheld from my pay for each pay period and contributed to my SIMPLE IRA as a salary reduction contribution.

**II. Maximum Salary Reduction**

I understand that the total amount of my salary reduction contributions in any calendar year cannot exceed the applicable amount for that year. See instructions.

**III. Date Salary Reduction Begins**

I understand that my salary reduction contributions will start as soon as permitted under the SIMPLE IRA plan and as soon as administratively feasible or, if later, \_\_\_\_\_. (*Fill in the date you want the salary reduction contributions to begin. The date must be after you sign this agreement.*)

**IV. Employee Selection of Financial Institution**

I select the following financial institution to serve as the trustee, custodian, or issuer of my SIMPLE IRA.

\_\_\_\_\_  
Name of financial institution

\_\_\_\_\_  
Address of financial institution

\_\_\_\_\_  
SIMPLE IRA account name and number

I understand that I must establish a SIMPLE IRA to receive any contributions made on my behalf under this SIMPLE IRA plan. If the information regarding my SIMPLE IRA is incomplete when I first submit my salary reduction agreement, I realize that it must be completed by the date contributions must be made under the SIMPLE IRA plan. If I fail to update my agreement to provide this information by that date, I understand that my Employer may select a financial institution for my SIMPLE IRA.

**V. Duration of Election**

This salary reduction agreement replaces any earlier agreement and will remain in effect as long as I remain an eligible employee under the SIMPLE IRA plan or until I provide my Employer with a request to end my salary reduction contributions or provide a new salary reduction agreement as permitted under this SIMPLE IRA plan.

Signature of employee \_\_\_\_\_ Date \_\_\_\_\_

\* This is the amount for 2012. For later years, the limit may be increased for cost-of-living adjustments. The IRS announces the increase, if any, in a news release, in the Internal Revenue Bulletin, and on the IRS website at **IRS.gov**.

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

### Purpose of Form

Form 5304-SIMPLE is a model Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) plan document that an employer may use to establish a SIMPLE IRA plan described in section 408(p), under which each eligible employee is permitted to select the financial institution for his or her SIMPLE IRA.

These instructions are designed to assist in the establishment and administration of the SIMPLE IRA plan. They are not intended to supersede any provision in the SIMPLE IRA plan.

Do not file Form 5304-SIMPLE with the IRS. Instead, keep it with your records.

For more information, see Pub. 560, Retirement Plans for Small Business (SEP, SIMPLE, and Qualified Plans), and Pub. 590, Individual Retirement Arrangements (IRAs).

**Note.** If you used the March 2002, August 2005, or September 2008 version of Form 5304-SIMPLE to establish a model Savings Incentive Match Plan, you are not required to use this version of the form.

### Which Employers May Establish and Maintain a SIMPLE IRA Plan?

To establish and maintain a SIMPLE IRA plan, you must meet both of the following requirements:

1. Last calendar year, you had no more than 100 employees (including self-employed individuals) who earned \$5,000 or more in compensation from you during the year. If you have a SIMPLE IRA plan but later exceed this 100-employee limit, you will be treated as meeting the limit for the 2 years following the calendar year in which you last satisfied the limit.

2. You do not maintain during any part of the calendar year another qualified plan with respect to which contributions are made, or benefits are accrued, for service in the calendar year. For this purpose, a qualified plan (defined in section 219(g)(5)) includes a qualified pension plan, a profit-sharing plan, a stock bonus plan, a qualified annuity plan, a tax-sheltered annuity plan, and a simplified employee pension (SEP) plan. A qualified plan that only covers employees covered under a collective bargaining agreement for which retirement benefits were the subject of good faith bargaining is disregarded if these employees are excluded from

participating in the SIMPLE IRA plan. If the failure to continue to satisfy the 100-employee limit or the one-plan rule described in 1 and 2 above is due to an acquisition or similar transaction involving your business, special rules apply. Consult your tax advisor to find out if you can still maintain the plan after the transaction.

Certain related employers (trades or businesses under common control) must be treated as a single employer for purposes of the SIMPLE IRA requirements. These are: (1) a controlled group of corporations under section 414(b); (2) a partnership or sole proprietorship under common control under section 414(c); or (3) an affiliated service group under section 414(m). In addition, if you have leased employees required to be treated as your own employees under the rules of section 414(n), then you must count all such leased employees for the requirements listed above.

### What Is a SIMPLE IRA Plan?

A SIMPLE IRA plan is a written arrangement that provides you and your employees with an easy way to make contributions to provide retirement income for your employees. Under a SIMPLE IRA plan, employees may choose whether to make salary reduction contributions to the SIMPLE IRA plan rather than receiving these amounts as part of their regular compensation. In addition, you will contribute matching or nonelective contributions on behalf of eligible employees (see *Employee Eligibility Requirements* below and *Contributions* later). All contributions under this plan will be deposited into a SIMPLE individual retirement account or annuity established for each eligible employee with the financial institution selected by him or her.

### When To Use Form 5304-SIMPLE

A SIMPLE IRA plan may be established by using this Model Form or any other document that satisfies the statutory requirements.

Do not use Form 5304-SIMPLE if:

1. You want to require that all SIMPLE IRA plan contributions initially go to a financial institution designated by you. That is, you do not want to permit each of your eligible employees to choose a financial institution that will initially receive contributions. Instead, use Form 5305-SIMPLE, Savings Incentive Match Plan for Employees of Small Employers (SIMPLE)—for Use With a Designated Financial Institution;

2. You want employees who are nonresident aliens receiving no earned income from you that is income from sources within the United States to be eligible under this plan; or

3. You want to establish a SIMPLE 401(k) plan.

### Completing Form 5304-SIMPLE

Pages 1 and 2 of Form 5304-SIMPLE contain the operative provisions of your SIMPLE IRA plan. This SIMPLE IRA plan is considered adopted when you have completed all applicable boxes and blanks and it has been executed by you.

The SIMPLE IRA plan is a legal document with important tax consequences for you and your employees. You may want to consult with your attorney or tax advisor before adopting this plan.

### Employee Eligibility Requirements (Article I)

Each year for which this SIMPLE IRA plan is effective, you must permit salary reduction contributions to be made by all of your employees who are reasonably expected to receive at least \$5,000 in compensation from you during the year, and who received at least \$5,000 in compensation from you in any 2 preceding years. However, you can expand the group of employees who are eligible to participate in the SIMPLE IRA plan by completing the options provided in Article I, items 1a and 1b. To choose full eligibility, check the box in Article I, item 1a. Alternatively, to choose limited eligibility, check the box in Article I, item 1b, and then insert "\$5,000" or a lower compensation amount (including zero) and "2" or a lower number of years of service in the blanks in (i) and (ii) of Article I, item 1b.

In addition, you can exclude from participation those employees covered under a collective bargaining agreement for which retirement benefits were the subject of good faith bargaining. You may do this by checking the box in Article I, item 2. Under certain circumstances, these employees must be excluded. See *Which Employers May Establish and Maintain a SIMPLE IRA Plan?* above.

### Salary Reduction Agreements (Article II)

As indicated in Article II, item 1, a salary reduction agreement permits an eligible employee to make a salary reduction election to have his or her compensation for each pay period reduced by a percentage (expressed as a percentage or dollar amount). The total amount of

the reduction in the employee's compensation cannot exceed the applicable amount for any calendar year. The applicable amount is \$11,500 for 2012. After 2012, the \$11,500 amount may be increased for cost-of-living adjustments. In the case of an eligible employee who is 50 or older by the end of the calendar year, the above limitation is increased by \$2,500 for 2012. After 2012, the \$2,500 amount may be increased for cost-of-living adjustments.

### Timing of Salary Reduction Elections

For any calendar year, an eligible employee may make or modify a salary reduction election during the 60-day period immediately preceding January 1 of that year. However, for the year in which the employee becomes eligible to make salary reduction contributions, the period during which the employee may make or modify the election is a 60-day period that includes either the date the employee becomes eligible or the day before.

You can extend the 60-day election periods to provide additional opportunities for eligible employees to make or modify salary reduction elections using the blank in Article II, item 2b. For example, you can provide that eligible employees may make new salary reduction elections or modify prior elections for any calendar quarter during the 30 days before that quarter.

You may use the *Model Salary Reduction Agreement* on page 3 to enable eligible employees to make or modify salary reduction elections.

Employees must be permitted to terminate their salary reduction elections at any time. They may resume salary reduction contributions for the year if permitted under Article II, item 2b. However, by checking the box in Article II, item 2d, you may prohibit an employee who terminates a salary reduction election outside the normal election cycle from resuming salary reduction contributions during the remainder of the calendar year.

### Contributions (Article III)

Only contributions described below may be made to this SIMPLE IRA plan. No additional contributions may be made.

#### Salary Reduction Contributions

As indicated in Article III, item 1, salary reduction contributions consist of the amount by which the employee agrees to reduce his or her compensation. You must contribute the salary reduction contributions to the financial institution selected by each eligible employee.

### Matching Contributions

In general, you must contribute a matching contribution to each eligible employee's SIMPLE IRA equal to the employee's salary reduction contributions. This matching contribution cannot exceed 3% of the employee's compensation. See *Definition of Compensation*, below.

You may reduce this 3% limit to a lower percentage, but not lower than 1%. You cannot lower the 3% limit for more than 2 calendar years out of the 5-year period ending with the calendar year the reduction is effective.

**Note.** If any year in the 5-year period described above is a year before you first established any SIMPLE IRA plan, you will be treated as making a 3% matching contribution for that year for purposes of determining when you may reduce the employer matching contribution.

To elect this option, you must notify the employees of the reduced limit within a reasonable period of time before the applicable 60-day election periods for the year. See *Timing of Salary Reduction Elections* above.

### Nonelective Contributions

Instead of making a matching contribution, you may, for any year, make a nonelective contribution equal to 2% of compensation for each eligible employee who has at least \$5,000 in compensation for the year. Nonelective contributions may not be based on more than \$250,000\* of compensation.

To elect to make nonelective contributions, you must notify employees within a reasonable period of time before the applicable 60-day election periods for such year. See *Timing of Salary Reduction Elections* above.

**Note.** Insert "\$5,000" in Article III, item 2b(i) to impose the \$5,000 compensation requirement. You may expand the group of employees who are eligible for nonelective contributions by inserting a compensation amount lower than \$5,000.

### Effective Date (Article VII)

Insert in Article VII the date you want the provisions of the SIMPLE IRA plan to become effective. You must insert January 1 of the applicable year unless this is the first year for which you are adopting any SIMPLE IRA plan. If this is the first year for which you are adopting a SIMPLE IRA plan, you may insert any date between January 1 and October 1, inclusive of the applicable year.

## Additional Information

### Timing of Salary Reduction Contributions

The employer must make the salary reduction contributions to the financial institution selected by each eligible employee for his or her SIMPLE IRA no later than the 30th day of the month following the month in which the amounts would otherwise have been payable to the employee in cash.

The Department of Labor has indicated that most SIMPLE IRA plans are also subject to Title I of the Employee Retirement Income Security Act of 1974 (ERISA). Under Department of Labor regulations at 29 CFR 2510.3-102, salary reduction contributions must be made to each participant's SIMPLE IRA as of the earliest date on which those contributions can reasonably be segregated from the employer's general assets, but in no event later than the 30-day deadline described previously.

### Definition of Compensation

"Compensation" means the amount described in section 6051(a)(3) (wages, tips, and other compensation from the employer subject to federal income tax withholding under section 3401(a)), and amounts paid for domestic service in a private home, local college club, or local chapter of a college fraternity or sorority. Usually, this is the amount shown in box 1 of Form W-2, Wage and Tax Statement. For further information, see Pub. 15, (Circular E), Employer's Tax Guide. Compensation also includes the salary reduction contributions made under this plan, and, if applicable, compensation deferred under a section 457 plan. In determining an employee's compensation for prior years, the employee's elective deferrals under a section 401(k) plan, a SARSEP, or a section 403(b) annuity contract are also included in the employee's compensation.

For self-employed individuals, compensation means the net earnings from self-employment determined under section 1402(a), without regard to section 1402(c)(6), prior to subtracting any contributions made pursuant to this SIMPLE IRA plan on behalf of the individual.

### Employee Notification

You must notify each eligible employee prior to the employee's 60-day election period described above that he or she can make or change salary reduction elections and select the financial institution that will serve as the trustee, custodian, or

\*This is the amount for 2012. For later years, the limit may be increased for cost-of-living adjustments. The IRS announces the increase, if any, in a news release, in the Internal Revenue Bulletin, and on the IRS's website at [IRS.gov](http://IRS.gov).

issuer of the employee's SIMPLE IRA. In this notification, you must indicate whether you will provide:

1. A matching contribution equal to your employees' salary reduction contributions up to a limit of 3% of their compensation;
2. A matching contribution equal to your employees' salary reduction contributions subject to a percentage limit that is between 1 and 3% of their compensation; or
3. A nonelective contribution equal to 2% of your employees' compensation.

You can use the *Model Notification to Eligible Employees* earlier to satisfy these employee notification requirements for this SIMPLE IRA plan. A *Summary Description* must also be provided to eligible employees at this time. This summary description requirement may be satisfied by providing a completed copy of pages 1 and 2 of Form 5304-SIMPLE (including the information described in *Article VI—Procedures for Withdrawals*).

If you fail to provide the employee notification (including the summary description) described above, you will be liable for a penalty of \$50 per day until the notification is provided. If you can show that the failure was due to reasonable cause, the penalty will not be imposed.

If the financial institution's name, address, or withdrawal procedures are not available at the time the employee must be given the summary description, you must provide the summary description without this information. In that case, you will have reasonable cause for not including this information in the summary description, but only if you ensure that it is provided to the employee as soon as administratively feasible.

## Reporting Requirements

You are not required to file any annual information returns for your SIMPLE IRA plan, such as Form 5500, Annual Return/Report of Employee Benefit Plan, or Form 5500-EZ, Annual Return of One-Participant (Owners and Their Spouses) Retirement Plan. However, you must report to the IRS which eligible employees are active participants in the SIMPLE IRA plan and the amount of your employees' salary reduction contributions to the SIMPLE IRA plan on Form W-2. These contributions are subject to social security, Medicare, railroad retirement, and federal unemployment tax.

## Deducting Contributions

Contributions to this SIMPLE IRA plan are deductible in your tax year containing the end of the calendar year for which the contributions are made.

Contributions will be treated as made for a particular tax year if they are made for that year and are made by the due date (including extensions) of your income tax return for that year.

## Summary Description

Each year the SIMPLE IRA plan is in effect, the financial institution for the SIMPLE IRA of each eligible employee must provide the employer the information described in section 408(l)(2)(B). This requirement may be satisfied by providing the employer a current copy of Form 5304-SIMPLE (including instructions) together with the financial institution's procedures for withdrawals from SIMPLE IRAs established at that financial institution, including the financial institution's name and address. The summary description must be received by the employer in sufficient time to comply with the *Employee Notification* requirements earlier.

There is a penalty of \$50 per day imposed on the financial institution for each failure to provide the summary description described above. However, if the failure was due to reasonable cause, the penalty will not be imposed.

**Paperwork Reduction Act Notice.** You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is:

**Recordkeeping** . . . . 3 hr., 38 min.  
**Learning about the law or the form** . . . . 2 hr., 26 min.  
**Preparing the form** . . . . 47 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send this form to this address. Instead, keep it with your records.



# SIMPLE IRA Custodial Account Agreement

Form 5305-SA (Revised April 2017) under section 408(p) of the Internal Revenue Code ("Code")

The Participant named above is establishing a savings incentive match plan for employees of small employers individual retirement account (SIMPLE IRA) under sections 408(a) and 408(p) to provide for his or her retirement and for the support of his or her beneficiaries after death.

Pershing LLC, the Custodian, has given the Participant the disclosure statement required by Regulations section 1.408-6.

The Participant and the Custodian make the following Agreement:

## Article I

The Custodian will accept cash contributions made on behalf of the Participant by the Participant's employer under the terms of a SIMPLE IRA plan described in section 408(p). In addition, the Custodian will accept transfers or rollovers from other SIMPLE IRAs of the Participant and, after the 2-year period of participation defined in section 72(t)(6), transfers or rollovers from any eligible retirement plan (as defined in section 402(c)(8)(B)) other than a Roth IRA or a designated Roth account. No other contributions will be accepted by the Custodian.

## Article II

The Participant's interest in the balance in the Custodial Account is nonforfeitable.

## Article III

1. No part of the Custodial Account funds may be invested in life insurance contracts, nor may the assets of the Custodial Account be commingled with other property except in a common trust fund or common investment fund (within the meaning of section 408(a)(5)).

2. No part of the Custodial Account funds may be invested in collectibles (within the meaning of section 408(m)) except as otherwise permitted by section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins; coins issued under the laws of any state; and certain bullion.

## Article IV

1. Notwithstanding any provision of this Agreement to the contrary, the distribution of the Participant's interest in the Custodial Account shall be made in accordance with the following requirements and shall otherwise comply with section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference.

2. The Participant's entire interest in the Custodial Account must be, or begin to be, distributed no later than the Participant's required beginning date, April 1 following the calendar year in which the Participant reaches the age of 70½. By that date, the Participant may elect, in a manner acceptable to the Custodian, to have the balance in the Custodial Account distributed in:

- a. A single sum or
- b. Payments over a period not longer than the life of the Participant or the joint lives of the Participant and his or her designated Beneficiary

3. If the Participant dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:

- a. If the Participant dies on or after the required beginning date, and:
  - (i) the designated Beneficiary is the Participant's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year

until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph (a)(iii) below, over such period.

(ii) the designated Beneficiary is not the Participant's surviving spouse, the remaining interest will be distributed over the Beneficiary's remaining life expectancy as determined in the year following the death of the Participant and reduced by 1 for each subsequent year, or over the period in paragraph (a)(iii) below if longer.

(iii) there is no designated Beneficiary, the remaining interest will be distributed over the remaining life expectancy of the Participant as determined in the year of the Participant's death and reduced by 1 for each subsequent year.

b. If the Participant dies before the required beginning date, the remaining interest will be distributed in accordance with paragraph (i) below or, if elected or there is no designated Beneficiary, in accordance with paragraph (ii) below:

(i) The remaining interest will be distributed in accordance with paragraphs (a)(i) and (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), starting by the end of the calendar year following the year of the Participant's death. If, however, the designated Beneficiary is the Participant's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Participant would have reached age 70½. But, in such case, if the Participant's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with paragraph (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), over such spouse's designated Beneficiary's life expectancy, or in accordance with paragraph (ii) below if there is no such designated Beneficiary.

(ii) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Participant's death.

4. If the Participant dies before his or her entire interest has been distributed and if the designated Beneficiary is not the Participant's surviving spouse, no additional contributions may be accepted in the Account.

5. The minimum amount that must be distributed each year, beginning with the year containing the Participant's required beginning date, is known as the "required minimum distribution" and is determined as follows:

- a. The required minimum distribution under paragraph 2(b) for any year, beginning with the year the Participant reaches age 70½, is the Participant's account value at the close of business on December 31 of the preceding year divided by the distribution period in the Uniform Lifetime table in

Regulations section 1.401(a) (9)-9. However, if the Participant's designated Beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the Participant's account value at the close of business on December 31 of the preceding year divided by the number in the Joint and Last Survivor table in Regulations section 1.401(a)(9)-9. The required minimum distribution for a year under this paragraph (a) is determined using the Participant's (or, if applicable, the Participant's and spouse's) attained age (or ages) in the year.

b. The required minimum distribution under paragraphs 3(a) and 3(b)(i) for a year, beginning with the year following the year of the Participant's death (or the year the Participant would have reached age 70½, if applicable under paragraph 3(b)(i)) is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9 of the individual specified in such paragraphs 3(a) and 3(b)(i)).

c. The required minimum distribution for the year the Participant reaches age 70½ can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.

6. The owner of two or more IRAs (other than Roth IRAs) may satisfy the minimum distribution requirements described above by taking from one IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408(a)(6).

## Article V

1. The Participant agrees to provide the trustee with all information necessary to prepare any reports required by sections 408(i) and 408(l)(2) and Regulations sections 1.408-5 and 1.408-6.

2. The Custodian agrees to submit to the Internal Revenue Service (IRS) and Participant the reports prescribed by the IRS.

3. The Custodian also agrees to provide the Participant's employer the summary description described in section 408(l)(2) unless this SIMPLE IRA is a transfer SIMPLE IRA.

## Article VI

Notwithstanding any other articles, which may be added or incorporated, the provisions of Articles I through III and this sentence will be controlling. Any additional articles inconsistent with sections 408(a) and 408(p) and the related regulations will be invalid.

## Article VII

This Agreement will be amended as necessary to comply with the provisions of the Code and the related regulations. Other amendments may be made with the consent of the persons whose signatures appear on the Application.

## Article VIII

### 1. Definitions

a. "Account", "Custodial Account," or "Plan" shall mean the SIMPLE individual retirement custodial account (SIMPLE IRA) established hereunder for the benefit of the Participant and/or his or her Beneficiary or Beneficiaries.

b. "Account Application," "Application," or "Adoption Agreement" shall mean the application by which this Account is established by the Agreement between the Participant and the Custodian. The statements contained

therein shall be incorporated into this Agreement.

c. "Agreement" shall mean this SIMPLE Individual Retirement Custodial Agreement and Disclosure Statement, including the information and provisions set forth in any Application that goes with this Agreement, as may be amended from time to time. This Agreement, including the Application and the designation of Beneficiary filed with the Custodian, may be proved either by an original copy or a reproduced copy thereof, including, without limitation, a copy reproduced by photocopying, facsimile transmission, electronic imaging, or other means of electronic transmission.

d. "Beneficiary" shall mean the person, persons, entity, or entities (for instance, a trust), designated from time to time by a Participant to receive benefit by reason of the death of the Participant, or the person or persons described in Article VIII, section 4b, of the Agreement who would otherwise be entitled to receive such benefit.

e. "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

f. "Custodian" must be a bank or savings and loan association, as defined in section 408(n), or any person who has the approval of the IRS to act as custodian. For purposes of this Custodial Account Agreement, the Custodian is Pershing LLC, or BNY N.A., or such other entity identified in the Custodial Account Application or its successor who is qualified to serve as custodian.

g. "Participant" shall mean person who establishes the Custodial Account.

h. "Financial Institution" shall mean the financial organization, introducing broker-dealer, or Registered Investment Advisor who introduced this Custodial Account to the Participant.

i. "Mutual Fund Only IRA" shall mean an Account, established hereunder for the benefit of the Participant and/or his or her Beneficiary or Beneficiaries, in which the Participant shall limit the investments in his or her Account to shares issued by a domestic Regulated Investment Company.

j. "Transfer SIMPLE IRA" shall mean a SIMPLE IRA if it is not the original recipient of contributions under any SIMPLE plan. The summary description requirements of section 408(l)(2) do not apply to Transfer SIMPLE IRAs.

### 2. Notices and Changes of Address

Any required notice regarding this Account will be considered effective when mailed or electronically communicated by the Custodian to the recipient that is on the records of the Custodian. Any notice to be given to the Custodian will be effective when actually received by the Custodian. The last address of the Participant on the records of the Custodian will be the address used for any tax withholding, disbursement, and reporting required by taxing authorities. The Participant will notify the Custodian of any change of address.

### 3. Representations and Responsibilities

The Participant represents and warrants to the Custodian that any information the Participant has given or will give to the Custodian with respect to this Agreement is complete and accurate. Further, the Participant promises that any direction given by the Participant to the Custodian, or any action taken by the Participant will be proper under this Agreement. The Custodian will not be responsible for the Participant's actions or failures to act. Likewise, the Participant shall not be responsible for the Custodian's actions or failures to act; provided however, that the Custodian's duties and responsibilities under this Agreement are limited to those specifically stated in the Agreement, and no other or further duties or responsibilities shall be implied.



#### 4. Investment of Contributions

a. **Direction by Participant.** All investment instructions of the Participant shall be accepted by the Custodian subject to and in accordance with the Custodian's established customs and procedures. Each Participant shall direct the Custodian with respect to the investment of all contributions to his or her Account and the earnings thereon. Such direction shall be limited to investments, to the extent that they are obtainable through and subject to the custody of the Custodian in the Custodian's regular course of business, and subject to such other limitations as may be agreed to by the Participant and Financial Institution. In the absence of such directions, the Custodian shall have no investment responsibility. If a Participant selects a Mutual Fund Only IRA, the Participant shall limit investments in the Account to shares issued by a domestic Regulated Investment Company. However, funds in a Mutual Fund Only IRA can be held in a cash or money market account while awaiting investment. In the event the Participant elects a Mutual Fund Only IRA and does not limit investments to mutual funds only, the Custodian in the Custodian's sole discretion and without prior consent of the Participant may convert the Account from a Mutual Fund Only IRA to the appropriate Account type. All transactions directed by the Participant shall be subject to the rules, regulations, customs, and usages of the exchange, market, or clearing house where executed, and to all applicable federal and state laws and regulations, and to internal policies of the Custodian. The Custodian reserves the right not to accept assets intended for deposit to the Account and may at any time require liquidation or transfer of any asset held in the Account if the Custodian determines that maintaining custody of any such asset is not in accordance with the Custodian's administrative or operational requirements and regular business practices. The Participant understands that the Custodian shall attribute earnings only to assets held in the Account while in the custody of the Custodian. The Participant understands that the income from, and gain or loss on, each investment the Participant selects for the Account will affect the value of the Account, and that the growth in value of the Account cannot be guaranteed or projected.

(i) If the Participant directs the Account to acquire an alternative investment, private investment or any other such investment that requires special handling by the Custodian, the Participant agrees that such investments are subject to the Custodian's administrative and operational requirements, including but not by way of limitation, valuation or reconciliation requirements. If the issuer or sponsor of such investment fails to comply with the Custodian's requirements, the Custodian may, in its sole discretion, distribute the investment from the Account. The Participant agrees that a distribution of the investment is a distribution from the Account, reportable on an IRS Form 1099-R. The Participant agrees that Custodian may use the last known price for reporting purposes, and if no pricing information is available, the Custodian is authorized to determine the fair market value in its sole discretion or to value the investment at the original purchase price for reporting purposes.

b. **Direction by Beneficiary.** Upon notification of death of the Participant, the Account may be divided into separate shares for each Beneficiary who is entitled to receive a share of the Participant's Account, and each Beneficiary's share will be transferred into a separate Account. This permits each Beneficiary to provide investment and distribution directions

as to his or her share of the Account. The transfer to separate Account(s) does not create a taxable event for the Beneficiary(ies). In such event, except as otherwise provided in this Agreement or by applicable law or regulations, all rights, duties, obligations and responsibilities of the Participant under the Agreement will extend to the Beneficiary(ies) following the death of the Participant. Likewise, if requested in a form and manner acceptable to the Custodian, a Beneficiary may request a reportable distribution of their share of the Participant's Account if they choose not to transfer into a separate Account.

If a transfer or distribution upon the Participant's death is payable to a Beneficiary known by the Custodian to be a minor or under a legal disability, the Custodian may in its sole discretion take instruction from the parent, guardian, conservator, or other legal representative of such minor or legally disabled person.

c. **No Duty to Review.** The Custodian shall not be under any duty to review or question any direction of the Participant with respect to investments, to review any securities or other property held in trust, or to make suggestions to the Participant with respect to investments. The Custodian will not be liable for any loss that may result by reason of investments made by the Custodian in accordance with the directions of the Participant. Notwithstanding the foregoing, the Custodian may review the investments in a Mutual Fund Only IRA in order to confirm the Participant's compliance with Article VIII, section 4(a), of this Agreement, which limits investments in the Mutual Fund Only IRA to shares issued by a domestic Regulated Investment Company.

d. **Delegation of Investment Responsibility.** Regardless of any other provision of this Agreement to the contrary, the Participant may appoint an investment professional or other person to act as the Participant's representative with authority to direct the Custodian with respect to the investment of assets in the Account. The appointment, however, will be effective only if (1) the Custodian has received an executed copy of an agreement between the Participant and the representative in a form and manner acceptable to the Custodian that specifies the authority of the representative to act on behalf of the Participant, and (2) the Custodian does not object to acting on the direction of that person, which objection the Custodian may assert for any reason at any time. If the Participant appoints a representative, as provided for above, references to the Participant in this section ("Investment of Contributions") of this Agreement and in the "Powers, Duties, and Obligations of Custodian" section (Article VIII, section 7) of this Agreement (insofar as pertinent to securities with respect to which the representative has investment authority) are also to that representative. However, all references in this Agreement to the individual whose Account is involved and to the making of contributions and the receipt of distributions are only to the Participant. The Participant may revoke the authority of any representative at any time by notifying the Custodian in a form and manner acceptable to the Custodian and the Custodian shall not be liable in any way for the transactions initiated prior to its receipt of such notice.

e. **Uninvested Cash.** The Participant or their Financial Institution shall direct the Custodian as to the investment of all cash that is not currently invested in assets described in Article VIII, section 4(a), of the Agreement. The Participant or his or her legal representative shall direct the Custodian with respect to the investment of the cash pending distribution. In the absence of such direction, the Custodian shall have no investment responsibility for such cash and the Custodian



shall not be liable for holding such cash uninvested.

## 5. Withdrawals

- a. **Withdrawal Request.** The Participant may withdraw all or part of his or her Account balance at any time. All requests for withdrawal shall be in a form and manner provided by or acceptable to the Custodian. Any withdrawals shall be subject to all applicable tax and other laws and regulations, including possible early withdrawal penalties and withholding requirements. If payment is made outside of the United States, special federal income tax withholding rules may apply. Withdrawals from the Account may be made in a single sum, periodic payment, or a combination of both. The Participant authorizes the Custodian to retain such sums as the Custodian may deem necessary for payment of all the Financial Institution's or Custodian's fees, compensation, costs, and any expenses, including, but not limited to, annual maintenance fees and account termination fees, or for payment of any other liabilities which might constitute a charge to either the Account, Financial Institution or the Custodian. The balance of any such reserve remaining after the payment of the above items shall be paid or distributed upon satisfaction of any such charge. The Custodian shall have no duty to ascertain whether any payment or distribution as directed by the Participant is proper under the provisions of the Code, this Agreement, or otherwise. The Custodian shall not be responsible for the purpose, sufficiency, or propriety of any distribution. The Custodian is only authorized to make distributions in accordance with instructions of the Participant, or after the Participant's death, of his or her Beneficiary, or as otherwise provided for in this Agreement. Such instructions must be given in a form and manner acceptable to the Custodian. If the Custodian is unable to make a distribution to a Participant, a Beneficiary, or other distributee because the Custodian cannot ascertain such distributee's whereabouts by writing to the last known mailing address shown on the Custodian's records, if any, the Custodian reserves the right to liquidate any investment and hold the proceeds in a noninterest-bearing account until such funds escheat by operation of law. The IRS requires that IRAs paid to a state's unclaimed property fund are subject to the federal income tax withholding rules. The Custodian will report these payments on IRS Form 1099-R. If the Custodian must liquidate assets in the account in order to withhold taxes from the IRA, such assets may be liquidated in the following order (to the extent held in the IRA): (1) any shares of a money market fund or money market-type fund; including foreign currency, (2) mutual funds, starting with largest position, (3) securities, and (4) other assets. The Custodian will not be liable for any losses related to liquidations made in order to comply with the IRS rules. The Beneficiary or Beneficiaries are responsible to ensure that distributions are made in accordance with the provisions of Article IV of the Agreement.
- b. **Required Distributions.** The Custodian may notify the Participant of the need to take required minimum distributions once he or she reaches age 72 or such other age as may be provided under the Code and, if requested by the Participant, will calculate the required minimum distribution amount for the Account. The Participant shall be responsible for causing the required minimum distribution amount to be withdrawn from his or her Account each year. Notwithstanding anything in Article IV to the contrary, the Custodian shall not, without the consent of the Participant, distribute the value of the Account where the Participant fails

to choose any method of distribution by April 1st of the year following the year the Participant reaches age 72, or such other age as may be provided under the Code.

- c. **Beneficiary Distributions.** A Participant may designate a Beneficiary or Beneficiaries of the Account at any time and any such designation may be changed or revoked at any time, by written designation executed by the Participant in a form and manner prescribed by or acceptable to, and filed with, the Custodian. Such designation, change, or revocation shall be effective only upon receipt and acceptance by the Custodian and only if such receipt shall be during the Participant's lifetime. The latest such accepted designation, change, or revocation shall control.

A Beneficiary designation will NOT automatically be revoked or modified due to the Participant's divorce, legal separation, annulment or other dissolution of marriage.

Following the death of the Participant, the balance of the Participant's Account shall be distributed to the Participant's designated Beneficiary or Beneficiaries, if any, in accordance with the provisions of Article IV of the Agreement and in accordance with the Custodian's administrative or operational requirements and regular business practices which may change from time to time. The Participant may request additional information concerning the Beneficiary policies and procedures from the Financial Institution.

If there is no primary Beneficiary living at the time of the Participant's death, the balance of the Participant's Account will be payable to the surviving contingent Beneficiary or Beneficiaries designated by the Participant. If there is no Beneficiary designation on file with the Custodian, or if no primary or contingent Beneficiaries survive the Participant, the Custodian shall distribute the Account in the following order of preference:

- (i) The Participant's surviving spouse, if any
- (ii) The Participant's children, if any, in equal shares
- (iii) The Participant's estate

If the Participant designates more than one primary or contingent Beneficiary but does not specify the percentages to which such Beneficiary or Beneficiaries are entitled, payment will be made to the surviving Beneficiary or Beneficiaries in equal shares.

Unless otherwise designated by the Participant in a form and manner acceptable to the Custodian, if a primary or contingent Beneficiary designated by the Participant predeceases the Participant, the deceased Beneficiary's percentage allocation will be divided among the surviving Beneficiaries in accordance with the ratio of each surviving Beneficiary's percentage allocation relative to the percentage allocation of all other surviving Beneficiaries.

If a Beneficiary does not predecease the Participant but dies before receiving his or her entire interest in the Account, his or her remaining interest in the Account shall be paid to the Beneficiary or Beneficiaries designated by the deceased Beneficiary. If there is no Beneficiary designation of the deceased Beneficiary on file with the Custodian, the Custodian shall distribute the Account to the survivors of the deceased Beneficiary in the following order of preference:

- (i) The deceased Beneficiary's surviving spouse, if any
- (ii) The deceased Beneficiary's children, if any, in equal shares
- (iii) The deceased Beneficiary's estate



In instances of distributions to the Beneficiary's estate, the Custodian shall be permitted to rely on direction from the personal representative of the Beneficiary's estate regarding the appropriate parties to be paid under this designation.

Under no circumstances may a Participant restrict the right of a Beneficiary to name successor Beneficiary(ies) of an inherited Account. Except as otherwise provided in this Agreement or by applicable law or regulations, all rights, duties, obligations and responsibilities of the Participant under the Agreement will extend to spouse and non-spouse Beneficiary(ies) following the death of the Participant.

Custodian reserves the right to take the steps it deems appropriate in validating Beneficiary(ies) after the Participant's death.

- d. **Account Only Source of Benefits.** The only source of benefit for the Participant or Beneficiary(ies) of this SIMPLE IRA shall be the Account.

## 6. Transfer

- a. **Transfer.** The Custodian shall transfer the Account balance in accordance with the Participant's written instructions and in accordance with this Agreement. The Participant authorizes the Custodian to retain such sums as the Custodian may deem necessary for payment of all fees, compensation, costs, and any expenses, including, but not limited to, annual maintenance fees and account termination fees, or for payment of any other liabilities which might constitute a charge to either the Account, Financial Institution or the Custodian. The balance of any such reserve remaining after the payment of the above items shall be transferred upon satisfaction of any such charge. The Custodian shall have no duty to ascertain whether any payment, distribution, or transfer as directed by the Participant is proper under the provisions of the Code, this Agreement, or otherwise.
- b. **Reopening of Account.** In the event a security is not transferred to a new trustee or custodian, residual assets are not automatically moved to a new trustee or custodian, or checks representing a total Account distribution are not cashed, the Custodian reserves the right to reopen the Account.

## 7. Powers, Duties, and Obligations of Custodian

- a. **No Investment Discretion.** The Custodian shall have no discretion to direct any investments of the Account and is merely authorized to acquire and hold the particular contributions and corresponding investments specified by the Participant. The Custodian will not act as investment advisor or counselor to a Participant and will not advise a Participant or offer any opinion or judgment on any matter pertaining to the nature, value, potential value, or suitability of any investment or potential investment by a Participant.
- b. **Administrative Powers.** The Custodian may hold any securities acquired hereunder in the name of the Custodian without qualification or description or in the name of any nominee. Pursuant to the Participant's direction, the Custodian shall have the following powers and authority with respect to the administration of the Account:
- (i) To invest and reinvest the assets of the Account without any duty to diversify and without regard to whether such investment is authorized by the laws of any jurisdiction for fiduciary investments.
- (ii) To exercise or sell options, conversion privileges, or rights to subscribe for additional securities and to make payments therefore.
- (iii) To consent to or participate in dissolutions,

reorganizations, consolidations, mergers, sales, leases, mortgages, transfers, reregistrations of securities, or other changes affecting securities held by the Custodian.

(iv) To make, execute, and deliver as Custodian any and all contracts, waivers, releases, or other instruments in writing necessary or proper for the exercise of any of the foregoing powers.

(v) To grant options to purchase securities held by the Custodian or to repurchase options previously granted with respect to securities held by the Custodian.

- c. **Proxies.** All proxy and solicitation materials, notices of shareholders' meetings, current prospectuses and other annual or regular shareholder reports shall, to the extent furnished to the Custodian by the issuers of the securities in the Account, be sent by the Custodian or the Custodian's delegate to the Participant.
- d. **Records and Reports.** The Custodian shall keep accurate records of all contributions, receipts, investments, distributions, disbursements, and all other transactions of the Account. Within 120 days (or such other deadline imposed by applicable law) after the close of each calendar year (or after a distribution or transfer of a Participant's Account or upon the Custodian's resignation or removal), the Custodian shall file with the Participant a written report (which may consist of copies of the Custodian's regularly issued Account statements) reflecting all transactions affecting the Account for the period in question and including a statement of the assets in the Account and their fair market values. Unless the Participant files a written statement of exceptions or objections to the report with the Custodian within 60 days after mailing of the report, the Participant shall be deemed to have approved such report and the Custodian shall be released from all liability to anyone (including any Participant's spouse or Beneficiary) with respect to all matters set forth in the report. No person, other than the Participant or a Beneficiary may require an accounting.
- e. **Right to Request Judicial Assistance.** The Custodian shall have the right at any time to apply to a court of competent jurisdiction for judicial settlement of the Custodian's accounts or for determination of any questions of construction which may arise or for instructions. The only necessary party defendant to any such action shall be the Participant, but the Custodian may join any other person or persons as a party defendant. The cost, including attorney's fees, of any such proceeding shall be charged as an administrative expense under Article VIII, section 10, of this Agreement.
- f. **Scope of Custodian's Duties.** The Custodian shall only have the duties which are specifically set forth in this Agreement. The Custodian shall have no duty to ascertain whether contributions or distributions comply with the Agreement or the Code. The Custodian shall not make any investments or dispose of any investments held in an Account, except upon the direction of the Participant or in accordance with Article VIII, sections 5(a), 8(c), 10(c) or 11(c), of the Agreement. The Custodian shall not question any such directions of the Participant, review any securities or other property held in the Account, or make suggestions to the Participant with respect to the investment, retention, or disposition of any assets held in the Account. Notwithstanding the foregoing, the Custodian may review the investments in a Mutual Fund Only IRA in order to confirm the Participant's compliance with Article VIII, section 4(a), of this Agreement, which limits investments in the Mutual Fund Only IRA to shares issued by a domestic Regulated Investment Company.



g. **Scope of Custodian's Liability.** The Custodian shall not be liable for any loss of any kind that may result from any action taken by the Custodian in accordance with the directions of the Participant, the Participant's Beneficiary or Beneficiaries, or his or her designated agent or attorney in fact or from any failure to act because of the absence of any such directions. The Custodian shall not be responsible for determining whether any contribution or rollover contribution satisfies the requirements of the Code. The Custodian shall not be liable for any taxes (or interest thereon) or penalties incurred by the Participant, or the Participant's Beneficiary or Beneficiaries in connection with the Account or in connection with any contribution to or distribution from the Account. The Custodian is entitled to act upon any instrument, certificate, or form the Custodian believes is genuine and believes is executed or presented by the proper person or persons, and the Custodian need not investigate or inquire as to any statement contained in such document, but may accept it as true and accurate. The Custodian is not liable for any losses directly or indirectly caused by acts of war, acts of terrorism, labor disputes, exchange, or market decisions, including the suspension of trading, market volatility, trade volume, or by government restriction. The Participant shall duly indemnify and hold harmless the Custodian from any liability which may arise hereunder except liability arising from the gross negligence or willful misconduct of the Custodian.

## 8. Resignation or Removal of Custodian

a. **Resignation.** The Custodian may resign as Custodian of this Account, or any asset held in the Account, by mailing or actually delivering notice to the Participant 30 days prior to the resignation. Upon the Custodian's resignation the Custodian may, but shall not be required to, appoint a corporation or other organization as the successor custodian or trustee under this Agreement.

If the Custodian appoints a successor custodian or trustee, the Participant, after the receipt of the resignation, shall have 30 days to appoint an alternative successor custodian or trustee. If the Participant does not appoint an alternative successor custodian or trustee, the Participant will be deemed to have accepted the Custodian's appointed successor custodian or trustee. Upon acceptance of appointment by the successor, the Custodian shall assign, transfer, and deliver to the successor custodian or trustee all assets held in the Account to which such resignation or removal relates. The Custodian is authorized, however, to reserve such amounts as the Custodian deems advisable to provide for the payment of expenses and fees then due or to be incurred in connection with the settlement of the Custodian's account, and any balance remaining after the settlement of the Custodian's account shall be paid to the successor custodian or trustee. At the sole discretion of the Custodian, any successor custodian or trustee appointed by the Custodian may, with the approval of the Custodian, amend the Agreement by giving notice to the Participant.

If the Custodian does not choose to appoint a successor custodian or trustee, the Participant has 30 days after receiving notification of the Custodian's resignation to appoint a qualifying successor custodian or trustee. If the Participant does not appoint a successor custodian or trustee within this time period, the Custodian shall have the right to terminate the Account and distribute the assets directly to the Participant.

The Custodian shall not be liable for the acts or omissions of the Custodian's successor.

b. **Removal.** The Participant shall substitute another custodian or trustee in place of the Custodian upon notification by the IRS that such substitution is required because the Custodian has failed to comply with the requirement of Treasury Regulation section 1.408-2(e), or is not keeping such records, or making such returns, or rendering such statements as are required by that regulation.

c. **Custodian's Right to Close Account.** If an Account value falls below a certain minimum threshold or has no activity after a certain time period, the Custodian reserves the right to close the Account, and assess appropriate fees. In the event the Financial Institution no longer has a relationship with the Custodian, the Custodian reserves the right to liquidate any investment.

## 9. Amendment and Termination of the Account

a. **Amendment.** Pursuant to Article VII, the Custodian may amend this Agreement at any time to comply with legal and regulatory changes and to modify the Agreement as the Custodian determines advisable. The amendment will be effective on the date specified in the notice to the Participant. At the Participant's discretion, the Participant may direct that the Custodial Account be transferred to another trustee or custodian. The Custodian will not be liable for any losses for any actions or inactions of any successor trustee or custodian.

A Participant may change an election or designation made with respect to the Account, provided such change is made in a form and manner prescribed by and acceptable to the Custodian.

b. **Notification of Amendment.** The Custodian may provide notice of any amendments to this Account by notifying the Participant of such amendment, and posting the amended language and any restated documents, if applicable, on a website maintained by the Custodian. The Participant consents to the delivery of the applicable notices using an electronic medium and confirms that the Participant is capable of accessing websites. The Participant may request a written copy of any amendments or any restated documents, if applicable, from the Custodian via a phone number maintained by the Custodian or by sending a letter to Pershing LLC, Retirement Processing Department, One Pershing Plaza, Jersey City, New Jersey 07399.

c. **Distribution on Termination.** The Account may be terminated for any reason by the Custodian. If the Account is terminated by the Custodian, the balance held in each Account for the benefit of a Participant, or Beneficiary or Beneficiaries shall be distributed by the Custodian, in accordance with Article VIII, section 8, of the Agreement.

## 10. Fees, Expenses, and Indebtedness

a. **Payment of Fees and Expenses.** The annual maintenance, termination, mutual fund conversion and other administration fees shall be charged by the Custodian and/or Financial Institution in accordance with the fee schedule that is then in effect. The fee schedule may be amended by the Custodian and/or Financial Institution from time to time. Any administrative expenses, including fees for legal and/or accounting services incurred by the Custodian at the request of or necessitated by the actions of the Participant or Beneficiary or Beneficiaries, including, but not by way of limitation, the direction of investment of Account assets in an investment that causes the Account to realize unrelated business taxable income within the meaning of the Code, which are over and above the services set forth in the fee schedule shall be paid by the Participant or the Account, as



required. Any Custodian's or Financial Institution's fees and administrative expenses when due may be automatically charged to the Account. Alternatively, the Participant may choose to pay the fees and administrative expenses in a timely manner before the Account has been so charged. The Custodian or the Financial Institution reserves the right to liquidate any assets of the Account to collect any charge for which payment may at any time be past due. In the event the Account is terminated by the Participant, Financial Institution or the Custodian for any reason (including closing the Account and opening a new account with the same Custodian), the Custodian or Financial Institution shall be entitled to receive the full termination fee, along with the full, non-prorated current year maintenance fees, regardless of the date during the year that the Account is terminated. Such amounts will be automatically charged against the Account. Any reimbursement of fees charged against the Account will be recorded as a contribution to the Account and reported to taxing authorities accordingly. Specific fee details are provided in the current fee schedule available from the Financial Institution. In the event the Financial Institution no longer has a relationship with the Custodian, the Custodian reserves the right to charge its standard maintenance and termination fee, which changes from time to time. In the event this Account becomes abandoned property, the Custodian reserves the right to charge its standard maintenance and termination fee, which changes from time to time.

- b. Taxes. Any taxes of any kind whatsoever that may be levied or assessed upon the Account or that the Custodian may otherwise be charged with the responsibility of collecting or remitting shall be paid from the assets of the Account involved.
- c. If required, the Custodian is authorized to file the IRS Form 990-T for the Account, and any related tax forms including, but not limited to requests for extension, in the event that an investment(s) in the Account causes the Account to realize unrelated business taxable income within the meaning of the Code. The Custodian shall have the right to retain tax or other professionals to assist in the preparation and filing of any such tax forms, and may charge a fee to the Account or the Participant for such services. If there is sufficient cash, money market fund or similar funds in the Account, the Custodian is authorized to pay the full amount of any tax liability, interest, fees or penalties. If there is insufficient cash, money market fund, or similar funds in the Account, upon notice from the Custodian or the Participant's Financial Institution, the Participant is responsible for directing the Financial Institution on the liquidation of assets in the Account for purposes of paying the applicable tax, interest, fees or penalties. The Custodian is not financially responsible for the tax obligations of the Account.
- d. Brokerage Commissions. The Account will be charged brokerage commissions and other securities transaction related charges for the transactions in the Account in accordance with the Custodian's usual practice.
- e. Indebtedness. The Participant shall pay any debit balance or other obligation owing to the Custodian on demand.

## 11. Miscellaneous

- a. Prohibition Against Assignment of Benefits. Except to the extent otherwise required by law, none of the benefits, payments, or proceeds held in the Account on behalf of any Participant, or Beneficiary shall be subject to the claims of any creditor of such Participant, spouse, or Beneficiary, nor

shall any Participant, spouse, or Beneficiary have any right to anticipate, sell, pledge, option, encumber, or assign any of the benefits, payments, or proceeds to which he or she is or may be entitled under the Agreement.

- b. Applicable Law. The Agreement shall be construed, administered, and enforced according to the laws of the State of New York, except to the extent preempted by federal law. All contributions to the Account shall be deemed to take place in the State of New York. The terms and conditions of the Agreement shall be applicable without regard to the community property laws of any state.
- c. Liquidation of Assets. If the Custodian or Financial Institution must liquidate assets in order to make distributions, transfer assets, or pay fees, expenses, or taxes assessed against the Account, and the Participant fails to instruct the Custodian as to the liquidation of such assets, assets may be liquidated in the following order to the extent held in the Account: (1) any shares of a money market fund or money market type fund, (2) mutual funds, starting with largest position, (3) securities, (4) other assets. The Custodian shall not be liable for any losses arising out of or as a result of assets liquidated in accordance with the provisions of this Agreement.
- d. Purpose of Form. Form 5305-SA is a model Custodial Account Agreement that meets the requirements of sections 408(a) and 408(p) and has been pre-approved by the IRS. A SIMPLE individual retirement account (SIMPLE IRA) is established after the Application is fully executed by the individual (Participant) and entered in the records of the Custodian. This Account must be created in the United States for the exclusive benefit of the Participant and his or her Beneficiaries.
- e. Identifying Number. The Participant's Social Security number will serve as the identification number of his or her Custodial Account. An employer identification number is required only for a Custodial Account for which a return is filed to report unrelated business taxable income.
- f. The Custodian or its delegee will be deemed to have satisfied its summary description reporting requirements under Section 408(l)(2) of the Code by annually providing the Participant's employer with the Custodian's name, address, the requirements for eligibility for participation, the benefits provided with respect to the arrangement, the time and method of making election with respect to the arrangement, and the effects of and procedures for withdrawals. The Participant's employer shall be responsible for providing the Participant with all such required information.

## Article IX

**WHEN PERSHING LLC OR ANOTHER FINRA ELIGIBLE MEMBER ACTS AS CUSTODIAN UNDER THIS AGREEMENT, THE FOLLOWING ARBITRATION DISCLOSURES APPLY:**

### 1. ARBITRATION DISCLOSURES

**THIS AGREEMENT CONTAINS A PREDISPUTE ARBITRATION CLAUSE. BY SIGNING AN ARBITRATION AGREEMENT THE PARTIES AGREE AS FOLLOWS:**

- **ALL PARTIES TO THIS AGREEMENT ARE GIVING UP THE RIGHT TO SUE EACH OTHER IN COURT, INCLUDING THE RIGHT TO A TRIAL BY JURY, EXCEPT AS PROVIDED BY THE RULES OF THE ARBITRATION FORUM IN WHICH A CLAIM IS FILED.**
- **ARBITRATION AWARDS ARE GENERALLY FINAL AND BINDING; A PARTY'S ABILITY TO HAVE A COURT REVERSE OR MODIFY AN ARBITRATION**



## AWARD IS VERY LIMITED.

- THE ABILITY OF THE PARTIES TO OBTAIN DOCUMENTS, WITNESS STATEMENTS, AND OTHER DISCOVERY IS GENERALLY MORE LIMITED IN ARBITRATION THAN IN COURT PROCEEDINGS.
- THE ARBITRATORS DO NOT HAVE TO EXPLAIN THE REASON(S) FOR THEIR AWARD, UNLESS, IN AN ELIGIBLE CASE, A JOINT REQUEST FOR AN EXPLAINED DECISION HAS BEEN SUBMITTED BY ALL PARTIES TO THE PANEL AT LEAST 20 DAYS PRIOR TO THE FIRST SCHEDULED HEARING DATE.
- THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.
- THE RULES OF SOME ARBITRATION FORUMS MAY IMPOSE TIME LIMITS FOR BRINGING A CLAIM IN ARBITRATION. IN SOME CASES, A CLAIM THAT IS INELIGIBLE FOR ARBITRATION MAY BE BROUGHT IN COURT.
- THE RULES OF THE ARBITRATION FORUM IN WHICH THE CLAIM IS FILED, AND ANY AMENDMENTS THERETO, SHALL BE INCORPORATED INTO THIS AGREEMENT.

## 2. ARBITRATION AGREEMENT

ANY CONTROVERSY BETWEEN ME, FINANCIAL INSTITUTION AND PERSHING SHALL BE SUBMITTED TO ARBITRATION BEFORE THE FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA).

NO PERSON SHALL BRING A PUTATIVE OR CERTIFIED CLASS ACTION TO ARBITRATION, NOR SEEK TO ENFORCE ANY PREDISPUTE ARBITRATION AGREEMENT AGAINST ANY PERSON WHO HAS INITIATED IN COURT A PUTATIVE CLASS ACTION; OR WHO IS A MEMBER OF A PUTATIVE CLASS WHO HAS NOT OPTED OUT OF THE CLASS WITH RESPECT TO ANY CLAIMS ENCOMPASSED BY THE PUTATIVE CLASS ACTION UNTIL: (I) THE CLASS CERTIFICATION IS DENIED; (II) THE CLASS IS DECERTIFIED; OR (III) THE CUSTOMER IS EXCLUDED FROM THE CLASS BY THE COURT. SUCH FORBEARANCE TO ENFORCE AN AGREEMENT TO ARBITRATE SHALL NOT CONSTITUTE A WAIVER OF ANY RIGHTS UNDER THIS AGREEMENT EXCEPT TO THE EXTENT STATED HEREIN. THE LAWS OF THE STATE OF NEW YORK GOVERN.

## SIMPLE IRA Disclosure Statement

The Disclosure Statement provides a general description of the terms, conditions and federal laws associated with this SIMPLE IRA (IRA). Terms used in this Disclosure Statement are set forth in Article VIII of this Account's Custodial Agreement. This Disclosure Statement is not intended to replace the advice of your own tax and legal advisors. You are encouraged to consult your advisors and/or your state taxing authority concerning any tax and/or compliance questions. You are responsible for complying with the laws that apply to this IRA. The Custodian does not act as your advisor. In addition to the transactions outlined in this SIMPLE IRA Disclosure Statement, the federal government may authorize permissible transactions from time to time. Unless expressly prohibited by the Custodian's policies, such additional federally authorized transactions are hereby incorporated by this reference.

## 1. Right of Revocation By Participant

- a. You have the right to revoke the Agreement for a period of seven (7) calendar days following the date you sign the Application to establish the Account. To revoke the Agreement, you must mail or personally deliver a written notice of revocation to Pershing LLC, Retirement Products Department, One Pershing Plaza, Jersey City, New Jersey 07399. Pershing LLC must receive your revocation notice no later than 7 days after you signed the Application. If your revocation notice is mailed, the notice will be deemed received as of the date of the postmark (or if sent by certified or registered mail, the date of certification or registration) if it is deposited in the United States mail in an envelope, or other appropriate wrapper, first-class postage prepaid, and properly addressed.
- b. If the Agreement is revoked, the Custodian will return your entire contribution to you without penalty, service charge, administrative expenses, or any other reduction. The contribution to a SIMPLE IRA that is revoked, and the distribution from a SIMPLE IRA that is revoked, must be reported to the IRS.

## 2. General Requirements of a SIMPLE IRA

A SIMPLE IRA plan is a tax-favored retirement plan that certain small employers may establish for the benefit of their employees. Your employer has chosen to establish a SIMPLE IRA plan and will make plan contributions on your behalf to your SIMPLE IRA for each year you are eligible. Specific information regarding your eligibility to participate in your employer's SIMPLE IRA plan is included in the summary description provided to you by your employer.

## 3. Requirements of a SIMPLE IRA

- a. Cash Contributions. Your contribution to your SIMPLE IRA must be in cash, unless it is a rollover or transfer contribution.
- b. Contribution Type. Contributions under a SIMPLE IRA plan are in the form of employee salary deferrals, employer contributions (either matching or non-elective) and any other type permitted by the Code or Regulations.
- c. Employee Deferrals. Employee salary deferrals may not exceed the lesser of 100% of your compensation or \$13,500 for 2020 and 2021. If you are age 50 or older by the close of the plan year, you may make an additional contribution to your SIMPLE IRA. The maximum additional contribution is \$3,000 for 2020 and 2021.  
The maximum employee salary deferral amounts listed above will be increased annually to reflect cost-of-living adjustments, if any.
- d. Employer Contributions. There are two types of employer contributions: matching or non-elective employer contributions. Your employer will notify you each year of the contribution type and amount. If your employer elects matching contributions, your employer will match your deferrals up to 3% of your compensation. However, in some years, a lesser amount may be contributed. Your employer will notify you if a lesser amount is contributed. Instead of matching contributions, your employer may make non-elective contributions equal to 2% of your compensation (taking into account the applicable compensation IRS limit in a given year, which is \$285,000 for 2020 and \$290,000 for 2021).
- e. Nonforfeitable. Your interest in your SIMPLE IRA is nonforfeitable.
- f. Commingling of Assets. The assets of your SIMPLE IRA cannot be commingled with other property except in a



common trust fund or common investment fund.

- g. Life Insurance No portion of your SIMPLE IRA may be invested in life insurance contracts.
- h. Collectibles. You may not invest the assets of your SIMPLE IRA in collectibles as described in section 408(m) of the Internal Revenue Code (Code). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or any other tangible personal property specified by the IRS. However, specially minted United States gold and silver bullion coins and certain state-issued coins are permissible SIMPLE IRA investments. Platinum coins and certain gold, silver, platinum, or palladium bullion as described in section 408(m)(3) of the Code are also permitted as SIMPLE IRA investments.

- i. Required Minimum Distributions At Age 72. You are required to take minimum distributions from your SIMPLE IRA for the year in which you reach age 72, or such other age as may be provided under the Code, and for subsequent years. You must take your first year's distribution by April 1 of the calendar year following the year in which you attain age 72 or such other age as may be provided under the Code. All subsequent year's distributions must be taken by December 31 of the distribution year.

The minimum distribution for any taxable year is equal to the amount obtained by dividing the account balance at the end of the prior year (by the applicable divisor). The applicable divisor is generally determined using the Uniform Lifetime table under Treasury Regulations 1.401(a)(9)-9. If your spouse is your sole designated beneficiary and is more than ten years younger than you, the required minimum distribution may be calculated using the actual joint life expectancy of you and your spouse obtained from the Joint and Last Survivor Table rather than the life expectancy divisor from the Uniform Lifetime table.

Each year you are subject to the RMD requirements, your Custodian will provide you with a notice. Along with the distribution deadline, the notice will either inform you of your RMD amount or provide you with guidance on how to contact the Custodian for assistance in determining your RMD. Your Custodian is also required to notify the IRS each year you are required to take an RMD. However, the Custodian will make distributions to you or your Beneficiary only upon specific instructions to do so. If you have more than one IRA, determine the RMD separately for each IRA. However, you may total the RMDs and take the total from any one or more of your IRAs.

If you do not take the required minimum distribution (RMD) or the distribution is not large enough, you may be subject to a 50% excess accumulation penalty tax on the amount not distributed as required. You must report the 50% excess accumulation penalty tax by filing a completed Form 5329 with the IRS along with your payment.

- j. Distributions to your Beneficiary or Beneficiaries for non-inherited IRA owners. Any amounts remaining in your IRA at your death will be paid to your Beneficiary(ies). The rules that determine the distribution of the IRA balance after your death largely depends on whether the Beneficiary is considered an "eligible designated beneficiary".

**Eligible Designated Beneficiary:** An eligible designated beneficiary includes a surviving spouse, a disabled individual, a chronically ill individual, a minor child, or an individual who is not more than 10 years younger than the account owner. Certain trusts created for the exclusive benefit of disabled or chronically ill beneficiaries are included.

Other factors that impact the beneficiary(ies) distribution

requirements include your relationship to the Beneficiary (i.e., spouse, non-spouse, or other), whether you died before or after RMDs were required to begin, and if the SIMPLE IRA has a "designated beneficiary" as defined under federal regulations.

**Designated Beneficiary:** A "designated beneficiary" is a person (or a qualified trust that "looks through" to a beneficiary that is a person) that is a Beneficiary as of the date of your death, and has a balance in the SIMPLE IRA as of September 30th of the year following the year of your death. Any person who is a Beneficiary as of the date of your death and dies during the period between the date of your death and September 30th of the year following the year of your death is also a designated beneficiary. A SIMPLE IRA will be treated as not having a designated beneficiary if a Beneficiary that is not a person, or a qualified trust that "looks through" to a beneficiary that is not a person is a Beneficiary as of the date of your death and continues to have a balance in the SIMPLE IRA as of September 30th of the year following the year of your death. The rules concerning qualified trusts are complex and set forth in applicable Treasury Regulations.

Generally, eligible designated beneficiaries may take their distributions over the beneficiary's life expectancy, or fully distribute the account over a 10-year period. However, minor children must still take remaining distributions within 10 years of reaching age 18. Additionally, a surviving spouse who is the sole beneficiary may delay the commencement of distributions until the end of the year that you would have attained age 72. If required minimum distributions had begun prior to your death, a spouse beneficiary may use the longer of their life expectancy calculation or your life expectancy calculation (reduced by one each year).

Eligible designated beneficiaries must generally elect between the 10-year rule option and the life expectancy payment option by December 31 of the year following the year of your death. If life expectancy payments are elected, the payments must generally begin by December 31 of the first calendar year following the year of your death (except where the surviving spouse is the sole beneficiary, as provided above). If an eligible designated beneficiary dies before their portion of the account is entirely distributed, the remainder of such portion must be distributed within 10 years after the death of such eligible designated beneficiary.

Generally, designated beneficiaries, who are not an eligible designated beneficiary, must withdraw the entire account by the 10th calendar year following the year of your death. Generally, non-designated beneficiaries must withdraw the entire account by the end of the 5th year following the year of your death, if required minimum distributions had not begun prior to your death. However, if required minimum distributions had begun prior to your death, life expectancy payments utilizing your single life expectancy calculation (reduced by one each year) may be utilized.

If your surviving spouse is the sole designated beneficiary of your SIMPLE IRA, he or she may elect to treat your SIMPLE IRA as his or her own SIMPLE IRA by redesignating your SIMPLE IRA as his or her own SIMPLE IRA, failing to take a required distribution as a Beneficiary, or by making a contribution. Regardless of whether your spouse is the sole designated beneficiary, he or she may be eligible to roll distributions from your SIMPLE IRA into his or her own IRA within 60 days of receipt, and subject to any applicable limitations. If your Beneficiary(ies) does not withdraw the required amount within the prescribed timeframe, he or she may be subject to the 50% excess accumulation penalty tax on the amount that should have been withdrawn but was not



distributed. The 50% excess accumulation penalty tax must be reported by filing a completed Form 5329 with the IRS along with the penalty payment.

#### 4. Income Tax Consequences of Establishing a SIMPLE IRA

- a. **SIMPLE IRA Deductibility.** You may not take a deduction for the amounts contributed to your SIMPLE IRA as either employee elective deferrals or employer contributions. However, employee elective deferrals to a SIMPLE IRA will reduce your taxable income. Further, employer SIMPLE IRA contributions, including earnings, will not be taxable to you until you receive a distribution from your SIMPLE IRA. Participation in your employer's SIMPLE IRA plan renders you an active participant for purposes of determining whether or not you can deduct contributions to a Traditional IRA.
- b. **Tax Credit for Contributions.** You may be eligible for a tax credit for your SIMPLE IRA contribution if you are age 18 or older, not a dependent of another taxpayer, and not a full-time student. The maximum annual tax credit is \$1,000 (or up to \$2,000 if married, filing jointly, unless modified by Congress). If you are eligible for the credit, it will reduce your federal income tax you owe dollar for dollar.
- c. **Tax Deferred Earnings.** The investment earnings of your SIMPLE IRA are generally not subject to federal income tax until distributions are made (or, in certain instances, when distributions are deemed to be made).
- d. **Excess Contributions.** An excess may be created from your salary deferrals or from your employer's contributions (either matching or nonelective).
- e. **Tax Treatment of Distributions.** In general, distributions from your SIMPLE IRA are taxed as ordinary income in the year you receive them. Some amounts are not taxable. Examples include rollovers, direct transfers and corrections of certain excess contributions. In addition, certain distributions may be subject to additional penalties as explained below. If you have made nondeductible contributions to a Traditional IRA, a portion of each distribution from your SIMPLE IRA is nontaxable. The nontaxable amount is the pro rata portion of the distribution that represents your remaining nondeductible contributions based upon the value of all your IRAs. For assistance in determining the nontaxable portion, consult your tax advisor, instructions to IRS Forms 1040 and 8606, and IRS Publication 590-B.
- f. **Early Distribution Penalty.** If you are under the age of 59½ and receive a SIMPLE IRA distribution, an additional tax of 10% may apply to amounts includible in gross income, unless the distribution is made on account of death, disability (as defined by the Code), a qualifying rollover, a direct transfer, the timely withdrawal of an excess contribution, or if the distribution is part of a series of substantially equal periodic payments (at least annual payments) made over your life expectancy or the joint life expectancy of you and your Beneficiary. Certain other payments and distributions (as outlined in the Code) are also generally exempt from the 10% tax. More information on these early distribution penalty exceptions can be found in IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs).  
If less than two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer, the early distribution penalty will increase from 10% to 25%.  
You may have to report the IRS early distribution penalty tax and/or exemption from this penalty by filing a completed Form 5329 with the IRS along with your payment.
- g. **Rollovers.** Generally, a rollover is a movement of cash or

assets from one retirement plan to another. If you are required to take minimum distributions because you are age 72 or older, you may not roll over any required minimum distributions. Both the distribution and the rollover contribution are reportable when you file your income taxes. You must irrevocably elect to treat such contributions as rollovers.

**IRA-to-IRA Rollover.** You may withdraw, tax free, all or a portion of your SIMPLE IRA if you contribute the amount withdrawn within 60 days from the date you receive the distribution into the same or another SIMPLE IRA (or a Traditional IRA) as a rollover. To complete a rollover of a SIMPLE IRA distribution to your Traditional IRA, at least two years must have elapsed from the date on which you first participated in any SIMPLE IRA Plan maintained by the employer, and you must contribute the distribution within 60 days from the date you receive it. Only one IRA distribution within any 12-month period may be rolled over in an IRA-to-IRA 60 day rollover transaction. The 12-month waiting period begins on the date you receive an IRA distribution that you subsequently roll over, not the date you complete the rollover transaction.

If you roll over the entire amount of a SIMPLE IRA distribution (including any amount withheld for federal, state, or other income taxes that you did not receive), you do not have to report the distribution as taxable income. Any amount not properly rolled over within the 60-day period will generally be taxable in the year distributed (except for any part that represents basis) and may be, if you are under age 59½, subject to the premature distribution penalty tax. However, if you inadvertently fail to complete the rollover of a distribution within 60 days, you may be able to obtain a waiver of the 60-day time limit through a self-certification procedure if you meet certain requirements. Additionally, for certain qualified plan loan offsets (which is generally the amount an employer retirement plan account balance is reduced, or offset, to repay a loan from such plan, when the employer plan terminates, or because the participant severed from employment), you may have until the due date (including extensions) for your tax return for the tax year in which the offset occurs to complete the rollover to your IRA. If your plan loan offset is not "qualified," then you have 60 days from the date the offset occurs to complete your rollover.

**SIMPLE IRA-to-Employer Retirement Plan Rollover.** If your employer's retirement plan accepts rollovers from IRAs, you may complete a direct or indirect rollover of your SIMPLE IRA assets to your employer retirement plan if at least two years have elapsed from the date on which you first participated in any SIMPLE IRA Plan maintained by the employer. If you are required to take minimum distributions because you are age 72 or older, you may not roll over any required minimum distributions.

**Employer Retirement Plan-to-SIMPLE IRA Rollover.** After the 2-year period of participation defined in section 72(t)(6), rollovers from any eligible retirement plan (as defined in section 402(c)(8)(B)), other than a Roth IRA or a designated Roth account, are eligible to roll over to your SIMPLE IRA.

- h. **SIMPLE IRA to Roth IRA Conversions.** Generally, if after you have been a SIMPLE IRA plan participant for two years, you may convert all or a portion of your SIMPLE IRA to a Roth IRA provided you meet any applicable eligibility requirements as defined in the Code and Regulations. Except for amounts that represent basis, amounts converted are generally treated as taxable distributions. However, the premature distribution penalty that typically applies to taxable withdrawals taken



prior to age 59½, does not apply to amounts converted from a SIMPLE IRA to a Roth IRA. Required minimum distributions may not be converted. SIMPLE IRA-to-Roth IRA conversions are not subject to the 12-month rollover restriction that typically applies to rollovers between IRAs.

- i. Transfers. You may move your SIMPLE IRA from one trustee or custodian to a SIMPLE IRA maintained by another trustee or custodian by requesting a direct transfer. Because the transfer is done directly between IRA trustees or custodians and no distribution is made to you, the transfer is neither taxable nor reportable. Federal law does not limit the number of transfers you may make during any one year.
- j. Transfers Incident to Divorce. In a form and manner acceptable to the Custodian, under a valid divorce decree, separate maintenance decree, or other valid court order, all or part of your SIMPLE IRA may be transferred to your ex-spouse or you may receive all or part of your ex-spouse's SIMPLE IRA.
- k. Repayment of Qualified Reservist Distributions. If you are a qualified reservist called to active duty and you have taken penalty-free qualified reservist distributions from your SIMPLE IRA, you may be able to contribute (repay) those amounts to an IRA generally within a two-year period from your date of return. For further detailed information, you may wish to obtain IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs) and IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs) from the IRS.
- l. Disaster Relief. If you qualify (e.g., sustain an economic loss or are otherwise affected by certain disasters designated by the IRS), you may be eligible for favorable tax treatment on certain IRA transactions as prescribed by the Internal Revenue Code, regulations or the IRS. Favorable tax treatment may include (but is not necessarily limited to) relief from the early distribution penalty tax, the option to include a distribution in your gross income ratably over a prescribed number of years, repayment of distributions, and the ability to roll over distributions without regard to rollover restrictions (e.g. 60-day roll over rule). Additional information regarding tax relief for IRA-related transactions due to qualifying disasters including information on how to identify qualifying disasters, may be found in Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs), and Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs), as well on the IRS's website at [www.irs.gov](http://www.irs.gov).

## 5. Limitations and Restrictions

- a. Inherited IRA. An Inherited IRA is an IRA established by or maintained for the benefit of a nonspouse Beneficiary of a deceased IRA owner or a nonspouse beneficiary of a deceased participant in a qualifying retirement plan. Contributions to Inherited IRAs: Except for employer retirement plan to Inherited IRA rollovers, Inherited IRA to Inherited IRA transfers and certain recharacterized contributions from Inherited Roth IRAs, no other contribution types are allowed to be contributed to the Inherited IRA, unless defined as allowable under the Code or regulations. Eligible rollover distributions from a deceased participant's qualifying employer retirement plan(s) may be rolled over by a nonspouse beneficiary to an Inherited IRA. Otherwise, rollovers to an Inherited IRA must be sent directly from the plan administrator to the Inherited IRA custodian. Qualifying employer retirement plans include qualified plans (e.g.,

401(k) plans or profit sharing plans), governmental 457(b) plans, 403(b) arrangements and 403(a) arrangements. Amounts that may not be rolled over include any required minimum distributions.

Distributions to Inherited IRA Owners: A nonspouse Beneficiary (including a Beneficiary of a SIMPLE IRA that was established with a rollover of inherited employer plan assets) must withdraw required distributions as prescribed by the Internal Revenue Code and regulations. Generally, if PRIOR to January 1, 2020 you inherited assets from someone other than your spouse, or you are the spouse beneficiary of these assets and you choose not to treat this account as your own, you are generally required to take a minimum distribution from the inherited account by December 31 of each year. The required minimum distribution (RMD) amount is generally based on the IRS Single Life Expectancy (SLE) table. Alternatively, if the original retirement account owner was not yet subject to RMDs, you can choose to fully distribute the balance of your inherited retirement account within five years of the owner's death. However, if you inherited retirement assets ON OR AFTER January 1, 2020, you may be subject to the 10-year distribution rule (i.e., that you must take all distributions within 10 years of the death of the IRA owner). Exceptions, including inheritance by spouses, do apply and you would continue to be subject to RMDs over your lifetime. If you do not take enough to satisfy the requirement, the IRS may impose a 50% excise tax on the shortfall. Due to the complexity of RMD requirements for inherited accounts, you should speak with your tax professional regarding the options available to you.

- b. Gift Tax. Transfer of your IRA assets to a named Beneficiary or Beneficiaries made during your life and at your request may be subject to federal gift tax under section 2501 of the Code. However, the naming of a Beneficiary or Beneficiaries generally will not subject you to gift tax liability.
- c. Estate Tax. Generally, for federal estate tax purposes, amounts held in your IRA are included in your gross estate when you die. However, if your spouse is your Beneficiary, the IRA may qualify for the marital deduction. Consult your tax and/or legal advisors for specific guidance.
- d. No Special Tax Treatment. IRA distributions are not eligible for capital gains treatment or lump-sum income averaging.
- e. Federal Income Tax Withholding. Any withdrawal from your SIMPLE IRA, except a direct transfer to another IRA or a direct rollover to a qualified plan, may be subject to federal income tax withholding. You may, however, elect not to have withholding apply to your SIMPLE IRA withdrawal. If withholding is applied to your withdrawal, no less than 10% of the amount withdrawn must be withheld for federal income tax purposes. Special federal income tax withholding rules may apply if the distribution is sent outside of the United States.
- f. Prohibited Transactions. If you (or, following your death, Beneficiaries) engage in a "prohibited transaction" with your SIMPLE IRA, the IRA will be disqualified and the entire balance in your IRA will be treated as a distribution. If you are under age 59½, the early distribution penalty tax may apply. Prohibited transactions are defined in Internal Revenue Code section 4975. Examples include borrowing money from the IRA, selling property to the IRA, receiving unreasonable compensation for managing the IRA, or buying property with IRA funds for your personal use.
- g. Pledging IRA. If you pledge any portion of your SIMPLE IRA as collateral for a personal loan, the amount so pledged will be treated as a distribution. If you are under age 59½, the



amount pledged may also be subject to the early distribution penalty tax.

- h. **Itemized Deductions.** You can no longer claim any miscellaneous itemized deductions on your individual income tax return. Miscellaneous itemized deductions are those deductions that would have been subject to the 2% of adjusted gross income limitation. This impacts the ability to deduct SIMPLE IRA losses on a total distribution and the source(s) of your payment for certain expenses, such as management fees, related to your SIMPLE IRA.
- i. **CARES Act.** The CARES Act may have affected certain otherwise applicable terms set forth in this Agreement, including the waiver of RMDs in 2020, the ability of certain COVID-related distributions to be exempted from the early withdrawal penalty and to be recontributed to your SIMPLE IRA over a three-year period, and that certain previously inherited SIMPLE IRAs which were otherwise required to be distributed over five years do not need to count 2020 in such five year period. Consult your tax and/or legal advisors for specific guidance on which CARES Act provisions may have applied, or continue to apply, to your SIMPLE IRA.

## 6. Other

- a. **IRS Form.** The form of Agreement used to establish this SIMPLE IRA is the model government form provided by the IRS and is known as Form 5305-SA. The IRS approval is a determination only as to the form. It is not an endorsement of the plan in operation or of the investments offered.
- b. **Additional Information.** You may obtain further information on SIMPLE IRAs from your District Office of the Internal Revenue Service or by visiting the IRS web site at [www.irs.gov](http://www.irs.gov). In particular, you may wish to obtain IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs), IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs), and IRS Publication 560, Retirement Plans for Small Businesses. Additional information may be found in the summary description provided by your employer.
- c. **Customer Identification Program.** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial organizations to obtain, verify, and record information that identifies each person who opens an account. When you open an account, you are required to provide your name, residential address, date of birth, and identification number. We may require other information that will allow us to identify you.
- d. **Tax Filing.** You are responsible for filing the applicable IRS forms to report certain activities, taxable income and/or penalties associated with your SIMPLE IRA. See Section 10(c) of the Custodial Agreement for special information on the Form 990-T.
- e. **Custodian.** The custodian of your SIMPLE IRA must be a bank, a federally insured credit union, a savings and loan association, or an entity approved by the IRS to act as custodian.

## 7. Additional Financial Information

- a. **Account Fees.** A schedule of fees will be provided by the financial institution that introduced the account to you. The annual maintenance, termination, and other administration fees shall be charged by the Custodian or the financial institution that introduced the account to you for its services hereunder in accordance with the current fee schedule that is in effect. At the discretion of the Custodian or the financial institution that introduced the account to you, you may receive a separate invoice or invoice instructions on your statement for the account maintenance and other related fees that are due and payable upon receipt. Fees when due shall be automatically charged against the IRA or as you direct in writing, charged against another account held by the Custodian over which you have investment authority. You may not reimburse your IRA for account fees including fee-based account fees, once they have been charged to your IRA. Any reimbursement of annual maintenance or other administrative fees charged to your IRA must be considered a contribution to your IRA and reported to the IRS accordingly. Alternatively, you may choose to pay the fees in a timely manner before the account has been charged. If you do prepay the account maintenance fee, you will see a corresponding debit and credit offset on your account statement. The financial institution that introduced the account to you may notify you prior to changing the fee schedule. In the event of account termination either by you or by the Custodian for any reason, the Custodian or financial institution shall be entitled to receive the full termination fee, along with the full, non-prorated current year maintenance fee, regardless of the date during the year of the termination of the account.
- b. **Brokerage Commissions.** Commissions and other securities transaction-related charges shall be as charged by the financial institution that introduced the account to you. Such commissions must be paid from assets held within your SIMPLE IRA and may not be reimbursed.
- c. **Other Expenses.** Taxes of any kind, which may be imposed with respect to the SIMPLE IRA, and any expenses incurred by the Custodian in the management of your SIMPLE IRA, together with any fees referred to above, shall be paid by you (as permissible), charged against your account, or as directed in writing by you, charged against another account over which you have authority.
- d. **Earnings.** The earnings of each separate account shall be allocated only to that account. The Custodian will attribute earnings only to the assets held in the account in the custody of the Custodian according to the Custodian's ordinary business practices and in accordance with the Custodian's established customs and procedures.
- e. **Growth in Value.** Growth in value of your account will depend entirely on the investment decisions made by you and is neither guaranteed nor projected.



TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

DEC 06 2011

Pershing LLC  
One Pershing Plaza  
Jersey City, NJ 07399

EIN: 13-2741729  
Ladies and Gentlemen:

On May 31, 1984, the Internal Revenue Service issued to Donaldson Lufkin & Jenrette Securities Corporation a letter approving it to act as an active trustee or custodian for individual retirement arrangements (IRAs). The Service issued another letter, dated July 31, 1990, allowing Donaldson Lufkin & Jenrette Securities Corporation to act as a nonbank custodian of plans qualified under section 401(a) of the Internal Revenue Code. In a third letter dated April 20, 1995, the Service approved Donaldson Lufkin & Jenrette Securities Corporation to act as a nonbank custodian of accounts described in section 403(b)(7).

Donaldson Lufkin & Jenrette Securities Corporation converted, on January 17, 2003, into a Delaware limited liability company named Pershing LLC. Upon the conversion of Donaldson Lufkin & Jenrette Securities Corporation into Pershing LLC, the officers and directors of Donaldson Lufkin & Jenrette Securities Corporation became Pershing LLC's Board of Managers and the employees and assets of Donaldson Lufkin & Jenrette Securities Corporation became the employees and assets of Pershing LLC.

Section 401(f)(1) of the Code provides that a custodial account shall be treated as a qualified trust under this section if such custodial account would, except for the fact it is not a trust, constitute a qualified trust under this section. Section 401(f)(2) provides that the custodian must be a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will hold the assets will be consistent with the requirements of section 401. Section 401(f) also provides that in the case of a custodial account treated as a qualified trust, the person holding the assets of such account shall be treated as the trustee thereof.

Section 403(b)(7)(A) of the Code requires, in part, that for amounts paid by an employer to a custodial account to be treated as amounts contributed to an annuity contract for his employee, the custodial account must satisfy the requirements of section 401(f)(2). That section also requires, in order for the amounts paid by an employer to be treated as amounts contributed to an annuity contract for his employee, that the amounts are to be invested in regulated investment company stock to be held in the custodial account, and under the custodial account no such amounts may be paid or made available to any distributee before the employee dies, attains age 59 1/2, has a severance from employment, becomes disabled (within the meaning of section 72(m)(7)), or in the case



## Pershing LLC

of contributions made pursuant to a salary reduction agreement (within the meaning of section 3121(a)(1)(D)), encounters financial hardship.

Section 408(a)(2) of the Code requires that the trustee of an IRA be a bank (as defined in section 408(n)) or such other person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will administer the IRA will be consistent with the requirements of section 408.

Section 408(h) of the Code provides that a custodial account shall be treated as a trust under this section if the assets of such account are held by a bank (as defined in subsection (n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will administer the account will be consistent with the requirements of this section, and if the custodial account would, except for the fact that it is not a trust, constitute an IRA described in subsection (a). Section 408(h) also provides that, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

Section 408A of the Code provides, in general, that a Roth IRA shall be treated in the same manner as an individual retirement plan. Section 7701(a)(37)(A) defines an individual retirement plan as an IRA described in section 408.

The Income Tax Regulations at section 1.408-2(e) contain the requirements that such other person must comply with in order to act as trustee or custodian, for purposes of sections 401(f), 403(b)(7), 408, and 408A of the Code. One of the requirements of section 1.408-2(e) of the regulations states that such person must file a written application with the Commissioner demonstrating, as set forth in that section, its ability to act as a trustee or custodian.

Based on all the information and representations Donaldson Lufkin & Jenrette Securities Corporation submitted to this office in its written application and the nonbank trustee/custodian investigation on Pershing LLC for continued compliance with the nonbank trustee regulations at section 1.408-2(e), we have concluded that Pershing LLC meets the requirements of section 1.408-2(e) of the regulations and, therefore, is approved to act as a passive or non-passive nonbank custodian of plans qualified under section 401(f) or accounts described in section 403(b)(7), passive or non-passive nonbank trustee or custodian for IRAs established under sections 408, and 408A (dealing with Roth IRAs).

This Notice of Approval authorizes Pershing LLC to act as a passive or non-passive nonbank trustee or custodian. When Pershing LLC acts as a passive nonbank trustee or custodian (within the meaning of section 1.408-2(e)(6)(i)(A) of the regulations), it is authorized only to acquire and hold particular investments specified by the trust instrument or custodial agreement. It may not act as a passive trustee or custodian if

## Pershing LLC

under the written trust instrument or custodial agreement it has discretion to direct investments of the trust (or custodial) funds.

Pershing LLC may not act as a trustee or custodian unless it undertakes to act only under trust instruments or custodial agreements that contain a provision to the effect that the grantor is to substitute another trustee or custodian upon notification by the Commissioner that such substitution is required because Pershing LLC has failed to comply with the requirements of section 1.408-2(e) or is not keeping such records, or making such returns or rendering such statements as are required by forms or regulations. For example, one such form is Form 990-T for IRAs that have \$1000 or more of unrelated business taxable income that is subject to tax by section 511(b)(1) of the Code.

Pershing LLC is required to notify the Commissioner of Internal Revenue, Attn: SE:T:EP:RA, Internal Revenue Service, Washington, D.C. 20224, in writing, of any change that affects the continuing accuracy of any representations made in its application. Further, the continued approval of Pershing LLC to act as a passive or non-passive nonbank custodian of plans qualified under section 401(f) or accounts described in section 403(b)(7), passive or non-passive nonbank trustee or custodian for IRAs established under sections 408, and 408A (dealing with Roth IRAs) is contingent upon the continued satisfaction of the criteria set forth in section 1.408-2(e) of the regulations.

This Notice of Approval is not transferable to any other entity. An entity that is a member of a controlled group of corporations, within the meaning of section 1563(a) of the Code, may not rely on a Notice of Approval issued to another member of the same controlled group. Furthermore, any entity that goes through an acquisition, merger, consolidation, or other type of reorganization may not necessarily be able to rely on the Notice of Approval issued to such entity prior to the acquisition, merger, consolidation, or other type of reorganization. Such entity may have to apply for a new Notice of Approval in accordance with section 1.408-2(e) of the regulations.

This Notice of Approval constitutes a notice that Pershing LLC may act as a passive or non-passive nonbank custodian of plans qualified under section 401(f) or accounts described in section 403(b)(7), passive or non-passive nonbank trustee or custodian for IRAs established under sections 408, and 408A (dealing with Roth IRAs) and does not bear upon its capacity to act as a trustee or custodian under any other applicable law. This is not an endorsement of any investment. The Internal Revenue Service (Service) does not review or approve investments.

In order to protect the accounts Donaldson Lufkin & Jenrette Securities Corporation handled as nonbank trustee or custodian from May 31, 1984, through its conversion to Pershing LLC, this Notice of Approval is retroactively effective to May 31, 1984. This

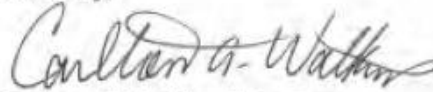
Pershing LLC

Notice of Approval will remain in effect until withdrawn by Pershing LLC or revoked by the Service.

In accordance with the power of attorney on file in this office, a copy of this notice is being sent to your authorized representative.

If you have any questions, please contact Mr. Calvin Thompson (Badge No. 1000221590) at (202) 283-9596.

Sincerely,



Carlton A. Watkins, Manager  
Employee Plans Technical Group 1





# TIAA Brokerage Customer Account Agreement (Retail)

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Brokerage accounts are provided by TIAA Brokerage, a division of TIAA-CREF Individual & Institutional Services, LLC, Member FINRA and SIPC, and are carried by Pershing LLC ("Pershing"), Member FINRA, NYSE, SIPC, a subsidiary of The Bank of New York Mellon Corporation.

## I. General terms and conditions

By signing the TIAA Brokerage Account Application ("Account Application"), you agree to be bound by the following terms and conditions, as well as the terms and conditions set forth in Sections II to VI of this Agreement (collectively, with the Account Application, this "Agreement").

If you are signing this Agreement in connection with a managed account advisory program with Advice & Planning Services, LLC ("APS"), a division of TIAA-CREF Individual & Institutional Services, LLC, you will not be bound by certain sections and provisions of this Agreement while enrolled in the program, including Margin Agreements, Options Contracts and Commission and Transaction Fees (related to trading directed by APS). For certain services that you request in connection with your managed account, you will be charged the applicable account maintenance fee in accordance with the Commission and Fee Schedule at the end of this Agreement. See your managed account advisory program's disclosure brochure and advisory agreement for more information about your managed account and the associated fees. If management of your managed account is terminated in accordance with your managed account advisory program's advisory agreement, and your assets are transferred to a brokerage account with TIAA Brokerage, you will be bound by all the terms and conditions of this Agreement.

1. "You," "your" or "Account holder" refers to all of the individual(s) who sign the Account Application for individual and joint Accounts (defined below) and refers to the corporation, limited liability company, partnership, trust or other legal entity for corporate, limited liability company, partnership, trust or other legal entity Accounts.
2. "TIAA" refers to TIAA Brokerage, a division of TIAA-CREF Individual & Institutional Services, LLC. "Custodian" refers to the custodian or trustee, as applicable, of your Account. "Account" or "Accounts" refers to the cash or margin account opened in your name with custody maintained at Pershing.
3. If there is more than one Account holder, each joint Account holder's obligations under this Agreement shall be joint and several (i.e., are the responsibility of each Account holder, both individually and jointly). Each joint Account holder has authority, acting individually and without notice to any other Account holder, to deal with TIAA as fully and completely as if the joint Account holder is the sole Account holder.
4. TIAA is authorized, but not obligated, to follow the instructions of any joint Account holder and to deliver funds, securities or other assets to any joint Account holder. TIAA is not responsible for determining the purpose or propriety of any instruction received from a joint Account holder or for the disposition of payments or deliveries among joint Account holders.
5. Any notice TIAA sends to one joint Account holder will be deemed notice to all joint Account holders. Any debts of a joint Account may be offset against any Accounts held individually by a joint Account holder.
6. You represent that you are of the age of majority and of legal capacity, and the information you have provided on your Account Application is accurate. You acknowledge that the Account is not for a foreign financial institution, private banking accounts or non-residents of the United States. You will notify TIAA of any change to the information provided on your Account Application within 30 days of such change.

7. You promptly will notify TIAA within 10 days if you become a director, 10% beneficial shareholder or an affiliate of a publicly traded company, or if you become a member firm or an employee of any securities exchange, or a self-regulatory organization or a corporation of which security exchange owns a majority of the capital stock.
8. You are responsible for determining the suitability of your Account transactions in light of your stated investment objectives and financial situation. TIAA has no responsibility for any such determination unless TIAA has otherwise so specifically agreed in writing in connection with an advisory program, or a TIAA representative has given advice directly to you that is clearly identified as a TIAA recommendation for you to buy, sell or hold a particular security or securities, or use a particular investment strategy, for your Account.
9. If TIAA makes such a recommendation, TIAA believes it is suitable for you at the time of the recommendation. TIAA has no ongoing duty to ensure the recommendation continues to be suitable for you. You have an affirmative duty to monitor for profits and losses in your Account and to modify your trading decisions accordingly. Furthermore, unless TIAA has otherwise specifically agreed in writing in connection with an advisory program, you acknowledge that: (a) TIAA does not have discretionary authority over your Account or an obligation to review or make recommendations for the investment of securities or cash in your Account; (b) you will rely on multiple sources of information in making investment decisions for your Account; (c) any information TIAA may provide will not serve as the primary basis for any investment decision you make or that is made on your behalf; and (d) TIAA does not provide investment advice or otherwise act as a "fiduciary" as that term is defined in the Employee Retirement Income Security Act of 1974, as amended, or Section 4975 of the Internal Revenue Code.
10. You acknowledge that TIAA offers many different Account types and you are responsible for selecting the type most appropriate for your needs. TIAA provides no sub accounting recordkeeping services or similar support for Accounts beneficially held by more than one owner.
11. TIAA may provide you with market data or research relating to securities and securities markets but does not guarantee the accuracy, completeness or timeliness of such information. Such market data or research is not personalized or in any way tailored to your personal financial circumstances or investment objectives, unless TIAA has otherwise so specifically agreed in writing in connection with an advisory program. You may be able to obtain research on such other mutual funds through other providers.
12. You understand that none of TIAA, Pershing and Custodian provide legal, tax or accounting advice and none of their employees are authorized to give any legal, tax or accounting advice, and you will not solicit or rely upon any such advice from TIAA, Pershing or the Custodian or their employees, whether in connection with transactions in or for your Account or otherwise.
13. You acknowledge this Agreement contains a pre-dispute arbitration clause. By signing an arbitration agreement, the parties agree as follows:
  - a. All parties to this Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
  - b. Arbitration awards generally are final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
  - c. The ability of the parties to obtain documents, witness statements and other discovery generally is more limited in arbitration than in court proceedings.
  - d. The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted to the panel by all parties, at least 20 days prior to the first scheduled hearing date.
  - e. The panel of arbitrators typically will include a minority of arbitrators who were or are affiliated with the securities industry.
  - f. The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.

- g. The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.

ANY CONTROVERSY THAT SHALL ARISE BETWEEN THE ACCOUNT HOLDER AND TIAA, TIAA's AFFILIATES, PERSHING AND/OR THE CUSTODIAN (INCLUDING, BUT NOT LIMITED TO, CONTROVERSIES CONCERNING ANY ACCOUNT, ORDER OR TRANSACTION, OR THE CONTINUATION, PERFORMANCE OR BREACH OF THIS OR ANY OTHER AGREEMENT BETWEEN THE ACCOUNT HOLDER AND TIAA, TIAA's AFFILIATES, PERSHING AND/OR THE CUSTODIAN, WHETHER ENTERED INTO OR ARISING BEFORE, ON OR AFTER THIS ACCOUNT IS OPENED) SHALL BE SUBMITTED TO ARBITRATION BEFORE AND ONLY BEFORE THE FINANCIAL INDUSTRY REGULATORY AUTHORITY. ARBITRATION MUST BE COMMENCED BY SERVICE UPON THE OTHER PARTY OF A WRITTEN DEMAND FOR ARBITRATION OR A WRITTEN NOTICE OF INTENTION TO ARBITRATE, THEREIN INDICATING THE ARBITRATION TRIBUNAL. NO PERSON SHALL BRING A PUTATIVE OR CERTIFIED CLASS ACTION TO ARBITRATION, NOR SEEK TO ENFORCE ANY PREDISPUTE ARBITRATION AGREEMENT AGAINST ANY PERSON WHO HAS INITIATED IN COURT A PUTATIVE CLASS ACTION; OR WHO IS A MEMBER OF A PUTATIVE CLASS WHO HAS NOT OPTED OUT OF THE CLASS WITH RESPECT TO ANY CLAIMS ENCOMPASSED BY THE PUTATIVE CLASS ACTION UNTIL: (i) THE CLASS CERTIFICATION IS DENIED; (ii) THE CLASS IS DECERTIFIED; OR (iii) THE CUSTOMER IS EXCLUDED FROM THE CLASS BY THE COURT. SUCH FORBEARANCE TO ENFORCE AN AGREEMENT TO ARBITRATE SHALL NOT CONSTITUTE A WAIVER OF ANY RIGHTS UNDER THIS AGREEMENT EXCEPT TO THE EXTENT STATED HEREIN. ANY ARBITRATION AWARD SHALL BE FINAL AND BINDING, AND ANY COURT HAVING JURISDICTION MAY ENTER JUDGMENT THEREON.

14. Unless otherwise specified in writing in connection with an advisory program, you acknowledge that you will be charged a commission on applicable transactions and other Account-related fees including, but not limited to, service fees and Cash Solutions Account fees in accordance with the standard TIAA Commission and Fee Schedule, as in effect from time to time. TIAA receives remuneration in connection with the mutual funds that you invest in, including, but not limited to, money market funds and exchange traded funds, including 12b-1 fees and other compensation from Pershing, or a mutual fund's distributor, transfer agent or investment adviser for marketing, shareholder services and/or distribution services. Additionally, Teachers Advisors, LLC and the advisory entities of TIAA's wholly owned subsidiary, Nuveen Fund Advisors, LLC, the investment advisers to certain affiliated funds (the "Affiliated Funds"), receive fees from the mutual funds for investment advisory and/or fund administration services. See the respective mutual funds' prospectus or statement of additional information for mutual fund payment information. TIAA limits the mutual funds and share classes available through brokerage accounts. TIAA only provides mutual funds that are available through the clearing firm and where TIAA has an agreement with the fund family to offer their funds and waive sales loads. These agreements do not always include access to all share classes. Most of the mutual funds and their corresponding share classes available for purchase pay compensation to TIAA. However, TIAA also offers funds where no compensation is paid to TIAA. In some cases, TIAA makes available for purchase multiple share classes of mutual funds, including multiple share classes of the Affiliated Funds. However, not all share classes of all mutual funds may be available for purchase, including in some cases, the lowest cost share classes of mutual funds. Mutual fund purchases are subject to the initial and subsequent minimum investment amounts as set forth in the mutual funds' prospectuses. You also may be able to purchase other share classes of the mutual funds from the mutual funds directly or through other providers. The mutual funds available through the TIAA Brokerage platform (the "Platform"), including available share classes of particular mutual funds, may change over time at TIAA's discretion. The fees charged with respect to any mutual fund classes that now or in the future are made available through the Platform also may change over time at TIAA's discretion or because of changes in the mutual fund itself. For more information on how TIAA gets paid for its products and services, please refer to our "Regulation Best Interest-Form CRS" located at the bottom of the home page of our website at [https://www.tiaa.org/public/pdf/support/regbi/TIAA\\_FormCRS.pdf](https://www.tiaa.org/public/pdf/support/regbi/TIAA_FormCRS.pdf).
15. TIAA may suspend or terminate your Account at any time, for any reason and without prior notice to you. If you do not fund your Account within 30 days of Account opening or your Account remains unfunded and inactive (i.e., no statement is generated) during any three-month consecutive period, TIAA reserves the right to close your Account without prior notice to you. Once your Account is closed, for any reason, TIAA Brokerage reserves the right to reject any new Account application submitted by you or on your behalf. In addition, if you maintain a small balance in your Account (for example, \$100 or less) during any three-month consecutive period, TIAA reserves the right to close your Account without prior notice to you. A check will be mailed to you after your Account is closed. You shall have 30 days from receiving notice of termination of your Account to transfer all holdings from within your Account to another broker/dealer of your choosing. Should you fail to complete this transfer within 30 days, TIAA may liquidate all holdings within your Account and mail you a check for any proceeds. This may result in a taxable event. In the event your Account is liquidated, you agree to be liable for any resulting losses and costs incurred by TIAA. You may close your Account at any time by giving TIAA notice.



16. You acknowledge that, at the time you place a trade, you are solely responsible for ensuring that you have sufficient funds in your Account to cover your purchase. You also acknowledge that TIAA may review, reject, cancel or modify any securities transactions that you have entered at any time, for any reason and without prior notice to you. You understand that TIAA Brokerage may review, reject, cancel or modify any securities transaction, without prior notification, including where after three instances there are insufficient funds in your Account to cover the transaction(s).
17. You acknowledge that you will pay in full for securities you purchase by the settlement date. For transactions not paid for by the settlement date, TIAA shall have the right, without notice to you, to sell the securities purchased.
18. You authorize TIAA to accept your oral or electronic instructions for the purchase and sale of securities. You acknowledge that such instructions must be placed through designated TIAA channels. TIAA will not accept orders or instructions sent via electronic or postal mail (including, but not limited to, U.S. mail or overnight delivery).
19. When you change any instruction on a limit order, you are responsible for any open order, and any actions by you that modify or impact an open order. If you fail to do so, you understand that you will be responsible for any loss, including applicable commission charges. You are responsible for knowing the status of your pending orders, and any duplication by you of a pending order will be considered authorized by you. You understand and acknowledge that all "Good Till Canceled" orders entered will expire in 90 days.

You acknowledge that to deter frequent trading within mutual funds, a short-term redemption fee may be assessed against any transaction that results in mutual fund shares being held for less than three months. This fee is in addition to any short-term redemption fee or restriction the underlying mutual fund may independently assess against the same transaction as described in the fund's prospectus. Each of TIAA, Pershing and/or Custodian reserves the right to restrict access to the purchase of mutual fund shares within any Account deemed at their sole discretion to engage in excessive or abusive short-term trading patterns. Additionally, in the event Pershing or Custodian, as the case may be, is instructed by the issuer of a mutual fund to restrict your access to such mutual fund's shares, such a restriction may remain in place until Pershing or Custodian receives notice from the issuer to remove the restriction.

20. You agree that TIAA, Pershing and/or Custodian may place trading, disbursement or other full or partial restrictions on your Account as deemed necessary, including but not limited to, the following circumstances: at the request of a security issuer; pursuant to a court order, tax levy, or garnishment; at the request of a government agency or law enforcement authority; in the event that your Account is restricted (including, but not limited to, trading or trade-related violations, or termination of custodianship at the age of termination); in the event that a deposit has not yet settled; or in the event of a dispute between joint tenants. You agree to allow TIAA, Pershing or Custodian to liquidate securities if such securities are no longer eligible for your Account (i.e. if a mutual fund is converted to an exchange traded fund and exchange traded funds are not eligible investments for the Account or any leveraged or inverse exchange traded product). Any proceeds from the liquidation would be deposited into the sweep product. You agree to abide by any such restriction and not to initiate trades or transactions which would violate the restriction. You agree to allow us to liquidate securities in your Account to satisfy any request by the security issuer, court order, garnishment, tax levy, or other legal obligation imposed by a court or government agency. You agree not to hold TIAA, Pershing or Custodian liable for any trading losses, lost profits, tax obligation, or other damages resulting from liquidations or trading or disbursement restrictions imposed on your Account in connection with a court order, tax levy, garnishment or other legal proceeding.
21. You understand that "penny stocks" (generally defined as any equity security priced below \$5 a share) are generally considered high-risk investments and should be purchased purely for speculation. You acknowledge that any order you place for penny stocks was not solicited by TIAA and was solely your decision.
22. If at any time you shall enter into any transaction for the purchase or resale of an option contract, you hereby agree to abide by the rules of any national securities association, registered securities exchange or clearing organization applicable to the trading of option contracts and, acting alone or in concert, will not violate the position or exercise limitation rules of any such association or exchange or of the Options Clearing Corporation or other clearing organization.

Exercise assignment notices for options contracts are allocated among short positions pursuant to a procedure that randomly selects from all short options positions, including positions established on the day of the assignment, those contracts that are subject to exercise. A more detailed description of this random allocation procedure is available on request. All short options positions are liable for assignment at any time.

23. Some Account types may permit trading in a limited range of securities (e.g., mutual funds) and you acknowledge that you must follow TIAA procedures to obtain expanded trading privileges for such Accounts. TIAA, Pershing and/or Custodian, in their sole discretion, may eliminate or restrict your ability to purchase particular securities, investments or other property due to volatility or other factors.
24. You acknowledge that you have reviewed and agree to the terms outlined within the Fractional Share Disclosure located at [https://www.tiaa.org/public/pdf/f/Fractional\\_Share\\_Disclosure.pdf](https://www.tiaa.org/public/pdf/f/Fractional_Share_Disclosure.pdf).
25. You acknowledge that TIAA will send all communications to you at the mailing address you provided on your Account Application, or at such other address, as you may subsequently provide to TIAA in writing, and that all communications so sent in writing shall be deemed delivered, whether actually received or not.
26. You acknowledge that federal law requires that TIAA verify your identity by obtaining, among other information, your name, date of birth, address and government-issued identification number before opening your Account. This information is necessary to help the government fight the funding of terrorism and money laundering activities. TIAA may gather and verify this information with respect to any other person authorized to effect transactions in your Account. For certain entities, such as trusts, estates, corporations, partnerships or other organizations, TIAA may require additional identifying documentation. TIAA may restrict and/or close your Account if TIAA cannot verify this information. TIAA will not be responsible for any losses, costs and/or expenses resulting from your failure to provide this information, or from any related restriction or closing of your Account.
27. You authorize TIAA to exchange credit information about you and your Account with others. As required by law, you are notified that any negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations. TIAA may request a credit report on you, and upon request, will state the name and address of the consumer reporting agency that furnished it. If TIAA extends, updates, reviews or renews your credit, TIAA may request a new credit report without notifying you.
28. You acknowledge that any person acting as a trustee, Custodian or fiduciary for your Account is liable for all activity within the Account. TIAA will not review any action or inaction taken by a trustee, Custodian or fiduciary with respect to your Account. You agree to indemnify and hold harmless TIAA, its directors, employees, agents, affiliates and assigns from and against any and all losses, claims or financial obligations (including reasonable attorney's fees) that may arise from any act or omission it may suffer from the activity of any trustee, Custodian or fiduciary you appoint with respect to your Account.
29. You acknowledge that where you provide TIAA with written notice that an unaffiliated third-party advisor has discretionary authority over your Account, TIAA and its affiliates bear no liability or responsibility for any action taken by the third-party advisor. TIAA may rely and act upon any direction given by the third-party advisor, unless and until TIAA receives written notice from you revoking the third-party advisor's discretionary authority. You are responsible for confirming that such written revocation has been received and processed. You agree to indemnify and hold harmless TIAA, its directors, employees, agents, affiliates and assigns from and against any and all losses, claims or financial obligations (including reasonable attorney's fees) it may suffer from the activity of any unaffiliated third-party advisor you appoint with respect to your Account.
30. You understand that the Internal Revenue Service ("IRS") generally requires TIAA to report annually, on Form 1099-B (the "1099-B Annual Information Report"), any gross proceeds you receive from the sale of securities, your "cost basis" for securities sold, whether any gain or loss on a security is long term or short term, and whether any reported loss is disallowed due to the application of wash sale rules.
31. In order to calculate the gain or loss on the sale of a covered security, a tax lot relief method (also called a cost accounting method) must be selected. A tax lot relief method is a way of computing the realized gain or loss for an asset sold in a taxable transaction. It determines which lot of a security, as well as its associated cost basis and the holding period, is used in computing the gain or loss. TIAA's default tax lot relief method is "First In, First Out." You should consult with your personal tax advisor or financial planner to determine your specific reporting requirements and which tax lot relief method makes sense for you. To make a change to TIAA's default method, you must select a different method by submitting your request in writing to TIAA. All cost basis identification methods, including specific lot selection, must be made prior to the settlement date of your transaction. TIAA and its affiliates shall have no liability for any damages you may incur as a result of (i) TIAA providing the required 1099-B Annual Information Report to the IRS, or (ii) any differences in the cost basis reported by TIAA to the IRS and your actual adjusted cost basis.

32. TIAA, Pershing and/or Custodian may charge certain fees, including an annual fee, to your Account for the financial services provided to you under this Agreement. Your Account also may incur service charges based upon Account activity, items returned unpaid, stop-payment orders, garnishments, levies, copies or images of cancelled checks, or for other Account services related to your Account. The fees and charges are set forth in the Commission and Fee Schedule at the end of this Agreement, and they are subject to change with notice or advance notice provided to you only if required by applicable law. You agree to repay TIAA, Pershing and/or Custodian all of their respective expenses, including attorneys' fees and legal expenses, to collect money you owe to Pershing, Custodian, Administrator, Bank, Check Free and/or TIAA because of your Account or for any dispute relating to your Account.
33. All of your securities and other property in any Account (margin or cash) in which you have an interest or which at any time are in your possession or under your control other than retirement Accounts, such as individual retirement accounts ("IRAs"), shall be subject to a lien for the discharge of any and all indebtedness or any other obligations you may have to TIAA. Securities and other property held in retirement accounts, such as IRAs, are not subject to this lien, and are not used as security for the payment of your obligations or indebtedness for other Accounts (cash or margin) that you maintain with TIAA. In enforcing the lien, TIAA may, at its sole discretion, determine which securities and other property held in your Account are to be sold or which contracts are to be closed, except where prohibited by law.
34. TIAA also may transfer securities or other property from any of your Accounts, whether individual or joint, to any of your other Accounts in order to satisfy deficiencies in any of your Accounts, except where prohibited by law. You grant TIAA the right of set-off in satisfaction of any debt in your Account, except where prohibited by law. You agree to pay any costs or expenses incurred by TIAA, including reasonable attorney's fees, that result from your failure to properly settle any securities transactions or pay any debt, or otherwise satisfy your obligations under this Agreement. You acknowledge that your Account may be subject to interest on any debit balances resulting from your failure to make payment in full for securities purchased from proceeds of sales paid prior to settlement date, or for other charges that may be made to the Accounts.
35. You acknowledge that TIAA may, at its discretion, allow certain holdings and/or positions not held in custody by Pershing to be reflected on your Account brokerage statement. Where TIAA permits this, TIAA reports these held-away holdings and/or positions based solely upon information provided by a third party. TIAA is not responsible for the accuracy of any information regarding held-away holdings and/or positions and does not verify or use a third party to verify the accuracy of such holdings and/or positions. In connection with annuities sold to you through TIAA or TIAA Insurance Agency that are reflected on your Account brokerage statement but not held in custody by Pershing, TIAA and TIAA Insurance Agency receive remuneration from issuers of the annuities, including commissions.
36. Your Account includes a cash sweep program feature which automatically transfers available uninvested cash balances in your Account at the end of each Business Day to a bank sweep deposit account or money market mutual fund (each a "TIAA Sweep Product" and together the "TIAA Sweep Program"). The TIAA Sweep Program facilitates the redemption of available shares of any such money market funds or the transfer of available cash balances from any such bank sweep deposit accounts to your Account to cover purchases of securities and other debits in your Account. Available TIAA Sweep Products vary based on Account type. You direct TIAA to use the TIAA Sweep Product indicated on your Account Application as the TIAA Sweep Product for your Account and, if you fail to indicate a TIAA Sweep Product, you direct TIAA to use the default TIAA Sweep Product indicated therein. If your Account type includes only one TIAA Sweep Product, you acknowledge that the TIAA Sweep Product set forth in the Account Application will serve as the sweep option in which all available uninvested cash balances in your Account will be allocated at the end of each Business Day. Different TIAA Sweep Products may have different rates of return and different terms and conditions, including, but not limited to, requiring minimum cash balances in your Account before such balances may be swept to a TIAA Sweep Product. Money market mutual funds are securities that are registered with the U.S. Securities and Exchange Commission ("SEC") under the Investment Company Act of 1940 and the Securities Act of 1933. Although money market funds attempt to maintain a stable net asset value of \$1 per share, there is no guarantee that such a fund will in fact maintain a \$1 per share stable net asset value. Money market funds are not insured by the Federal Deposit Insurance Corporation ("FDIC"). Money market funds are, however, securities subject to protection by the Securities Investor Protection Corporation ("SIPC") in the event of insolvency of Pershing, LLC as the brokerage firm holding your Account and cash or securities owed to you. SIPC is a non-profit member corporation funded primarily by member securities brokerage firms registered with the SEC, which protects customers up to certain limits in the event of the failure of a brokerage firm where cash and securities are owed to customers. See the TIAA Brokerage SIPC Asset Protection Guide (<https://www.tiaa.org/public/pdf/forms/SIPC-asset-protection.pdf>) for more information. SIPC does not protect

against loss due to market fluctuation or failure of the issuer of a money market fund. More specific information about a particular money market mutual fund, including applicable fund restrictions, fees and expenses and other important information, can be found in the fund's prospectus. TIAA Sweep Product options are deposit accounts held at one or more banks. Deposit accounts pay interest on deposits pursuant to the terms and conditions in the disclosure document for the applicable TIAA Sweep Product. Interest rates may fluctuate and may vary among banks. Deposit accounts are not subject to SIPC protection. They are subject to FDIC insurance up to applicable limits. FDIC insurance protects against loss of deposit amounts in the event the bank holding the deposits fails. More specific information about particular TIAA Sweep Products, including applicable FDIC insurance limits, interest amounts and other important information can be found in the applicable TIAA Sweep Product's disclosure document. Prospectuses or similar disclosure documents for the Money Market Mutual Fund Sweep Product option(s) available for your Account are available online at <https://www.tiaa.org/public/invest/financial-products/brokerage-accounts/interest-rate-disclosure> or by calling 800-842-2252. You agree to review these disclosure documents prior to opening your Account. TIAA may change the terms and conditions of the TIAA Sweep Program and the TIAA Sweep Product options available for your Account, at its sole discretion. TIAA will provide you with written notice in advance of adding, changing or deleting TIAA Sweep Product options for your Account or making other changes to the TIAA Sweep Program to the extent required by applicable law. TIAA may receive 12b-1 and similar service fee payments from TIAA Sweep Products. Please consult the prospectus or similar disclosure document for each TIAA Sweep Product for more information concerning such fees. TIAA Brokerage and the banks that participate in the TIAA Sweep Program are separate companies. The TIAA Sweep Program bank(s) hold(s) deposits in connection with the TIAA Bank Sweep Product options described in Paragraph 37 below and in the TIAA Sweep Product Terms and Conditions. For the TIAA Brokerage Sweep Product, pursuant to an agreement between TIAA Brokerage and the cash sweep bank, the cash sweep bank pays TIAA Brokerage an asset-based fee based on the amount of cash from self-directed Accounts that is swept to the bank.

37. As set forth in Paragraph 36 above, TIAA Sweep Product options vary by Account type. The following paragraphs apply to Account types with the TIAA Brokerage or TIAA Managed Sweep Account options or the Money Market Mutual Fund Sweep options.

The TIAA Sweep Product (FDIC-Insured). The following describes the TIAA Sweep Product option, if your Account Application indicates that the TIAA Sweep Product for your Account is the TIAA Brokerage or TIAA Managed Sweep Account; if you have selected the TIAA Sweep Product as your sweep option; if you have failed to select a TIAA Sweep Product on your Account Application and the TIAA Sweep Product is the default sweep option for the Account; or if TIAA has notified you that TIAA is replacing the existing sweep option for your Account with the TIAA Sweep Product. TIAA Managed Sweep and TIAA Brokerage Sweep generally will have different rates of interest. For additional details see the TIAA Brokerage interest and cash sweep rate disclosure at <https://www.tiaa.org/public/invest/financial-products/brokerage-accounts/interest-rate-disclosure>. The TIAA Sweep Product comprises two separate sweep options used in combination: (1) the TIAA Brokerage Sweep Product (for self-directed Accounts) or TIAA Managed Sweep (for TIAA Personal Portfolio and TIAA Portfolio Advisor Accounts), which automatically sweeps eligible cash balances in an Account up to the Maximum Deposit Amount (defined below) into interest-bearing deposit accounts at the cash sweep bank as indicated within the TIAA Sweep Terms and Conditions; and (2) the Liquid Insured Deposits ("LIDs Overflow") Sweep Product, which is used as an overflow TIAA Sweep Product to automatically sweep eligible cash balances in excess of the Maximum Deposit Amount into interest-bearing deposit accounts with participating banks unaffiliated with TIAA ("LIDs Overflow banks"). The TIAA Sweep Product will serve as the primary sweep option for eligible cash balances in an Account up to a Maximum Deposit Amount set by the cash sweep bank. The Maximum Deposit Amount for an Account is specified within the TIAA Sweep Terms and Conditions and is subject to change with notice to you. Interest that accumulates in your Account may cause your balance to exceed the Maximum Deposit Amount; however, in no event will the balance exceed the then-current FDIC insurance limits for deposit amounts held at a bank in the same right and capacity. The LIDs Overflow Sweep Product will be used as an overflow sweep for eligible cash deposits in an Account which exceeds the Maximum Deposit Amount ("Excess Balances") plus any interest accrued. Only Excess Balances in an Account are eligible to use the LIDs Overflow Sweep Product. By way of example, if an Account holds \$300,000 in eligible cash balances, the first \$248,500 automatically will be swept into interest-bearing deposit accounts with the cash sweep bank through the TIAA Sweep Product. The remaining \$51,500 in eligible cash balances automatically will be swept into interest-bearing accounts with participating TIAA Sweep Program banks unaffiliated with TIAA through the LIDs Overflow Sweep Product. By way of further example, if the Account instead holds \$248,500 or less in eligible cash balances, such eligible cash balances will be automatically swept into interest-bearing deposit accounts with the cash sweep bank through the TIAA Sweep Product. In the event there is insufficient availability of TIAA Program banks to fully allocate your balance, or you have a balance in excess of the program limits, cash will not be deposited in the TIAA Sweep Products and will remain as uninvested cash within your Account. While uninvested cash is covered by SIPC, it does not earn a rate of return nor is it covered by FDIC insurance. Please

review the separate disclosure documents for the TIAA Sweep Product and the LIDS Overflow Sweep Product carefully.

It is your sole responsibility to monitor the total balances you have across your Accounts with the banks that participate in the TIAA Sweep Program to ensure that your deposit amounts held at any bank in the same right and capacity, directly or indirectly (with the TIAA Sweep Program bank(s) or through your Account), do not exceed \$250,000, which currently is the maximum amount eligible for FDIC insurance coverage for a single bank. Amounts you hold at any bank, including a LIDS Overflow bank, in excess of \$250,000 will not receive FDIC insurance coverage. For example, if you have a deposit account and a certificate of deposit ("CD") with the same bank, the aggregate dollar amount of the deposit account and the CD including accrued interest in excess of \$250,000 will not be FDIC-insured. A list of participating LIDS Overflow banks can be viewed online by going to <https://www.tiaa.org/public/invest/financial-products/brokerage-accounts/interest-rate-disclosure> or by contacting TIAA for a written copy. Once you have cash invested within the LIDS Overflow Sweep Product, you may opt out of having funds swept to a participating LIDS Overflow bank by contacting TIAA at 800-842-2252 weekdays, 8 a.m. to 7 p.m. (ET); a representative can take such instructions over the phone.

**Other Sweep Options for Self-Directed Accounts.** TIAA may make the Liquid Insured Deposits Overflow Sweep Product or Money Market Fund Sweep Product available as the primary sweep on your Account (i.e., not in combination with the TIAA Brokerage or TIAA Managed Sweep). TIAA may change this option by replacing it with the TIAA Sweep Product described above or otherwise adding or deleting sweep options. TIAA will provide prior written notice to such Account holders as set forth in Paragraph 36 above prior to making any such changes. When selecting LIDS Overflow as the primary sweep on your Account, and you have a cash balance in excess of the LIDS Overflow FDIC limits, cash will be swept automatically into a secondary default money market mutual fund cash sweep as determined by the TIAA Sweep Program.

TIAA may make other sweep options available for your Brokerage account. To discuss available sweep options or request a change from the primary or default sweep product, contact TIAA Brokerage. You can see the available sweeps by going to the Brokerage Interest Rate Disclosure page <https://www.tiaa.org/public/invest/financial-products/brokerage-accounts/interest-rate-disclosure>. Not all sweeps are available in all Accounts.

38. You acknowledge TIAA is obligated by federal securities laws to provide your name, address and holdings information to issuers of those securities upon request, unless you instruct TIAA in writing not to do so.
39. For the parties' mutual protection, you understand, agree and expressly consent to TIAA's electronic recordation of any of your telephone conversations with TIAA and to TIAA's monitoring of your electronic communications with TIAA, including, but not limited to, email and facsimile transmission.
40. You acknowledge receipt of the TIAA Privacy Notices and TIAA Trust, N.A., Privacy Notice, when applicable.
41. Securities which are held for your Account and which are in "street name," or are being held by a securities depository, are commingled with the same securities being held for other customers of TIAA and for Pershing's own customers. Your ownership of these securities is reflected in Pershing's records. You have the right at any time to require delivery to you of any such securities that are fully paid for or are in excess of margin requirements. The terms of many bonds allow the issuer to partially redeem or "call" the issue prior to maturity date. Certain preferred stocks are also subject to being called by the issuer. Whenever any such security being held by Pershing is partially "called," Pershing will determine through a random selection procedure as prescribed by the New York Stock Exchange rules, the ownership of the securities to be submitted for redemption. In the event that such securities owned by you are selected and redeemed, your Account will be credited with the proceeds. Should you not wish to be subject to this random selection process, you must instruct TIAA to have Pershing deliver your securities to you. Delivery will be effected provided, of course, that your position is unencumbered or had not already been called by the issuer as described, prior to receipt by Pershing of your instructions. The probability of one of your securities being called is the same whether they are held by you or by Pershing for you.
42. You acknowledge that various federal and state laws or regulations may be applicable to transactions in your Account regarding restricted securities, as defined by applicable securities laws and regulations. It is your responsibility to notify TIAA if your Account contains restricted securities and to ensure that any transaction you effect will comply with all applicable laws and regulations. You understand that transactions in restricted securities may take longer to process than transactions involving unrestricted securities. Additionally, you

acknowledge TIAA is obligated by federal securities laws to provide your name, address and holdings information to issuers of those securities upon request, unless I instruct TIAA in writing not to do so. Notwithstanding the foregoing, TIAA may, at its sole discretion, refuse to permit restricted securities within your Account.

43. You acknowledge your responsibility to review your brokerage Account statements for accuracy and to notify TIAA, Pershing and/or Custodian within 30 days of receipt of any error or omission. If you fail to notify TIAA, Pershing and/or Custodian of any error or omission within this time frame, your brokerage Account statement shall be presumed accurate. You acknowledge your responsibility to review all confirmation statements for accuracy and to notify TIAA, Pershing and Custodian immediately of any error or omission. If your periodic customer statement indicates that securities were forwarded to you and you have not received them, you should notify TIAA or Pershing immediately. If notification is received within 120 days after the mailing date, as reflected on your periodic statement, replacement will be made free of charge. Thereafter, a fee for replacement may apply.
44. You acknowledge that if any provision or condition of this Agreement is held invalid or unenforceable for any reason by any court, or regulatory or self-regulatory agency or body, such provision or condition shall be fully severable, and this Agreement shall be enforced and construed as if such provision or condition had never comprised a part of this Agreement.
45. You acknowledge that this Agreement cannot be modified by conduct and/or the failure of TIAA, Pershing and/or Custodian at any time to enforce its rights hereunder to the greatest extent permitted by law, and shall not be deemed to waive, modify or relax any of the rights granted to TIAA, Pershing and/or Custodian herein, including any right to deal with collateral on all loans advanced to you.
46. You acknowledge that this Agreement constitutes the full and entire understanding between the parties with respect to the provisions herein, and that there are no oral or other agreements in conflict herewith. You acknowledge that each of TIAA, Pershing and/or Custodian reserves the right to amend this Agreement, by modifying or rescinding any of its existing provisions or by adding any new provision at any time upon written notice to you on your brokerage Account statement(s), trade confirmation(s), or such other written or electronic notification, including, but not limited to, posting notice of such amendment(s) and/or the amended Agreement on the TIAA Brokerage website. The amended Agreement will be effective as of the date established by TIAA, Pershing and/or Custodian (the "Effective Date"). You agree that any future amendments made to the Agreement shall apply to your Account and to any subsequent Accounts you ask TIAA to establish for you in the future. The use of your Account after the Effective Date of the amendment(s) shall constitute your acknowledgment and agreement to be bound thereby. You are responsible for regularly checking for updates. You understand additional restrictions may apply to the brokerage services provided hereunder and additional documentation may be required by applicable law or TIAA, Pershing and/or Custodian's policies and procedures. You agree to comply with any such restrictions and promptly provide any documents or information requested.
47. This Agreement or any subsequently modified Agreement shall cover all aspects of the Account(s) you may open or reopen with Pershing through TIAA, including, but not limited to, Account(s) with brokerage, Check-writing privileges, Card services and associated ACH Transactions, and BillSuite Services, and shall inure to the benefit of each of our successors whether by merger, consolidation or otherwise, and assigns, and each of TIAA, Pershing and/or Custodian may transfer your Account to our respective successors and assigns, and this Agreement shall be binding upon your heirs, executors, administrators, successors and assigns.
48. TIAA Brokerage and Pershing, in their capacity as clearing firm, may make Account communications available in an electronic form instead of mailing them in paper form; according to terms and conditions will be stated within the Electronic Delivery Terms and Conditions.
49. You acknowledge that telephone, internet or any other electronic system, and software provided for use in accessing your Account information is used at your sole risk and that neither TIAA nor its vendors providing data, information or other services, including, but not limited to, any exchange (collectively, "Service Providers"), warrant that the service will be uninterrupted or error-free and that neither TIAA nor any such Service Providers will make any warranty as to the results that may be obtained from any of these systems. You further acknowledge that telephone, internet and other electronic systems are provided on an "as-is" and "as-available" basis, without warranties of any kind, either expressed or implied, including, without limitation, those of merchantability and fitness for a particular purpose, other than those warranties which are implied by and incapable of exclusion, restriction or modification under applicable laws and regulations. None of TIAA, the



Service Providers, Pershing or Custodian will be liable in any way to you or any other person for any inaccuracy, error or delay in, or omission of, any data, information or message, or the transmission or delivery of any data, information or message, or any loss or damages arising from or occasioned by: any inaccuracy, error, delay or omission, nonperformance, interruption in data due to neglect or omission by any Service Provider; any "force majeure" event (i.e., loss caused directly or indirectly by flood, fire, war, terrorism, civil unrest, strikes, natural disaster, extraordinary weather conditions, earthquake or other acts of God, government restrictions or actions, interruptions of communications, exchanges or market rulings, suspension of trading or other conditions beyond TIAA's control, failure, or equipment or software malfunction); or any other cause beyond the reasonable control of any Service Providers.

50. You acknowledge that complaints regarding your Account are to be mailed to TIAA Brokerage, P.O. Box 1280, Charlotte, North Carolina 28201, or you may call 800-842-2252.
51. The Agreement, all transactions made in your Account and all matters arising in connection with the Agreement will be governed by, and construed and enforced in accordance with, the laws of the State of New York (regardless of the choice of law rules thereof), provided, however, that the optional Cash Solutions Account Banking Services Agreement and the Billsuite™ Agreement set forth in the Cash Solutions Account Terms & Conditions and Part VI below will be governed by the laws of such state(s) as indicated in Cash Solutions Account Terms & Conditions.
52. You agree that TIAA may assign this Agreement (in part or in full, and including assigning the role of clearing broker and custodian for the Account) to any third party or any subsidiary, affiliate or successor of TIAA. You hereby delegate and grant to TIAA the power and authority to make these changes on your behalf. TIAA will provide you with at least 30 days prior written notice of such assignment and you will be deemed to have consented to the assignment if you conduct any transactions in your Account or keep your Account open subsequent to receiving such a notice.

## II. Trusted Contacts

TIAA is committed to helping you protect your Account(s) and information. One way to protect your interests is to appoint a Trusted Contact. A Trusted Contact is someone over the age of 18 whom you know and trust. This person will serve as a point of contact should we have questions concerning your overall well-being or whereabouts, or if we suspect you may be the victim of fraud or exploitation. The individual(s) you select may not take any action on your Account and will not replace or affect existing powers of attorney. You should notify those you appoint as Trusted Contacts.

To appoint your Trusted Contact(s), log into your Account at [TIAA.org](http://TIAA.org), click *Profile* at the top of the page. Within *Manage profile*, click *Trusted Contacts* and complete the required Trusted Contact information, or contact us at 800-842-2252 to request a form to name a Trusted Contact.

Please note that TIAA, and its affiliates and representatives, are authorized to contact the Trusted Contact(s) and disclose information about your Account(s) to address possible financial exploitation, to confirm the specifics of your current contact information, health status, or the identity of any legal guardian, executor, trustee, or holder of a power of attorney, or as otherwise permitted under FINRA Rule 2165. Except as is required by FINRA Rule 2165, TIAA is under no obligation to interact with Trusted Contact(s).

## III. Role of Pershing

TIAA has retained Pershing to act as a clearing broker for TIAA and provide certain recordkeeping and operational services, which may include execution and settlement of securities transactions, custody of securities and cash balances, and extension of credit on margin transactions. These services are provided under a written Clearing Agreement between Pershing and TIAA. The respective roles of Pershing and TIAA, as defined within the Clearing Agreement, are outlined below.

1. In general, Pershing only is responsible for those services provided at the request or direction of TIAA as contemplated by the Clearing Agreement.
2. Pershing will create computer-based Account records on the Account holder's behalf in such name(s) and with such address(es) as TIAA directs.
3. Pershing will process orders for the purchase, sale or transfer of securities for the Account as TIAA directs.

Pershing is not obligated to accept orders for securities transactions directly from the Account holder and will do so only in exceptional circumstances.

4. Pershing will receive and deliver cash and securities for the Account and will record such receipts and deliveries according to information provided either by TIAA or directly, in writing, by the Account holder.
5. Pershing will hold in custody securities and cash received for the Account, will collect and disburse dividends and interest, and will process reorganization and voting instructions with respect to securities held in custody. Pershing is responsible for the custody of cash and securities only after such comes into Pershing's physical possession or control. Pershing will prepare and transmit to the Account holder, or provide facilities to TIAA for the preparation and transmission of, confirmations of trades. Pershing will prepare and transmit to the Account holder periodic Account statements summarizing the transaction history.
6. If TIAA opens a Margin Account for an Account holder, Pershing will loan the Account holder money for the purpose of purchasing or holding securities subject to the terms of Pershing's written Margin Agreement as set forth in Section IV below (or in a separate document) and Pershing margin policies and applicable margin regulations. TIAA is responsible for obtaining the initial margin as required by Regulation T. Thereafter, Pershing will calculate the amount of maintenance margin required. Pershing will advise the Account holder of those requirements, usually through TIAA. Pershing also will calculate the interest charged on the debit balance, if any.
7. In connection with all of the functions that Pershing performs, Pershing maintains the books and records required by law and by business practice. Pershing will provide TIAA with written reports of all transactions processed for the Account to enable it to carry out its responsibilities under the Clearing Agreement. Pershing will assist the Account holder and TIAA with any discrepancies or errors that may occur in the processing of transactions for the Account.
8. **PERSHING DOES NOT CONTROL, AUDIT OR OTHERWISE SUPERVISE THE ACTIVITIES OF TIAA OR ITS EMPLOYEES. PERSHING DOES NOT VERIFY INFORMATION PROVIDED BY TIAA REGARDING THE ACCOUNT OR TRANSACTIONS PROCESSED FOR THE ACCOUNT NOR UNDERTAKE RESPONSIBILITY FOR REVIEWING THE APPROPRIATENESS OF TRANSACTIONS ENTERED BY TIAA ON THE ACCOUNT HOLDER'S BEHALF. PERSHING MAY ACCEPT FROM TIAA, WITHOUT INQUIRY OR INVESTIGATION, (I) ORDERS FOR THE PURCHASE OR SALE OF SECURITIES AND OTHER PROPERTY ON MARGIN OR OTHERWISE, AND (II) OTHER INSTRUCTIONS CONCERNING YOUR ACCOUNTS. NOTICES TO YOU CONCERNING MARGIN REQUIREMENTS OR OTHER MATTERS RELATED TO YOU WILL GO THROUGH TIAA; HOWEVER, DIRECT CONTACT BY PERSHING MAY OCCUR IF MARKET CONDITIONS, TIME CONSTRAINTS OR OTHER CIRCUMSTANCES REQUIRE IT. PERSHING SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ACTS OR OMISSIONS BY TIAA OR ITS EMPLOYEES. YOU UNDERSTAND THAT PERSHING PROVIDES NO INVESTMENT ADVICE NOR DOES PERSHING GIVE ADVICE OR OFFER ANY OPINION WITH RESPECT TO THE SUITABILITY OF ANY TRANSACTION OR ORDER. YOU UNDERSTAND THAT TIAA IS NOT ACTING AS THE AGENT OF PERSHING, AND YOU AGREE THAT YOU WILL IN NO WAY HOLD PERSHING, ITS OTHER DIVISIONS, AND ITS OFFICERS, DIRECTORS AND AGENTS LIABLE FOR ANY TRADING LOSSES INCURRED BY YOU. YOU AUTHORIZE PERSHING TO ACT AS YOUR AGENT TO PURCHASE AND REDEEM FOR YOUR ACCOUNT SHARES OF THE FUNDS, AS PREVIOUSLY DEFINED, AND YOU AGREE THAT YOU SHALL NOT HOLD PERSHING, ITS OTHER DIVISIONS, AFFILIATES, OFFICERS, DIRECTORS OR AGENTS LIABLE FOR ANY TRADING LOSSES INCURRED.**
9. The Clearing Agreement does not encompass transactions in commodities futures contracts or investments other than marketable securities, which Pershing normally processes on recognized exchanges and over-the-counter markets.
10. In furnishing its services under the Clearing Agreement, Pershing may use and rely upon the services of clearing agencies, automatic data processing vendors, proxy processing, transfer agents, securities pricing services and other similar organizations.
11. This statement addresses the basic allocation of functions regarding the handling of the Account. It is not meant as a definitive enumeration of every possible circumstance, but only as a general disclosure.

#### IV. Margin Agreement

Approval of margin privileges is subject to review by TIAA. To apply for margin privileges, please complete a separate Margin application or contact a TIAA Brokerage representative for assistance. If you open such an Account with TIAA, you

will execute and be bound by the terms and conditions of the Margin Agreement and Interest Rate Disclosure Pursuant to Section 10b-16 of the Securities and Exchange Act of 1934 with TIAA, Pershing or any other TIAA-designed clearing broker, as well as by the terms of this Agreement. If inconsistent, the Agreement with Pershing shall prevail. The full Margin Agreement and Margin Disclosure Statement, conditions and Interest Rate Table can be reviewed online at (<https://www.tiaa.org/public/pdf/forms/F11008.pdf>).

## V. Cash Solutions Account

An Account with Cash Solutions features consists of three parts: (a) a conventional brokerage Account which is either a cash or Margin Account, or both; (b) access to funds in the Account via Cards, Checks and ACH Transactions; and (c) a choice of Funds. Enrollment in the Cash Solutions feature is through an additional and separate application. The full terms, conditions and fee schedule can be reviewed within the Cash Solutions Account Terms and Conditions (<https://www.tiaa.org/public/pdf/forms/F11417.pdf>).

## VI. Commission and fee schedule<sup>1</sup>

### Equities and Exchange-Traded Funds (ETFs)

(All commissions and fees are per transaction, unless otherwise indicated.)

	Online/mobile TIAA.org/brokerage	Client Service Assistance 800-842-2252
Equity and Transaction-Fee ETFs	No charge	\$55
No-Transaction-Fee (NTF) ETFs	<ul style="list-style-type: none"> <li>NTF-eligible ETFs will have a \$0.00 commission, regardless of order size or holding period.</li> <li>Any ETF shares purchased prior to January 26, 2018 and now identified as an NTF ETF will still be charged a commission when the shares are sold, when placing the trade through Client Service Assistance.</li> <li>A commission will be charged for NTF ETFs sold prior to settlement.</li> <li>NTF-eligible ETFs should not be purchased on margin. If purchased on margin, the ETF is no longer NTF eligible.</li> <li>NTF-eligible ETFs can be moved to margin after 30 days.</li> </ul>	
Equity notes	<ul style="list-style-type: none"> <li>Fees shown reflect stock prices greater than \$1 per share. Orders to buy shares priced under \$1, restricted shares, non-permitted Cannabis Related Business securities, foreign securities, privately held securities, shares without a market price or no bid/ask will not be accepted.</li> <li>Orders to sell shares priced under \$1 are handled via Client Service Assistance at the online commission rate, given above, based on eligibility.</li> </ul>	
Financial Transaction Tax (FTT) Ordinary and ADR	Financial Transaction Tax (FTT) is a generic name for taxes that are levied on certain transactions in FTT-eligible companies/financial instruments from certain countries. The rates are typically on the total transaction cost and vary by country. Rates generally will range between 0.01% to 5% per transaction.	

ADR agent servicing fee	Fee generally will range from \$0.01 to \$0.03 per share. Amounts will differ by ADR. Please refer to the ADR prospectus for specific fee and other information.
Financial Industry Regulatory Authority (FINRA) Trading Activity Fee (TAF)	Varies per transaction/security. Visit <a href="https://www.finra.org/rules-guidance/guidance/trading-activity-fee">https://www.finra.org/rules-guidance/guidance/trading-activity-fee</a> for the current rates.
Securities and Exchange Commission (SEC) Section 31 transaction fee	Varies per transaction. Visit <a href="https://www.SEC.gov">https://www.SEC.gov</a> for the current rate.

## Fixed income

(All commissions and fees are per transaction, unless otherwise indicated.)

### U.S. Treasury Securities

New issues (primary, at auction)	\$50 per transaction
Existing issues (secondary, already trading)	\$1 per \$1,000 face amount (\$50 minimum)
Other Fixed Income	
Municipal Bonds, Government Agency Bonds, Unlisted (over-the-counter) Corporate Bonds, and Mortgage-backed Securities <sup>2</sup>	\$50 + \$2 per bond
Certificates of Deposit – New Issues	Purchase minimums of \$5,000, no commission (interest rate reflects issuing bank's fee)

<sup>1</sup> Fees may be different for managed accounts, or may be waived at the discretion of TIAA Brokerage.

<sup>2</sup> TIAA may execute certain fixed-income transactions for your Account on either an agency or principal basis. If TIAA executes on an agency basis, the commissions listed above will apply. If TIAA executes on a principal basis, TIAA will sell a fixed-income product to you (or buy it from you), which TIAA contemporaneously purchases from (or sells to) a dealer. If so, the net compensation earned by TIAA will include a mark-up. If TIAA sells a fixed-income product to you, the mark-up is the difference between the sales price to you and the price TIAA pays to purchase the product from a dealer. If TIAA buys a fixed-income product from you, the mark-up is the difference between the sales price to the dealer and the price TIAA pays to purchase the security from you.

## Options

(All commissions and fees are per transaction, unless otherwise indicated.)

	Online/mobile TIAA.org/brokerage	Client Service Assistance 800-842-2252
Commissions and fees	No charge	\$55 + \$2.50 per contract
Options exercise/assignment	\$25	\$25
Options regulatory fee	Varies by contract. Visit <a href="https://www.theocc.com">https://www.theocc.com</a> for the current fee schedule.	

## Mutual funds

(All commissions and fees are per transaction, unless otherwise indicated.)

No-Transaction-Fee (NTF) Funds	<ul style="list-style-type: none"><li>• Minimum initial investment for NTF mutual funds: The greater of either the listed amount in the fund's prospectus or \$500. Purchases below the stated minimum will be charged the appropriate transaction fee.</li><li>• Additional investments of NTF funds: The greater of either the listed amount in the fund's prospectus or \$500, unless you are purchasing through a systematic (automatic recurring) order. Purchases below the \$500 minimum will be charged the appropriate transaction fee.</li><li>• Different minimums may apply for managed accounts.</li><li>• Systematic (automatic recurring or dollar cost averaging) orders, no fee; minimum transaction of \$100.</li><li>• Short-term redemption fee: \$50 minimum for shares held less than three months (waived for shares transferred from another brokerage firm or financial institution). Additional redemption fees may apply as set forth in each fund's prospectus.</li></ul>
Transaction-Fee (TF) Funds	<ul style="list-style-type: none"><li>• Transaction fee, regardless of order size:<ul style="list-style-type: none"><li>- \$50 per trade</li><li>- \$35 per trade for customers that receive a financial planning solution from their Wealth Management Advisor.</li></ul></li><li>• Minimum initial investment for mutual funds: The greater of either the listed amount in the fund's prospectus or \$500.</li><li>• Additional investments: The greater of either the listed amount in the fund's prospectus or \$500, unless you are purchasing through a systematic (automatic recurring) order.</li><li>• Different minimums apply for managed accounts.</li><li>• Systematic (automatic recurring or dollar cost averaging) order, no fee; minimum transaction of \$100.</li></ul>

## Account maintenance fees

(All fees are per transaction, unless otherwise indicated.)

Account research	\$20 per hour
ACH return fee	\$25
Alternate investment transaction/processing fee	\$50
Certificate cancellation fee for certificates deposited outside of the transfer agent	\$3 or higher (pass-through fee, varies by agent)
Custody/safekeeping fee for physical securities (Excludes ADRs held with domestic custodian bank)	\$10 per Account, per position, per month

Direct registration system (“DRS”) incoming transfer fee – shares sent directly from some transfer agents	\$15 – \$20 (pass-through fee, varies by transfer agent)
DRS outgoing transfer fee – shares sent directly back to the transfer agent <sup>2</sup>	\$30 per security, per Account
Foreign Account fee (Non-US address)	\$50 per year for each Account that maintained a balance, position or had a form 1042-S reportable transaction
Foreign securities	Up to \$125 for each order (not applicable to American Depositary Receipts) + transaction fees and commission
Foreign security receive and deliver fee	\$75
Incoming Account transfer/IRA termination/Account closure fee	Varies by sender (pass-through fee)
International overnight check delivery fee	\$25
IRA termination fee <sup>4</sup>	\$130
Margin extensions	\$15
NSF/return check deposit fee	\$25
Outgoing wired funds fee	\$25 (waived for Account in a managed account)
Overnight check delivery fee	\$12
Post-effective reorganizations—Voluntary	\$75
Reorganizations—Voluntary	\$25
Saturday delivery—overnight check delivery fee	\$18
Special product fee—Registered real estate investment trusts (“REITs”)	\$35 per position, charged at transfer and then annually
Special product fee—Unregistered REITs	\$125 per position, charged at transfer and then annually
Stop-payment order fee	\$15
Transfers of gifted securities or checks mailed regular delivery <sup>3</sup>	No charge
Transfers—Accommodation <sup>3</sup>	\$80 per transfer



Transfers—Automated Clearing House (ACH)	No charge
Transfers—GNMA, Restricted, Legal <sup>3</sup>	\$140 per transfer
Transfers—Outgoing full Account <sup>3</sup>	\$50 per transfer, no charge for partial transfers
Transfers—Register, transfer and ship <sup>3</sup>	\$80 per transfer, plus any third-party charges, including a DTCC charge of \$500
Tax Statement Paper Surcharge	\$10 per year per Account that generates a year-end tax statement (waived for Accounts in a managed account and those who have elected to receive via electronic delivery)
Unrelated Business Taxable Income Tax Return (IRS Form 990-T) Processing	\$200 per tax return filed

<sup>3</sup>Checks in the amount of \$250,000 or more for transfers will be sent via overnight delivery and a delivery fee of \$12 will be charged to the Account.

<sup>4</sup>Termination fee does not apply to the TIAA IRA or Investment Solutions IRA Self-Directed brokerage Account, or if the assets from a TIAA IRA Account are transferred to a new or existing TIAA IRA Account.

### Foreign currency deposit fee “Free credit balance interest charge”

(Monthly rate subject to change. Call TIAA Brokerage for current rates.)

Currency	Rate for balance below daily exception balance	Daily exception balance	Rate for balance above daily exception
Swiss Franc (CHF)	2.00%	\$100,000	4.25%
Danish Krone (DKK)	1.40%	\$1,000,000	1.80%
Swedish Krona (SEK)	.85%	\$2,000,000	1.25%
Euro (EUR)	.80%	\$86,000	1.05%
Japanese Yen (JPY)	.40%	\$100,000,000	.65%
Norwegian Krone (NOK)	1.10%	N/A	N/A

### Self-Directed Brokerage IRA Resource Checking

(All fees are per transaction, unless otherwise indicated.)

Copy of cancelled check	\$3.75 per copy
NSF/return check fee	\$25
Stop payment fee	\$25

## Cash Solutions Account (CSA)

(All fees are per transaction, unless otherwise indicated.)

	Silver Tier	Gold Tier	Platinum Tier
Annual fee	\$25*	\$95	\$145
ATM withdrawal fee Visa® or Plus® (PNC Bank or Allpoint® Network)	N/A	None	None
ATM out-of-network fee (ATM not on PNC Bank or Allpoint® Network)	N/A	None	None
ATM out-of-network surcharge fee <sup>4</sup> (charged by ATM owner not on PNC Bank or Allpoint® Network)	N/A	Various, Fee reimbursement up to \$5 monthly	Various, Fee reimbursement up to \$10 monthly
Bill payment through Billsuite	Free	Free	Free
Business style check reorder	\$50	\$50	\$50
Business style checks – initial order, includes binder	\$60	\$60	\$60
Business style checks – replacement binder	N/A	N/A	\$20
Cash advance fee (non-ATM)	N/A	.25% of transaction (\$2.50 minimum)	.25% of transaction (\$2.50 minimum)
Check reorder	\$15	\$10	Free
Copy of paid check online	None	None	None
Copy of paid checks or Visa® draft	\$2.50 per copy	\$2.50 per copy	\$2.50 per copy
CSA checks and debit card – overnight delivery	\$40	\$40	\$40
Foreign transaction fee (Visa® fee for transactions performed outside the U.S.)	N/A	1% of transaction	1% of transaction
Initial check order (includes checkbook cover, check register, deposit tickets and 40 checks)	Free	Free	Free
Letter with checking Account information	None	None	None
Lost or stolen checkbook replacement	\$25	\$25	\$25
MobileWallet vendor additional transaction charges	N/A	None	None
Returned check ACH Transaction (for any reason)	\$25	\$25	\$25
Stop payments (on checks)	\$25	\$25	Free

<sup>4</sup> Surcharge may be imposed for ATM usage including transactions and balance inquiries.

\*Note: Silver Tier annual fee is waived for Accounts that have \$25,000 or more in average month-end closing cash sweep balances.

Investment, insurance and annuity products are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

TIAA Brokerage, a division of TIAA-CREF Individual & Institutional Services, LLC, reserves the right to change this fee and commission schedule at its discretion, subject to notification in accordance with applicable laws and regulations.

TIAA-CREF Individual & Institutional Services, LLC, Member FINRA and SIPC, distributes securities products. TIAA Brokerage, a division of TIAA-CREF Individual & Institutional Services, LLC, Member FINRA and SIPC, distributes securities. Brokerage Accounts are carried by Pershing, LLC, a subsidiary of The Bank of New York Mellon Corporation, Member FINRA, NYSE, SIPC. Advisory services are provided by Advice & Planning Services, a division of TIAA-CREF Individual & Institutional Services, LLC, a registered investment adviser.



# TIAA Privacy Notice

**Please read this notice carefully. It applies to you as a current or former customer of our products and services, or as a consumer interested in our products and services. We at TIAA are committed to protecting your privacy in accordance with the Fair Credit Reporting Act (FCRA), as amended by the Fair and Accurate Credit Transactions Act of 2003 (FACT Act), the Gramm-Leach-Bliley Financial Services Modernization Act (GLBA), applicable state laws and this privacy notice. This privacy notice should not be construed as establishing a contractual relationship.**

## Information we may collect

The nonpublic personal information we collect may include, but is not limited to, your name, address, telephone number, email address, Social Security Number, date of birth, and your transaction and experience history with TIAA Companies, as defined below. We may use this information in connection with certain aspects of our business. For example, we may use this information to complete your requested transaction, to improve your online experience with us, or to otherwise manage your relationship with the TIAA Companies.

We may obtain this information i) directly from you (e.g., application or other form you have completed, from information you have chosen to disclose in our website, [tiaa.org](https://www.tiaa.org), or from information you have given a TIAA Company in a consultation), ii) from your employer with respect to your employer-sponsored plan, or iii) from third parties. In addition, we may also collect information about your creditworthiness from consumer reporting agencies, and may include your marital status, employment history, income, assets, credit score, credit history, open lines of credit, and about your household.

If you own a life insurance policy, we may have collected your health information. We will not disclose your health information to any other company, including TIAA Companies or other persons unless authorized by you, or required or permitted by law or regulation.

## How your information is used

We use your personal information primarily to provide you with the products and services you request or your employer has directed us to deliver on your behalf, and we share and use your personal information relating to transactions, balances, payment history and similar experiences among the TIAA Companies to conduct their business. If you are a participant in an employer-sponsored retirement or savings plan investing in a TIAA or third-party annuity contract or a TIAA or third-party mutual fund, we may share the information we collect with your employer and its agents, if any, for plan administration purposes. Additionally, unless instructed otherwise by a plan sponsor of your current or former retirement plan, we may also use your personal information to market or determine your possible interest in products and services that the other TIAA Companies offer.

## Disclosure of your information

We share your personal information with other TIAA Companies as permitted by law. We will not disclose your personal information to anyone outside of the TIAA Companies unless: 1) we have received proper consent from you; 2) we are legally permitted to do so; or 3) we reasonably believe, in good faith, that we are legally required to do so. For example, we may provide the information to assist us with various aspects of conducting our business, to comply with laws or industry regulations, and/or to effectuate any action that you have requested, including the following:



- Unaffiliated service providers (e.g., fulfillment companies and securities clearinghouses, data processing services, printers and mailing facilities) engaged by us
- Unaffiliated fund and/or insurance companies and their agents whose investment options are made available to you through your employer-sponsored retirement or savings plan, provided monies are allocated to them on your behalf
- Government agencies, other regulatory bodies and law enforcement officials (e.g., for tax purposes or for reporting suspicious transactions)
- Other organizations, with your consent or as directed by you (e.g., if you use TIAA as a financial reference in applying for credit with another institution)
- Other organizations, as permitted or required by law (e.g., for fraud prevention)

## Security of your information

TIAA protects the personal information you provide against unauthorized access, disclosure, alteration, destruction, loss, or misuse. Your personal information is protected by physical, electronic, and procedural safeguards in accordance with federal and state standards. These safeguards include appropriate procedures for access and use of electronic data, provisions for the secure transmission of sensitive personal information on our website, and telephone system authentication procedures. Additionally, we limit access to your personal information to those TIAA employees and agents who need access in order to offer and provide products or services to you. We also require our service providers to protect your personal information by utilizing the privacy and security safeguards required by law.

## Your right to opt out

Providing us with access to your information permits us to offer you distinct advantages and better service. It enables us to provide you with more comprehensive financial guidance. Sharing and using your information helps us tailor product offerings to you and eliminate those that may not interest you. This helps us keep expenses low.

Federal law gives you the right to limit some but not all sharing of your personal information. You may not limit sharing of information of your transactions and experiences with TIAA Companies, but you may limit sharing of information about your creditworthiness.

Unless you tell us otherwise and opt out, (i) the TIAA Company(ies) with which you have a business relationship may share information about your creditworthiness with other TIAA Companies or (ii) other TIAA Companies may use your personal information for marketing purposes. If you are a Vermont resident, state law gives you an additional right: we will not share information about your creditworthiness with other TIAA Companies except with your consent.

If you opt out, the TIAA Company(ies) with which you have a business relationship will still notify you of their new products or services. Please note that we cannot withdraw any previous disclosures made with your authorization.

To opt out of either information sharing or marketing, or both, please call the National Contact Center weekdays, 8 a.m. to 10 p.m.(ET) at **800-842-2252**. You may receive more than one privacy notice from the TIAA Companies depending on the products you own.

If you own a life insurance contract, brokerage account, or a TIAA-CREF Funds account with a co-owner, you and the co-owner may:

- Opt out separately, or
- Either of you may opt out for both of you

If you opt out separately, we will limit disclosure of information only for the owner who has opted out. If you indicate that you are opting out for the co-owner as well, we will limit disclosure for both of you.

Your opt-out becomes effective as soon as practicable. It remains in effect until you revoke it in writing.

## Changes in our privacy notice

TIAA periodically reviews its privacy notice and reserves the right to amend it. If amended, TIAA will continue its commitment to maintaining the security and privacy of your personal information. We will notify you of material changes prior to when they take effect through a banner notice in our website, [tiaa.org](https://tiaa.org).

## How to change or correct your personal information

To change or correct information such as your name, address, retirement start date, telephone number, email address, or other personal information, please log on to your TIAA account page at [tiaa.org](https://tiaa.org) and submit your changes. If you want to change your address on fewer than all contracts, you will need to select “click here” located under the email section of the page.

You may also change your personal information by calling our National Contact Center at **800-842-2252** weekdays, 8 a.m. to 10 p.m. (ET). Note that certain changes cannot be processed over the phone. You may send letters to:

TIAA, P.O. Box 1259, Charlotte, NC 28201

For Nevada residents, state law requires that we provide you notice that you have the option to be placed on our Internal Do Not Call list. If you would rather not receive marketing calls from us, please call us at the telephone number provided above.

## Former customers

If your customer relationship with TIAA ends, we will not destroy your personal information unless required or permitted by law. We will continue to treat your personal information in accordance with this privacy notice and applicable laws.

## Our digital tracking practices

TIAA uses digital tracking technology including, but not limited to, pixels, beacons, and cookies to collect from your computer or other connected device information about you, your internet and website activity, and your preferences. We utilize such information for the following purposes:

- To make our website usable by enabling basic functions, like page loading, account sign-in, and filling out forms;
- To monitor website traffic and activity;
- To maintain security, enable fraud detection, and provide trouble-shooting and support;
- To facilitate an action initiated by you, such as setting or detecting your privacy settings;
- To establish and maintain a logged-in connection while you are in the secure section(s) of our website. For example, when you visit your account, perform transactions, update contact information or perform other activity a “cookie” allows you to navigate from page to page in a secure fashion without having to repeatedly log in;
- To enable us to personalize your web experience by remembering your online preferences including, but not limited to, your preferred language, web layout, or location settings;
- To detect your browser and device capabilities for displaying website content;
- To understand how you interact with our marketing content and use our website, including in some instances identifying the marketing channel through which you have accessed our site; and
- To track your visit across our websites and to serve you targeted advertising and content we think will interest you while you are on our site or visiting non-TIAA sites (“interest-based advertising”).

Personal information collected by our use of digital tracking technology is information that, on its own, might not identify you; however, when such information is combined with other information about you, it may be possible to identify you or your household. In the context of digital tracking technology, such information may include:

- Your identifiers, including your cookie identifier, Internet Protocol address, hashed email address, device identifier, mobile ad identifier, and similar online and unique personal identifiers;
- Your geolocation data; and
- Your internet or other electronic network activity information, such as the time you spent on the website, your navigation throughout the site, and other information regarding your interaction with an internet website, application, or advertisement).

Digital tracking technology may be deployed by us or our service providers, on our behalf, for analytics, marketing, and interest-based advertising services. We and our service providers may rely on other third parties to deliver to you our interest-based advertising on websites or platforms that you may visit while online.

## How to manage your digital tracking preferences

By visiting our digital preference management center from the 'Do not sell/share my personal information' link at the bottom of our homepage, you have the ability to manage your digital tracking preferences, including opting out of interest-based advertising. Please note that your opt-out preferences will be stored in cookies and that if you clear your cookie cache or access our site from another device, we will not have the ability to identify you for the purpose of applying your opt-out choices, and you will need to opt out again.

Our website detects the Global Privacy Control signal from a number of common browsers, and we will automatically opt you out of interest-based advertising if we detect that you have enabled this signal. To learn more about the Global Privacy Control, please visit [globalprivacycontrol.org](https://globalprivacycontrol.org).

### Browsing to other sites:

When you use a link to go from **tiaa.org** to another web site, the **tiaa.org** privacy notice is no longer in effect. Your browsing and interaction on any other web site is subject to the rules and policies of that site. We encourage you to read the rules and policies of the sites you visit to further understand their procedures for collecting, using, and disclosing personal information.

## The TIAA Companies

As described in this notice, "TIAA", the "TIAA Companies" or "we" are financial companies using the TIAA and/or Nuveen brands that share a common corporate identity. TIAA Companies include but are not limited to the following:

- **Teachers Insurance and Annuity Association of America and TIAA-CREF Life Insurance Company** (TIAA Life) are insurance companies. They provide products such as life insurance and annuities.
- **College Retirement Equities Fund** (CREF) is an investment company that is the companion organization to TIAA. CREF provides retirement annuities.
- **TIAA-CREF Funds** is an investment company.
- **TIAA-CREF Life Funds** is an investment company.
- **Teachers Advisors, LLC**, is an investment advisor. It provides services for our mutual funds and personal annuities.
- **TIAA-CREF Investment Management, LLC**, is the investment advisor to CREF.
- **TIAA-CREF Individual & Institutional Services, LLC**, is the principal underwriter for CREF and the TIAA Real Estate Account and is authorized by agreement to sell and service TIAA-CREF Funds, TIAA-CREF Life Funds, and interests in tuition savings products. It also provides brokerage accounts through TIAA-CREF Brokerage Services.
- **TIAA Trust, N.A.** is a federally chartered, trust-only national bank. It provides investment management, fiduciary and custody services for individuals and institutions.



January 2025

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(01/25)



# TIAA Enterprise Resilience: Being prepared



## Our enterprise resiliency plan covers everything we do at TIAA

- Backing up and recovering the data in our computer systems
- Building redundancy into all critical systems
- Minimizing financial, operational and credit risk exposures
- Establishing alternate ways to communicate with our participants
- Confirming emergency contacts and alternate business facilities for our employees
- Arranging emergency procedures with critical business partners, such as banks
- Communicating with and reporting to regulators
- Ensuring participants have prompt access to their accounts and funds

At TIAA, we believe it's important to our participants and institutions that we are prepared to operate through disruptions. To maintain enterprise resiliency, we continually review our activities to develop appropriate and robust contingency plans. Where we have business-critical functions, we have put procedures in place to make sure we can continue operating in an emergency. Our participants can feel confident that they can conduct business with TIAA without significant interruption under most circumstances.

*continued*



Just as we recommend a diversified portfolio to minimize investment risk, we maintain a geographically diverse group of business centers, with principal sites located in New York, N.Y.; Denver, Colo.; Charlotte, N.C.; Dallas, Texas; and Jacksonville, Fla. The people, processes and technology necessary to conduct our business are distributed among these sites, with critical business operations conducted at multiple locations. If activity at any one of these sites is disrupted, we can continue operating at the other locations without serious interruption for our participants and institutions.

We believe that the distance between these sites greatly reduces the risk that an event occurring at one site would affect the others. However, just as a diversified portfolio cannot eliminate risk entirely, we recognize that simultaneous disruptions at our principal sites could limit participants' ability to conduct transactions with us. We believe this risk is very small, and the likelihood of such an event is remote.

Because other companies provide various services we rely on, we also consider the strength of these vendors' business continuity plans when determining whether to work with them.

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## **Our planning contemplates disruptions of varying scope, severity and duration, as recommended by FINRA:**

### **TIAA-specific disruption**

We have policies and procedures in place intended to mitigate the risk of any disruption that could cause our systems to be temporarily unavailable, such as a virus disabling a computer system. We have also put in place procedures to address unforeseen disruptions to our systems and processes.

### **Disruption to a single building**

We have structured our operations to minimize the effect of a disruption at any one of our buildings. For a disruption affecting a single building, such as a fire, our operations are structured so that all critical and important business functions are performed at multiple locations.

### **Disruption to a business district**

We maintain geographic dispersion of our operations to reduce the risk if there is a disruption in a business district, like an explosion at an electrical substation. Likewise, we have looked for such geographic dispersion in the operations of our vendors and service providers.

### **Citywide disruption**

For a citywide disruption, such as a flood, our response would be the same as for a disruption to a business district in which we are located.

### **Regional disruption**

In the event of a regional disruption, such as a power blackout or snowstorm, we will rely on our facilities located outside the affected region to continue our business. We have procedures and a communication plan in place that will focus our available resources on maintaining critical business functions for the duration of the disruption.

We at TIAA expect business to continue during each of these scenarios. Our enterprise resiliency plan aims to recover mission-critical business functions within one hour of a disruption and other critical business functions within 24 hours. Noncritical function recovery is prioritized beyond 24 hours depending on the impact of the disruption.





# TIAA Bank Sweep Terms and Conditions Update

Self-Directed Brokerage, Portfolio Advisor  
and TIAA Personal Portfolio

Effective May 5, 2025, TIAA Brokerage will be updating the TIAA Bank Sweep Terms and Conditions to more clearly describe the relationship TIAA has with EverBank and other updates for the course of normal business. Following is a summary of the major update:

- 1- A paragraph that describes the relationship TIAA has with EverBank has been added to section D. Conflicts of Interest on page 4. The section will read:

## D. Conflicts of Interest.

1. TIAA Brokerage and Pershing earns fees based on the amount of funds on deposit with the Bank through the TIAA Sweep Product. TIAA Brokerage may earn a higher fee if you participate in the TIAA Sweep Product than if you invest in other sweep options such as money market mutual funds. In addition, the Bank will use the deposits in the Omnibus Accounts to support its investment lending and other activities. The profitability of the Bank is determined in part by the difference between the interest it pays on the Omnibus Accounts (and other costs incurred) and the interest or other income it earns on loans, investments, and other assets. The Bank will receive substantial deposits from the TIAA Sweep Product at a price that may be less than alternative funding sources. Funds in the Omnibus Accounts held at the Bank provide a stable source of funds for the Bank.

2. TIAA retains a non-controlling interest in the Bank. TIAA maintains an equity ownership in the Bank, of which less than 10% is a voting ownership interest, and controls a board seat, in addition to an economic interest. This creates a conflict of interest because TIAA (our parent) has an economic interest in EverBank in addition to the compensation we and our affiliates earn when we refer clients to the Bank or recommend brokerage accounts and TIAA IRAs that utilize the Bank cash sweep options or deposits within the accounts. For non-managed accounts, other sweep options are available to you that may pay a higher interest rate than the TIAA Sweep Product. Please see <https://www.tiaa.org/public/invest/financial-products/brokerage-accounts/interest-rate-disclosure> for more information.

## Self-Directed Brokerage

Should you currently have the TIAA Brokerage Cash Sweep as the default cash sweep within your Self-Directed account and no longer agree to the Terms and Conditions, you may contact TIAA Brokerage or your advisor to discuss your options.

Additional sweep choices are available for self-directed Brokerage accounts and can be reviewed online at <https://www.tiaa.org/public/invest/financial-products/brokerage-accounts/interest-rate-disclosure/>. Here

you'll find the current rates, links to the prospectus, Terms and Conditions and other important information. If you would like information by mail, please contact us. Should you decide that you would like to change the cash sweep within your account, at any time, call TIAA Brokerage at 800-842-2252, weekdays from 8 a.m. – 7 p.m. ET.

### **Portfolio Advisor and TIAA Personal Portfolio**

Should you no longer agree to the Terms and Conditions and would like to discuss your options, you may contact your advisory team or TIAA Brokerage at 800-842-2252, weekdays from 8 a.m. – 7 p.m. ET.

This material is for informational or educational purposes only and is not fiduciary investment advice, or a securities investing strategy, or insurance product recommendation. This material does not consider an individual's own objective or circumstances which should be the basis of any investment decision.

**You should consider the investment objectives, risks, charges, and expenses carefully before investing. Please call 877-518-9161 for a prospectus that contains this and other information. Please read the prospectus carefully before investing. Some securities may not be suitable for all investors.**

Investment, insurance, and annuity products are not FDIC insured, are not bank guaranteed, are not bank deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

TIAA Brokerage, a division of TIAA-CREF Individual & Institutional Services, LLC, Member FINRA/SIPC, distributes securities. Brokerage accounts are carried by Pershing, LLC., a subsidiary of The Bank of New York Mellon Corporation, Member FINRA, NYSE, SIPC. Advisory services are provided by Advice & Planning Services, a division of TIAA-CREF Individual & Institutional Services, LLC, a registered investment adviser. TIAA Trust, N.A. provides investment management, custody and trust services.

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# TIAA Sweep Product Terms and Conditions

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The following Terms and Conditions govern your participation in the TIAA Sweep Product to eligible brokerage accounts (each a “Brokerage Account”) provided by the TIAA Brokerage division of TIAA-CREF Individual & Institutional Services, LLC (“TIAA Brokerage”) and carried by its unaffiliated clearing broker, Pershing LLC (“Pershing”). The TIAA Sweep Product is designed to sweep Eligible Cash Balances (as defined below) in your Brokerage Account into bank deposit accounts at EverBank, N.A. (the “Bank”). Currently, cash balances held in a Brokerage Account up to \$248,500 are Eligible Cash Balances. The Bank may change this amount from time to time, as described more fully below.

This document provides you with important information about how the TIAA Sweep Product works. These terms and conditions supplement the terms and conditions contained in the account agreements and related documents which govern your Brokerage Account.

YOU UNDERSTAND THAT BY PROVIDING YOUR AUTHORIZATION TO USE THE TIAA SWEEP PRODUCT, YOU HAVE INSTRUCTED PERSHING TO DIRECT YOUR FREE CREDIT BALANCES TO THIS SWEEP PRODUCT.

YOU ACKNOWLEDGE THAT YOU HAVE RECEIVED AND CAREFULLY READ THESE TERMS AND CONDITIONS IN CONNECTION WITH ENROLLING IN THE TIAA SWEEP PRODUCT. IF YOU HAVE ANY QUESTIONS ABOUT ANY OF THE PROVISIONS OF THESE TERMS AND CONDITIONS, PLEASE CALL TIAA BROKERAGE OR YOUR INVESTMENT PROFESSIONAL.

## A. The TIAA Sweep Product

1. **Operation of the TIAA Sweep Product. TIAA Brokerage.** The TIAA Sweep Product is operated by TIAA Brokerage through Pershing. Under the TIAA Sweep Product, eligible cash balances in your Brokerage Account are automatically swept into interest bearing deposit accounts at the Bank, one for brokerage accounts and one for Managed accounts. These interest bearing deposit accounts are an omnibus interest bearing Demand Deposit Account for managed accounts and an omnibus interest bearing Demand Deposit Account for non-managed accounts and are held in each case in the name of “Pershing LLC as agent for the exclusive benefit of customers, each customer acting for themselves and others” or a similar designation (together, the “**Omnibus Accounts**”).

You maintain a beneficial account interest in the Omnibus Accounts equal to the aggregate amount of your free credit balances that remain in your Brokerage Account after purchase transactions and other charges in your Brokerage Account (such as checks, ACH payments, debit cards and ATM withdrawals), plus the interest that accrues on the amounts transferred into each Omnibus Account (the “**Subaccount**”). The Subaccount will be evidenced by an entry on records maintained by Pershing and not directly on the records of the Bank.

2. **Account Eligibility.** The following account types are eligible to use the TIAA Sweep Product: individual, joint, IRA and certain organizational accounts, such as corporate accounts and certain fiduciary and trust accounts. TIAA Brokerage reserves the right, in its sole discretion, to amend the types of brokerage accounts that are eligible to participate in the TIAA Sweep Product, as well as modify the eligibility requirements for the TIAA Sweep Product. Brokerage accounts that are brokerage windows to an employer-sponsored retirement plan provided through TIAA are not currently eligible for participation in the TIAA Sweep Product.
3. **Eligible Cash Balances.** The free credit balances that remain in your Brokerage Account after purchase transactions and other charges in your Brokerage Account (such as checks, ACH payments, debit cards and ATM



withdrawals) are eligible to be deposited into the TIAA Sweep Product (“**Eligible Cash Balances**”). The Bank imposes a maximum amount of Eligible Cash Balances it will receive (“**Maximum Eligible Cash Balance Amount**”)—currently, the amount is \$248,500 per Brokerage Account. The Bank may change the Maximum Eligible Cash Balance Amount from time to time with prior notice to TIAA Brokerage. Interest that accumulates in your account may cause your balance to exceed the Maximum Deposit Amount; however, in no event will the balance exceed the applicable FDIC insurance limit in effect at the time of the change (currently, \$250,000 per legal category of ownership as described more fully below). In addition, if the Bank is no longer accepting deposits, the Bank may change the Maximum Eligible Cash Balance Amount to zero. Eligible Cash Balances in your Brokerage Account which exceed the Maximum Eligible Cash Balance Amount will be deposited into bank deposit accounts with one or more other banks through a separate bank sweep vehicle (“**Overflow TIAA Sweep Product**”). For example, if the Eligible Cash Balance in your Brokerage Account is \$275,000, the first \$248,500 will be deposited under the TIAA Sweep Product and the remaining \$26,500 will be deposited into bank deposit accounts with one or more other banks through the Overflow TIAA Sweep Product. Currently, the Liquid Insured Deposits bank sweep vehicle (“**LIDS**”) operated by Pershing is the Overflow TIAA Sweep Product. LIDS is a separate sweep vehicle subject to separate terms and conditions. See the Liquid Insured Deposits Terms and Conditions for important information about this vehicle and its applicable FDIC insurance limits. The LIDS bank sweep vehicle comprises a number of participating banks; however, the Bank is not one of the participating banks for purposes of the Overflow TIAA Sweep Product.

4. **Minimum Balance Requirements.** There is no minimum Eligible Cash Balance required to either participate in the TIAA Sweep Product or continue to participate in the TIAA Sweep Product. There is also no minimum period that your funds invested in the TIAA Sweep Product (the “**Funds**”) must remain on deposit with the Bank and no limitation on the number or amount of withdrawals that Pershing may affect under the TIAA Sweep Product.
5. **FDIC-insured Accounts.** The TIAA Sweep Product seeks to provide you with the security of FDIC insurance for your Funds. FDIC insurance provides protection against the loss of your Funds on deposit with the Bank under the TIAA Sweep Product, up to allowable limits, in the event the Bank fails. FDIC deposit insurance is backed by the full faith and credit of the United States. Specifically, FDIC deposit insurance coverage is available for your Funds up to the FDIC standard maximum deposit insurance amount (“**SMDIA**”), which is currently \$250,000 per legal category of account ownership at the Bank, when aggregated with all other deposits held by you at the Bank and in the same legal category of account ownership. Please see Appendix A for examples regarding how FDIC coverage works. Eligible Cash Balances in your Brokerage Account up to the Maximum Eligible Cash Balance Amount then in effect may be deposited under the TIAA Sweep Product with the Bank even if the aggregate amount of your Funds on deposit with the Bank through the TIAA Sweep Product together with any other funds that you maintain in the same legal category of ownership with the Bank exceeds the SMDIA. **You are solely responsible for monitoring the aggregate amount that you have on deposit with the Bank and any other bank participating in the Overflow Sweep Program in connection with FDIC insurance limits.** Pershing, TIAA Brokerage, the Bank, and your investment professional do not monitor or take any responsibility for money you may have at the Bank outside the Program or money you have at any bank participating in the Overflow Sweep Program. Money you hold on deposit with the Bank that is separate from your Funds on deposit with the Bank through the TIAA Sweep Product will not be taken into account in determining whether to sweep your Eligible Cash Balances to the Bank through the TIAA Sweep Product. In addition, if you have more than one Brokerage Account with the same legal category of account ownership, the funds in all Brokerage Accounts that participate in the TIAA Sweep Product will be aggregated in order to determine the amount covered by FDIC insurance. For example, if the SMDIA is \$250,000 and you have \$30,000 in Eligible Cash Balances in one Brokerage Account, \$30,000 in Eligible Cash Balances in another Brokerage Account and \$200,000 on deposit with the Bank outside of your Brokerage Account, only \$250,000 of your \$260,000 is insured by the FDIC. Depending on the individual facts and the ownership rights and capacities in which your Brokerage Accounts and deposits with the Bank are held, additional amounts may be covered by FDIC insurance.
6. **Securities Investor Protection Corporation (“SIPC”).** SIPC is a nonprofit member corporation funded primarily by member securities brokerage firms registered with the Securities and Exchange Commission, such as TIAA Brokerage and Pershing. SIPC covers against custodial loss (but not investment loss such as a decrease in value of an investment) in the event of a brokerage firm insolvency. TIAA Brokerage (a registered broker/dealer) and Pershing, which holds your Brokerage Account assets (also a registered broker/dealer), are members of SIPC.
7. **Your Funds are not covered by SIPC.** Your Responsibility to Monitor Your Eligible Cash Investment Options. None of TIAA Brokerage, Pershing or the Bank have any obligation to monitor your Eligible Cash Balance investment options, including the TIAA Sweep Product and the Overflow TIAA Sweep Product for your Brokerage Account, or to make recommendations about or changes to the TIAA Sweep Product, including monitoring your FDIC

insurance limits. As your personal financial circumstances and other factors change, it may be in your interest to change your Eligible Cash Balance investment options or to invest cash from your Brokerage Account in other investment vehicles. You can review your investment options and other investments, as well as the current rates and returns of each by calling TIAA Brokerage at **800-842-2252** or by visiting <https://www.tiaa.org/public/invest/financial-products/brokerage-accounts/interest-rate-disclosure>.

8. **Deposits with the Bank.** When you enroll in the TIAA Sweep Product, you consent to have Eligible Cash Balances in your Brokerage Account at TIAA Brokerage automatically deposited through the TIAA Sweep Product to the Bank up to the Maximum Eligible Cash Balance Amount then in effect. Each business day (as defined herein), Pershing will sweep the Eligible Cash Balances in your Brokerage Account to the Bank. Only Eligible Cash Balances swept by Pershing to the Bank will be eligible for inclusion in the TIAA Sweep Product. For purposes of these Terms and Conditions, a business day is any day when both the New York Stock Exchange and the New York Branch of the Federal Reserve Bank are open for business (a “**Business Day**”).
9. **Withdrawals and Access to Funds.** When you enroll in the TIAA Sweep Product, you consent to have your Funds on deposit at the Bank automatically withdrawn in the event of a debit in your Brokerage Account or on the settlement date to reconcile purchase transactions and other charges posted to your Brokerage Account (such as checks, ACH payments, debit cards and ATM withdrawals). Each Business Day, as needed, Pershing will withdraw your Funds on deposit with the Bank.

You cannot withdraw your Funds from the Bank directly. Checks, ACH payments, debit cards, ATM withdrawals, direct deposits, credits and other transactions and items for your Brokerage Account are processed through your Brokerage Account rather than directly with the Bank under the TIAA Sweep Product. In the event of the failure of Pershing, you may seek to access your Funds by contacting TIAA Brokerage at **800-842-2252**. In the event of the failure of TIAA Brokerage, you may seek to access your funds by contacting Pershing at **201-413-3333**. TIAA Brokerage and/or the Bank reserves the right to require you to present any information, identification, certification or any other documentation reasonably deemed necessary by the Bank to establish your entitlement to funds prior to disbursing any funds to you, if circumstances require such action.

In the event of a failure of the Bank, there may be a time period during which you may not be able to access your Funds in the Omnibus Accounts.

10. **Brokerage Account Statements.** Your periodic Brokerage Account statement from Pershing will summarize account activity with respect to your participation in the TIAA Sweep Product, including your opening and closing balances, deposits, withdrawals, and interest earned on your Funds for the period covered. You will not receive a separate statement from the Bank. Please retain your Brokerage Account statements for your records.

## B. About the Bank

1. **Affiliation and Information.** TIAA Brokerage and the Bank are separate, unaffiliated companies. Pursuant to an agreement between TIAA Brokerage and the Bank, the Bank pays TIAA Brokerage an asset-based fee based on the amount of the non-managed account cash in the Omnibus Accounts that is swept to the Bank. The Bank is a national bank and an FDIC-insured depository institution. You can obtain publicly available financial information about the Bank at the FDIC’s website at [fdic.gov](http://fdic.gov), or by contacting the FDIC’s Division of Information and Research by writing to Federal Deposit Insurance Corporation, Division of Information and Research, 550 17th Street, NW, Washington, DC 20429-9990; or by calling the FDIC’s Division of Information and Research at **877-275-3342**. Neither Pershing nor TIAA Brokerage guarantees the financial condition of the Bank, or the accuracy of any publicly available information concerning the Bank.

Your Funds are a direct obligation of the Bank and are not, either directly or indirectly, guaranteed by TIAA Brokerage or Pershing, or any of their subsidiaries, affiliates or parent companies.

2. **Your Relationship with the Bank.** Although your Funds are a direct obligation of the Bank, you will receive no separate evidence of ownership from the Bank. Instead, the Subaccount will be evidenced by an entry on records maintained by Pershing, as the custodian of your Brokerage Account assets.

## C. Interest Rates on Your Deposits

1. **Interest and Fees.** Your Funds will earn interest and such interest will be compounded daily, and accrued daily on the balance of your Funds with the Bank. The interest will be credited and paid by the Bank at the end of each month, on the date your account closes or when you withdraw all of your Funds. Interest will begin to accrue on the day your Funds are credited to the Bank and will accrue up to, but not including, the day on which

your Funds are withdrawn from the Bank. The amount of paid interest and the annual percentage yield earned on your Funds will be stated on your Brokerage Account statement.

2. **Determination of Interest Rates.** Interest rates paid on your Funds will fluctuate and are subject to change at any time. To find out the current interest rate being paid on your Funds, you may contact TIAA Brokerage by calling **800-842-2252** or by visiting <https://www.tiaa.org/public/invest/financial-products/brokerage-accounts/interest-rate-disclosure>.
3. **Risks.** You may receive a lower rate of return on your Funds deposited under the TIAA Sweep Product than on other sweep options such as money market mutual funds. In the event of a failure of the Bank, there may be a time period during which you may not be able to access your Funds. If the total amount of deposits that you hold at the Bank in the same legal category of account ownership (including deposits made through the TIAA Sweep Product, deposits you hold outside of the TIAA Sweep Product and other Brokerage Accounts that participate in the TIAA Sweep Product) exceeds applicable FDIC insurance limits, you will be exposed to the credit risk of the Bank with respect to the amount of the excess.

#### D. Conflicts of Interest

1. **Conflicts of Interest.** TIAA Brokerage and Pershing earns fees based on the amount of funds on deposit with the Bank through the TIAA Sweep Product. TIAA Brokerage may earn a higher fee if you participate in the TIAA Sweep Product than if you invest in other sweep options such as money market mutual funds. In addition, the Bank will use the deposits in the Omnibus Accounts to support its investment lending and other activities. The profitability of the Bank is determined in part by the difference between the interest it pays on the Omnibus Accounts (and other costs incurred), and the interest or other income it earns on loans, investments and other assets. The Bank will receive substantial deposits from the TIAA Sweep Product at a price that may be less than alternative funding sources. Funds in the Omnibus Accounts held at the Bank provide a stable source of funds for the Bank.

#### E. Other Provisions

1. **Brokerage Account Agreement.** You understand and agree that your Brokerage Account Agreement with TIAA Brokerage continues to govern your Brokerage Account and shall also govern your participation in the TIAA Sweep Product. If any provision of the Brokerage Account Agreement conflicts with provisions of these Terms and Conditions, the provisions of the Brokerage Account Agreement shall govern, with the exception of the Sections herein on Governing Law and Disputes. You understand that by continuing to maintain your Brokerage Account without objecting to the use of the TIAA Sweep Product, you accept and are legally bound by the provisions of these Terms and Conditions.
2. **Right of Set-Off.** Under the terms of your Brokerage Account Agreement, Pershing may charge or setoff any of the assets in your Brokerage Account, including the Funds, against indebtedness or obligations you may have to Pershing. For further information on the rights of Pershing regarding such indebtedness or obligations, you should review your Brokerage Account Agreement. This provision does not apply where otherwise prohibited by law.
3. **Termination; Closing of Account.** Pershing may, at its sole discretion and without any prior notice, suspend or terminate your participation in the TIAA Sweep Product. If you or Pershing close your Brokerage Account for any reason, your participation in the TIAA Sweep Product will also be terminated and Pershing will withdraw your Funds on deposit with the Bank.
4. **Inactive Accounts.** Pershing and the Bank may be required by law to turn over (escheat) any portion or all of your Funds on deposit with the Bank to a state, typically your state of residence, based on account inactivity for a certain time period established by applicable state law. If any of your Funds are remitted to the state, you may file a claim with the state to recover such funds.
5. **Joint Account Owners.** If your Brokerage Account is a joint or other multi-party account, any one of the account owners may take any action with respect to your Brokerage Account that will affect deposits to or withdrawals from the Bank through the TIAA Sweep Product. You hereby authorize Pershing to act on the verbal, written or electronic instructions of any of the account owners or authorized signers, and Pershing will so honor the instructions of any such account owner.
6. **Tax Reporting.** The interest that you earn on the daily balance of your Funds with the Bank is generally fully subject to federal, state and, where applicable, local tax. An IRS Form 1099 will be sent to you by Pershing each year, showing the amount of interest income you have earned on your Funds. Pershing may be required to

withhold U.S. federal income tax at the prevailing rate on all taxable distributions payable to certain participants in the TIAA Sweep Product who fail to provide their correct taxpayer identification number or make required certifications or who have been notified by the Internal Revenue Service that they are subject to backup withholding.

- 7. Notices and Information.** Any notice required to be provided pursuant to these Terms and Conditions may be provided by the Bank, TIAA Brokerage and Pershing via letter, email or other electronic means, by entry on your Brokerage Account statement or by other reasonable means. The current interest rate and other information about the TIAA Sweep Product are available by contacting TIAA Brokerage by calling **800-842-2252** or by visiting [TIAA.org](http://TIAA.org).
- 8. Notice of Unauthorized Activity.** Please refer to the Regulation E (Electronic transfer) section of the Disclosure Statement delivered to you by Pershing upon opening of your Brokerage Account, which can also be found at <https://www.pershing.com/global-assets/pdf/disclosures/per-disclosure-statement.pdf>
- 9. Business Continuity.** If you are unable to contact TIAA Brokerage due to a business interruption event, such as a natural disaster, you may contact Pershing.
- 10. Assignment by Customer.** Neither these Terms and Conditions nor your participation in the TIAA Sweep Product may be assigned or transferred by you to any other person or entity, except for (i) a transfer by a change in ownership of a linked Brokerage Account or (ii) a transfer that occurs due to death, incompetence, marriage, divorce, attachment or otherwise by operation of law, in which case, such transfer shall not be binding on Pershing, TIAA Brokerage or the Bank unless and until sufficient, acceptable documentation has been received by such entities.
- 11. Assignment by Pershing.** Pershing may assign and transfer its respective rights and obligations under the TIAA Sweep Product, including, without limitation, pursuant to these Terms and Conditions, to (i) one or more of its affiliates or subsidiaries, (ii) to any person that acquires all or substantially all of the assets of Pershing or (iii) any other clearing broker used by TIAA Brokerage without prior notice to you and without obtaining your consent.
- 12. Personal Information.** You agree that Pershing, TIAA Brokerage the Bank and their respective service providers may share information concerning you and your accounts in connection with your participation in the TIAA Sweep Product and these Terms and Conditions to any affiliate of such entity or otherwise in accordance with applicable laws and regulations and Pershing's and TIAA Brokerage respective privacy policies. You agree that Pershing, TIAA Brokerage the Bank and their respective service providers may obtain such information as may be necessary for legitimate business needs in connection with the operation of the TIAA Sweep Product or with respect to your Funds. For information regarding the collection, processing and use of your personal information and your rights to limit the use and disclosure of such information, you should refer to TIAA Brokerage and Pershing's privacy policies provided to you at the time you opened your Brokerage Account.
- 13. Complaints.** Any complaints regarding the TIAA Sweep Product should be addressed in writing to TIAA Brokerage.
- 14. Legal Process.** Pershing and the Bank may comply with any writ of attachment, execution, garnishment, tax levy, restraining order, subpoena, warrant or other legal process, which such party reasonably and in good faith believes to be valid. Pershing may notify you of such process by telephone, electronically or in writing. If Pershing is not fully reimbursed for its record research, photocopying and handling costs by the party that served the process, Pershing may charge such costs to your Brokerage Account in addition to its minimum legal process fee. You agree to indemnify, defend and hold the Bank, TIAA Brokerage and Pershing harmless from all actions, claims, liabilities, losses, costs, attorney's fees and damages associated with their compliance with any process that such party believes reasonably and in good faith to be valid. You further agree that the Bank, TIAA Brokerage and Pershing may honor legal process that is served personally, by mail or by facsimile transmission at any of their respective offices (including locations other than where the funds, records or property sought is held), even if the law requires personal delivery at the office where your records with respect to the TIAA Sweep Product are maintained.
- 15. Power and Authority.** You represent and warrant that you have full power and authority to participate in the TIAA Sweep Product and you agree to these Terms and Conditions. In addition, if you are not an individual, you represent and warrant that (1) you are duly organized, validly existing and in good standing under the laws of its state or jurisdiction of organization, (2) you possess all requisite authority, power, licenses, permits, registrations and franchises and have made all governmental filings to conduct business wherever it conducts business and



to execute, deliver and comply with your obligations hereunder, and (3) your agreement to these Terms and Conditions and performance hereunder shall not conflict with or violate your governing documents or any law, regulation, decree, demand, order or any other contract or agreement to which it is subject.

- 16. Amendment.** Pershing, TIAA Brokerage or the Bank may modify these Terms and Conditions at any time by giving such notice as may be required by applicable law.
- 17. Waiver.** Any provision of these Terms and Conditions may be waived if, but only if, such waiver is in writing and is signed by the party against whom the waiver is to be effective. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.
- 18. Severability.** If any term, provision, covenant or restriction in these Terms and Conditions is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of these Terms and Conditions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.
- 19. Entire Agreement.** These Terms and Conditions constitute the entire agreement with you regarding the TIAA Sweep Product, and supersedes all prior and contemporaneous agreements and understandings, both oral and written, with respect to the subject matter hereof. In the event of any inconsistency between a provision of these Terms and Conditions and a provision of any such other document provided to you in connection with the TIAA Sweep Product (other than your Brokerage Account Agreement), the provision of these Terms and Conditions shall prevail.
- 20. Governing Law.** These Terms and Conditions are to be construed in accordance with and governed by the internal laws of the State of Florida and the United States of America without giving effect to any choice of law rule that would cause the application of the laws of any other jurisdiction to the rights and duties of the parties. Unless otherwise provided herein, the Bank, TIAA Brokerage and Pershing may comply with applicable clearinghouse, Federal Reserve and correspondent bank rules in processing transactions relating to your Funds. You agree that none of the Bank, TIAA Brokerage or Pershing are required to notify you of a change in those rules, except to the extent required by law.
- 21. Disputes.** Except to the extent otherwise provided by applicable law, any action at law or in equity arising out of or relating to these Terms and Conditions shall be filed only in the courts of the State of New York, or in one of the United States District Courts for New York, and you hereby consent and submit to the personal jurisdiction of such courts for the purposes of litigating any such action. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THESE TERMS AND CONDITIONS.

## Appendix A: Examples of FDIC Insurance Protection

The summary of FDIC deposit insurance laws and regulations contained herein is not intended to be a full restatement of applicable laws and FDIC regulations and interpretations. In addition, the applicable laws and FDIC regulations and interpretations may change from time to time and, in certain instances, additional terms and conditions may apply which are not described in herein. Accordingly, the discussion herein is qualified in its entirety by applicable laws and the FDIC regulations and interpretations. You are urged to discuss with your attorney, the insurance coverage afforded to your Funds, including your Funds deposited under the TIAA Sweep Product. You may also write to the following address: FDIC Office of Consumer Affairs, 550 17th Street, N.W., Washington, D.C. 20429.

### What is the FDIC?

The FDIC—short for the Federal Deposit Insurance Corporation—is an independent agency of the United States government. The FDIC protects depositors of insured banks located in the United States against the loss of their deposits if an insured bank fails. Any person or entity can have FDIC insurance coverage in an insured bank. A person does not have to be a U.S. citizen or resident to have his or her deposits insured by the FDIC. FDIC insurance is backed by the full faith and credit of the United States government. Since the FDIC began operations in 1934, no depositor has ever lost a penny of FDIC-insured deposits.

## FDIC Coverage Basics

FDIC insurance covers depositors' accounts at each insured bank, dollar-for-dollar, including principal and any accrued interest through the date of the insured bank's closing, up to the insurance limit. FDIC insurance covers all types of deposits received at an insured bank but does not cover investments, even if they were purchased at an insured bank.

## What the FDIC Covers

- Checking accounts (DDA)
- Negotiable Order of Withdrawal (NOW) accounts
- Savings accounts
- Money market deposit accounts (MMDA)
- Time deposits such as certificates of deposit (CDs)
- Cashier's checks, money orders and other official items issued by a bank

## What the FDIC Does Not Cover

- Stock investments
- Bond investments
- Mutual funds
- Life insurance policies
- Annuities
- Municipal securities
- Safe deposit boxes or their contents
- U.S. Treasury bills, bonds or notes\*

\* These investments are backed by the full faith and credit of the U.S. government.

## The standard deposit insurance amount is \$250,000 per depositor, per insured bank, for each account ownership category.

The FDIC insures deposits that a person holds in one insured bank separately from any deposits that the person owns in another separately chartered insured bank. For example, if a person has a certificate of deposit at Bank A and has a certificate of deposit at Bank B, the amounts would each be insured separately up to \$250,000. Funds deposited in separate branches of the same insured bank are not separately insured. The FDIC provides separate insurance coverage for funds depositors may have in different categories of legal ownership. The FDIC refers to these different categories as "ownership categories." This means that a bank customer who has multiple accounts may qualify for more than \$250,000 in insurance coverage if the customer's funds are deposited in different ownership categories and the requirements for each ownership category are met.

## Ownership Categories

This section describes the following FDIC ownership categories and the requirements a depositor must meet to qualify for insurance coverage above \$250,000 at one insured bank.

- Single Accounts
- Certain Retirement Accounts
- Joint Accounts
- Revocable Trust Accounts
- Irrevocable Trust Accounts
- Employee Benefit Plan Accounts
- Corporation/Partnership/Unincorporated
- Association Accounts
- Government Accounts

## Single Accounts

A single account is a deposit owned by one person. This ownership category includes:

- An account held in one person's name only, provided the owner has not designated any beneficiary(ies) who are entitled to receive the funds when the account owner dies
- An account established for one person by an agent, nominee, guardian, custodian or conservator, including Uniform Transfers to Minors Act accounts, escrow accounts and brokered deposit accounts
- An account held in the name of a business that is a sole proprietorship (for example, a "Doing Business As" or DBA account)
- An account established for or representing a deceased person's funds—commonly known as a decedent's estate account
- An account that fails to qualify for separate coverage under another ownership category
- If an account title identifies only one owner, but another person has the right to withdraw funds from the account (e.g., as Power of Attorney or custodian), the FDIC will insure the account as a single ownership account.

**The FDIC adds together all single accounts owned by the same person at the same bank and insures the total up to \$250,000.**

**Note on Beneficiaries:** If the owner of a single account has designated one or more beneficiaries who will receive the deposit when the account owner dies, the account would be insured as a revocable trust account.

### Example 1: Single Account

Account Title	Deposit Type	Account Balance
Marci Jones	MMDA	\$15,000
Marci Jones	Savings	\$20,000
Marci Jones	CD	\$200,000
Marci's Memories (a Sole Proprietorship)	Checking	\$25,000
Total		\$260,000
Amount Insured		\$250,000
Amount Uninsured		\$10,000

### Explanation

Marci Jones has four single accounts at the same insured bank, including one account in the name of her business, which is a sole proprietorship. The FDIC insures deposits owned by a sole proprietorship as the single account of the business owner. The FDIC combines the four accounts, which equal \$260,000, and insures the total balance up to \$250,000, leaving \$10,000 uninsured. For additional examples of FDIC insurance coverage, please see <https://www.fdic.gov/deposit/deposits/brochures/your-insured-deposits-english.pdf>.

# Liquid Insured Deposits<sup>SM</sup>

## Terms and Conditions

### I. Introduction

The Liquid Insured Deposits<sup>SM</sup> product (the “**Product**”) is offered to you by your investment professional or financial organization (“**Investment Professional**”) at the broker dealer that introduced your account (“**IBD**”) to Pershing LLC (“**Pershing**”), which acts as custodian of the assets in your account, as a sweep option and is intended for the investment of available cash balances into bank deposit accounts. By selecting the Product as your automatic cash investment option, you agree to these Terms and Conditions and to appoint Pershing as your authorized agent to establish and maintain bank deposit accounts at various depository institutions that participate in the Product, which may include The Bank of New York Mellon (“**BNYM**”) and BNY Mellon, National Association (“**BNY Mellon, N.A.**”) (collectively, “**Program Banks**”), and to effect deposits to and withdrawals from such Program Banks pursuant to these Terms and Conditions. Pershing has appointed Reich & Tang Deposit Solutions, LLC (“**R&T**”) to provide certain services with respect to the operation of the Product. There is no minimum amount required as an initial deposit or for subsequent deposits. Subject to certain exceptions, the maximum amount of Federal Deposit Insurance Corporation (“**FDIC**”) deposit insurance coverage available under the Product for your bank deposits currently is \$2.5 million for each category of legal ownership as more fully explained below.

These Terms and Conditions for the Product are supplemental to those contained in your existing account agreements you executed to open and maintain with Pershing through your Investment Professional.

**YOU UNDERSTAND THAT TO ENROLL IN THE PRODUCT, YOU HAVE EITHER (1) RECENTLY INSTRUCTED YOUR INVESTMENT PROFESSIONAL TO DIRECT YOUR CASH PENDING INVESTMENT TO THIS INSURED BANK DEPOSIT SWEEP OPTION, OR (2) GIVEN YOUR REGISTERED INVESTMENT ADVISOR OR INVESTMENT PROFESSIONAL DISCRETION TO MAKE INVESTMENT DECISIONS FOR YOUR ACCOUNT.**

**YOU ACKNOWLEDGE THAT YOU HAVE RECEIVED AND CAREFULLY READ THESE TERMS AND CONDITIONS AS WELL AS THE DISCLOSURES WITH RESPECT TO INTEREST RATES IN CONNECTION WITH CHOOSING TO ENROLL IN THE PRODUCT. IF YOU HAVE ANY QUESTIONS ABOUT ANY OF THE PROVISIONS OF THESE TERMS AND CONDITIONS, PLEASE CALL YOUR INVESTMENT PROFESSIONAL.**

### II. Summary of Terms and Conditions

This Section II of the Terms and Conditions is a summary of certain features of the Product. It is prepared for your convenience and must be read in conjunction with the more detailed disclosure below.

**A Summary of the Product:** Pershing operates the Product which, if you choose to participate, automatically purchases, or sweeps, your excess cash balances in your brokerage account in custody at Pershing (“**Account**”) to demand deposit accounts (“**DDAs**”) and/or money market deposit accounts (“**MMDAs**”; together with DDAs, “**Deposit Accounts**”) at Program Banks in accordance with the allocation methodology described in Section III. J, Allocations to Program Banks, and sweeps your balance in those various Program Bank Deposit Accounts as necessary to cover purchases of securities and other debits in your Account. You receive interest on your balances held on deposit at the various Program Banks.

**FDIC Insurance:** Your funds are routed through an intermediary bank and deposited into interest-bearing Deposit Accounts at the FDIC member Program Banks, which are all insured depository institutions (“**IDIs**”), that hold your and other customers’ funds, and in which you will hold a beneficial interest. Your deposits, plus interest earned thereon, (“**Liquid Insured Deposits**”), are held in those Program Bank account(s) in a manner designed to currently provide your Liquid Insured Deposits balance with pass-through FDIC insurance coverage from those IDIs for a total of up to a maximum level of \$2.5 million under the Product. Pershing, as your agent, allocates your Liquid Insured Deposits among a number of IDI Program Bank accounts up to the total balance allowable under the Product, currently \$2,490,000 (the “Product Deposit Limit”), to seek to maximize the FDIC deposit insurance coverage available under the Product, which protects your deposits in the event of a bank failure. FDIC deposit insurance coverage is normally available for your Liquid Insured Deposits up to the FDIC standard maximum deposit insurance amount (“**SMDIA**”), which is currently \$250,000 per legal category of account ownership at each participating Program Bank when aggregated with all other deposits held by you in the same Program Bank and in the same legal category of account ownership. While the target FDIC insurance coverage on Product balances is \$2.5 million on your total Liquid Insured Deposits balance, the maximum amount of FDIC insurance coverage available to is subject to availability of Program Banks. In any event, the maximum amount of FDIC insurance available cannot exceed the SMDIA per legal category of account ownership multiplied by the number of participating Program Banks that you have not excluded from receiving your deposits through the Product, less any funds you may hold in a Program Bank outside of the Product in the same legal category of account ownership. For example, based on the SMDIA of \$250,000 per legal category of account ownership per Program Bank and an assumption that there are eleven or more Program Banks eligible to receive your deposits through the Product, and provided that you do not have any funds on deposit at a Program Bank outside of the Product, the amount of FDIC insurance coverage available on your Liquid Insured Deposits balance would be \$2.5 million per legal category of account ownership. Pershing will notify you if, at any time, this target level of FDIC insurance coverage of \$2.5 million on Product balances is changed.

**It is important to note that Pershing, R&T, your Investment Professional and your IBD are non-bank entities and are not FDIC members. The Product itself is NOT FDIC-insured. Rather, through the Product, the cash balance in your Account is swept into deposit accounts at various Program Banks, which are all FDIC member IDIs. Those balances held at the Program Banks are eligible for FDIC insurance coverage up to the current maximum deposit insurance amount of \$250,000 per eligible depositor at each IDI Program Bank, for each eligible category of ownership or capacity, including any other balances you may hold at that IDI directly or through other intermediaries, including other broker-dealers. The Product is intended to direct the cash balance in your Account to multiple FDIC member Program Banks in a manner intended to secure pass-through FDIC insurance coverage on your Product balance from each Program Bank. Subject to certain exceptions, the maximum amount of FDIC deposit insurance coverage available on your bank deposits held in the Product is currently \$2.5 million for each eligible category of legal ownership as more fully explained below.**

Pershing has established standing instructions with each Program Bank to help ensure that Pershing always maintains control over your funds at each Program Bank. Pershing uses the services of R&T to perform allocations among the Program Banks in accordance with the allocation methodology described in Section III. J, Allocations to Program Banks, to seek to maximize FDIC insurance coverage on your balance in the Product. However, any money that you hold at a Program Bank outside the Product may impact the insurance coverage available, as neither Pershing, your Investment Professional, your IBD nor R&T monitors or takes any responsibility for money you may have at a Program Bank outside the Product. You are solely responsible for monitoring this. As such, you should regularly review the then current list of Program Banks carefully. A current list is attached, and the Program Banks holding your money upon each interest reinvestment will also be listed on your Account statements. You have the right to instruct that your Liquid Insured Deposits are not allocated to a particular Program Bank. See Sections G, FDIC Deposit Insurance: Operations and Limitations, and H., Ability to Exclude Program Banks.

**Securities Investor Protection Corporation (“SIPC”):** SIPC insures certain customer assets held at broker-dealers, such as Pershing, in the event of the failure of the broker-dealer. Although SIPC covers securities in client brokerage accounts up to \$500,000 (including a maximum of \$250,000 for uninvested cash held in the brokerage account), the deposits made through the Product are not insured by SIPC. Note that SIPC does not insure against the loss of value of any investment or product. See Section B, Differences Between Liquid Insured Deposits and Money Market Funds. If however, the sweep activity in your Account will cause the Product balance to exceed the current Product Deposit Limit, the amount above the Product Deposit Limit (“**Excess Balance**”) will be automatically swept into the secondary sweep option in your Account that was selected by your IBD or your Investment Professional, which may be a money market mutual fund (“**Money Fund**”). Balances in a Money Fund are not eligible for FDIC insurance coverage, but are eligible for SIPC coverage up to applicable limits. If your IBD or Investment Professional has not selected a secondary sweep option in your Account, Pershing, as your agent, will automatically sweep any Excess Balance into the Dreyfus Government Cash Management Service Shares Money Fund (Ticker symbol DGUXX). For more information about SIPC coverage see [www.sipc.org](http://www.sipc.org).

**Access to Funds:** You will access your funds in the Product only through your Account, by contacting your Investment Professional or IBD. In the event of the failure of your Investment Professional or IBD, you may seek to access your funds by contacting Pershing at 1-201-413-3333. In the event of the failure of Pershing, you may seek to access your funds by contacting R&T at 1-800-433-1918 or the designated trustee or receiver of Pershing. As explained in Section III. L., Account Statements, your Account statements will list the names of the Program Banks holding your money and the balance at each upon each interest reinvestment. See Section III. F., Withdrawals.

**Determination of Interest Rates:** Interest rates fluctuate and are based on the prevailing interest rates paid by the Program Banks. Product interest rates are available from your Investment Professional. See Section III. K., Interest, Negative Interest Rates and Compensation to Pershing and R&T.

**Conflicts of Interest:** Pershing and R&T earn fees on the balances in the Product, including your money. Your IBD will receive a portion of the fee paid to Pershing by the Program Banks, which it can choose to share with your Investment Professional, with the exception of Pershing Advisor Solutions LLC (“**Pershing Advisor Solutions**”) which does not share these fees with Investment Advisers. Pershing, your Investment Professional and IBD may earn a higher fee if you participate in the Program than if you invest in other cash sweep products, such as money market mutual funds. Your Investment Professional, IBD and Pershing may be affiliated with one or more Program Banks. If a portion of your Product balance is allocated to BNYM and BNY Mellon, N.A., they will realize an economic benefit from them. The Program Banks, including BNYM and BNY Mellon, N.A. do not have a duty to offer the highest rates available or rates that are comparable to money market mutual funds or those offered by other depository institutions. See Section III. K., Interest, Negative Interest Rates and Compensation to Pershing and R&T.

**Risks of the Product:** You may receive a lower rate of return on money deposited through the Product than on other types of money market investments, such as money market mutual funds. Program Banks are permitted to impose a seven-day delay on any withdrawal request for amounts placed in MMDAs. In the event of a failure of a Program Bank, there may be a time period during which you may not be able to access your money. If you have money at a Program Bank outside the Product, this will negatively impact the availability of FDIC insurance coverage on the total amount of your funds held within and outside the Product. If you have on deposit through the Product, funds in an amount of money that exceeds the number of Program Banks that you have not excluded multiplied by the SMDIA, the balance in excess of that amount will not be insured by the FDIC. If you exclude one or more Program Banks, the amount of FDIC insurance coverage available on your balance in the Product may decrease. In the event there is insufficient availability of Program Banks to fully allocate your balances, there is a potential that your Product balance may not be fully insured up to \$2,500,000. In the event the Product cannot accept any additional deposits, the sweep feature on your Account may be updated to prevent any further sweep deposits into the Product from your Account. If this occurs, an available cash balance in your Account would no longer be automatically invested into the Product and would remain a free credit balance in your Account. If you have concerns about the risks of this Product, contact your IBD or Investment Professional about alternatives available to you.



### III. Detailed Terms and Conditions

#### A. Account Eligibility

This Product is available to the following types of accounts: individual, joint, IRAs, certain business entities including corporations, and certain fiduciary and trust accounts provided the beneficiaries are individuals or otherwise eligible to maintain a bank deposit. To obtain FDIC insurance in the Program, you must provide proper and correct tax identification information to Pershing.

#### B. Differences between the Liquid Insured Deposits Product and Money Market Mutual Funds

The money market mutual funds made available through your Investment Professional or IBD are registered with the U.S. Securities and Exchange Commission ("**SEC**") under both the Investment Company Act of 1940 and the Securities Act of 1933. The Liquid Insured Deposits Product made available through Pershing is not a registered fund, but a product under which the uninvested cash in your Account is swept to, and held in, Deposit Accounts at Program Banks that are regulated by bank regulatory agencies under various federal and/or state banking laws and regulations.

Liquid Insured Deposits are obligations of the Program Banks in which the deposits are held and qualify for FDIC insurance protection per depositor in each recognized legal category of account ownership in accordance with the rules of the FDIC. An investment in a money market mutual fund is not insured or guaranteed by the FDIC.

A Program Bank account under the Product is not covered by the SIPC. SIPC is a non-profit member corporation funded primarily by member securities brokerage firms registered with the SEC. SIPC provides protection against risks to clients of member brokerage firms, like Pershing and your IBD, in the event of the failure of that member firm. SIPC covers securities in client brokerage accounts up to \$500,000 (including a maximum of \$250,000 for uninvested cash held in the brokerage account). However, SIPC does not insure against the failure of the issuer of securities and does not guarantee bank deposits. For more information about SIPC coverage see [www.sipc.org](http://www.sipc.org).

Your Liquid Insured Deposits balance earns interest at the Program Banks in which your deposits are held, and a money market mutual fund investment earns dividends on fund shares held in your Account. The interest earned on your Liquid Insured Deposits balance may fluctuate and may be greater or less than the then current yield on a money market mutual fund investment. Please see Section K, Interest and Compensation to Pershing and R&T.

While a registered investment company, such as a money market mutual fund, is bound by fiduciary obligations to its shareholders to seek the highest rates prudently available (less fees and expenses), Pershing, R&T, and the Program Banks are under no such obligation.

Of course, you may also be able to choose, as an automatic cash investment option, other sweep alternatives. Please call your Investment Professional or IBD for additional information.

#### C. Relationship with Pershing

Pershing is acting as your agent in establishing and maintaining Program Bank accounts, including depositing your money to and withdrawing your money from the Program Bank accounts. Having instructed your Investment Professional or IBD to enroll you in the Product, your first bank deposit will constitute your appointment of Pershing as your agent to establish and maintain Program Bank accounts and to effect deposits to and withdrawals from such Program Bank accounts in connection with the Product. Pershing has reviewed the Program Banks which maintain the account(s) used for the deposit or withdrawal of your money. Pershing retains R&T to operate the allocation methodology described in Section III. J, Allocations to Program Banks that determines into which Program Bank(s) your money will be deposited to maximize the amount of FDIC insurance available to you under the Product up to the Product limit.

#### D. Information about Pershing, Pershing Advisor Solutions and R&T

Pershing, a wholly owned indirect subsidiary of The Bank of New York Mellon Corporation, is a registered broker-dealer in securities and is a member organization of the New York Stock Exchange (NYSE), the Financial Industry Regulatory Authority ("**FINRA**") and SIPC. BNYM is a NY state-chartered bank and BNY Mellon, N.A. is a national banking association. Both BNYM and BNY Mellon, N.A. may participate in the Product by holding your funds in Deposit Accounts and both are affiliates of Pershing. Pershing, BNYM and BNY Mellon, N.A. are BNY Mellon companies. BNY Mellon is the corporate brand for The Bank of New York Mellon Corporation. Pershing Advisor Solutions is also a wholly owned indirect subsidiary of The Bank of New York Mellon Corporation and a registered broker-dealer and member of FINRA and SIPC. If your Account was introduced to Pershing by your registered investment adviser ("**Investment Adviser**") through Pershing Advisor Solutions, Pershing Advisor Solutions relies on Pershing to provide clearing, custody, execution, and other broker-dealer services. R&T assists Pershing in the allocation of your funds to Program Banks and may also maintain certain records on behalf of Pershing. It is not, itself, a bank, broker-dealer, or investment adviser and does not hold any of your Liquid Insured Deposits.

Program Banks may be affiliated with Pershing, your Investment Professional or your IBD from time to time. Program Banks that are affiliated with Pershing, your Investment Professional or your IBD may be given sequence priority to receive deposits or may operate under terms that are not available to unaffiliated Program Banks. For a list of affiliated Program Banks and other related disclosures please contact your Investment Professional. R&T is not affiliated with any of the Program Banks.

#### E. Deposits

By enrolling in the Product, you consent to have the available cash balance pending investment in your Account automatically deposited into accounts at Program Banks. Once enrolled in the Product, each business day, Pershing, or its agent bank, based on the output of the allocation services of R&T, will deposit the available cash balance in your Account to one or more omnibus Deposit Accounts maintained at the Program Banks entitled "Pershing LLC as Agent for the Exclusive Benefit of its Customers, Acting For Themselves and For Others" or substantially similar. Your Liquid Insured Deposits ownership will be evidenced by an entry on records maintained by Pershing and R&T, as Pershing's agent and record keeper, for each of the Program Banks at which your funds are on deposit. You will not be issued any evidence of ownership of a Program Bank account, such as a passbook or certificate. However, your Account statement will reflect all deposits, withdrawals, Program Bank deposit balance(s) and the applicable interest rate.

Funds intended for deposit into the Product must be placed through your Account and cannot be placed directly by you with any of the Program Banks. Only balances transferred by Pershing will be eligible for inclusion in a Program Bank account. Excess cash balances in your Account on each business day will be transferred to Program Bank accounts no later than the next business day.

Unless your IBD has instructed Pershing otherwise, once your Product balance reaches the current Product Deposit Limit of \$2,490,000, Pershing, as your agent, will automatically sweep any Excess Balance in your Account into the secondary sweep option in your Account as described in more detail below.

#### F. Withdrawals

By enrolling in the Product, you consent to have your money on deposit at the Program Bank(s) automatically withdrawn from the Program Bank accounts in the event of a debit in your Account or, on settlement date, for a securities purchase in your Account. Each business day as needed, Pershing or its agent bank, based on the output of the allocation services of R&T, will withdraw your balance from the omnibus Deposit Accounts maintained at the Program Banks.

You may make withdrawals from the Product, in any amount, not to exceed your total account balance in the Product, through your Account. Withdrawals from the Product cannot be made directly by you through any of the Program Banks. Checks, ACH payments, debit cards, ATM withdrawals, direct deposits, credits, and other transactions occurring in your Account are processed through that account rather than through the Product accounts.

If your Product balance exceeds the Product Deposit Limit and the Excess Balance from your Account is swept into a secondary sweep option, the balance in that secondary sweep option will be used first to satisfy debits in your Account before withdrawals are made from your Product balance.

#### G. FDIC Deposit Insurance: Operation and Limitations

Your balance in the Liquid Insured Deposits is deposited into omnibus Deposit Accounts at the Program Banks in a manner currently designed to provide up to a minimum target level of \$2.5 million of FDIC insurance coverage on your Product balance, subject to certain exceptions described herein. The FDIC insurance coverage on your Product balance will be limited to the extent that you hold deposits directly, or through others, in the same recognized legal category of ownership at the same Program Banks as you hold deposits through the Product. The FDIC protects bank deposits in the event a Program Bank fails. FDIC deposit insurance is backed by the full faith and credit of the United States. Specifically, FDIC deposit insurance coverage shall be available on a pass-through basis from each Program Bank holding your Liquid Insured Deposits up to the SMDIA, which is currently \$250,000 per legal category of account ownership at each participating Program Bank, but will be aggregated with all other deposits held by you in the same Program Bank both within and outside the Product and in the same legal category of account ownership.

During the business day when your funds are transferred and being deposited into the Product, your funds will be held for a limited amount of time intraday at an intermediary bank prior to being allocated and distributed among the Program Banks. Once transferred from the intermediary bank to the Program Banks, the funds will be insured. The Product has been designed to facilitate the movement of funds in a timely manner each day. Pershing expects that your funds will be sent by the intermediary bank to the Program Banks by the close of business each day. However, in the event of a failure of wire transfer systems or communications facilities or other causes beyond Pershing's control, resulting in your funds not being sent to the Program Banks in a timely manner and remain held at the intermediary bank or any Program Bank, your funds could, to the extent they exceed the current SMDIA, be uninsured until the next business day.

Your Product balance is allocated among to the Program Banks in a manner intended to maximize the potential FDIC deposit insurance coverage up to the total balance allowable under the Product, currently \$2,490,000 ("Product Deposit Limit"). Pershing and R&T, in their sole discretion, may change the Product Deposit Limit. The total deposit for you at any Program Bank is set at a level below \$250,000 (i.e., below the SMDIA) to ensure that the sum of the principal and accrued interest at a Program Bank does not exceed \$250,000. For this same reason, the Product Deposit Limit is set at

\$2,490,000. The maximum deposit at each Program Bank is currently set at \$245,000 and the Product Deposit Limit is \$2,490,000. Based on the level of interest rates and other factors, Pershing may change these amounts in the future. In the aggregate, the maximum amount of Liquid Insured Deposits eligible for FDIC deposit insurance coverage shall not exceed the SMDIA per legal category of account ownership multiplied by the number of participating Program Banks in the Product that you have not excluded from receiving your deposits, less any funds that you may hold on deposit in the Program Banks outside of the Product in the same legal category of account ownership, but not in excess of the Product Deposit Limit. The number of participating Program Banks will vary.

If you have any money on deposit in a Program Bank outside of the Product, that money will not be considered in determining whether to allocate your money in the Product to a particular Program Bank.

For example, if the SMDIA is \$250,000 and you have a non-Product deposit account at Program Bank "A" of \$200,000 and you also have \$60,000 in Liquid Insured Deposits at Program Bank A in the same legal category of ownership as your separate deposit, only \$250,000 of your \$260,000 balance held at Program Bank A would be insured by the FDIC.

Several factors can affect your insurance coverage, including bank mergers. Because neither Pershing nor R&T would be aware of deposits made by you outside of this Product, you are solely responsible for monitoring the total amount of all deposits you have at each Program Bank for purposes of calculating your FDIC coverage. In addition, if for any reason the amount deposited in the Product in your Accounts exceeds the number of Program Banks available to you multiplied by the SMDIA, the excess funds would not be insured by the FDIC. None of Pershing, R&T, your Investment Professional or your IBD is responsible for any insured or uninsured portion of your deposits in any of the Program Banks.

In the event that FDIC deposit insurance payments become necessary, the FDIC will determine the payments of principal plus unpaid and accrued interest (up to the SMDIA) per legal category of account ownership at the applicable Program Bank(s) that shall be made to you. However, there is no specific time period during which the FDIC must make insurance payments available. Furthermore, you may be required to provide certain documentation to your IBD and/or Pershing for delivery to the FDIC before insurance payments are made.

Unless your IBD has instructed Pershing otherwise, once funds equal to the Product Deposit Limit have been deposited for you through the Product into the Program Banks, any additional funds will be automatically invested into a secondary sweep option, as described in more detail below.

#### **H. Ability to Exclude Program Banks**

You may exclude any Program Bank from holding your Liquid Insured Deposits by notifying your Investment Professional or IBD. There will be a delay between the time you make your request and the time that such Program Bank is excluded. If you exclude one or more Program Banks, the maximum level of FDIC insurance available under the Product may be reduced. Contact your Investment Professional or your IBD at the time you exclude the Program Bank to confirm the new maximum amount of Federal deposit insurance available to you under the Product.

#### **I. Your Responsibility to Monitor Your Automatic Cash Investment Options**

Neither Pershing nor R&T has any obligation to monitor this automatic cash sweep option for your Account or to make recommendations about, or changes to, the Product that might be beneficial to you. As returns on the Liquid Insured Deposits, your personal financial circumstances and other factors change, it may be in your financial interest to change your automatic cash sweep investment option or invest cash in your Account in other investment vehicles. You can determine what automatic cash investment options and other investments are available and the current rates and returns thereon at any time by calling your Investment Professional or IBD. If you desire to maintain a large cash position in your Account for other than a short period of time, you should contact your Investment Professional to discuss your options.

#### **J. Allocations to Program Banks**

You may obtain a current list of Program Banks at any time by calling your Investment Professional or IBD or visiting [www.Pershing.com/rates.html](http://www.Pershing.com/rates.html). Your Account statements also list the Program Banks that hold your Liquid Insured Deposits and the amount in each of those Program Banks upon interest reinvestment date. The Program Banks that hold your Liquid Insured Deposits may change at any time during a statement period. Accordingly, if you want to know the Program Bank at which your Liquid Insured Deposits are located at any time, contact your Investment Professional or IBD. One or more of the Program Banks may be replaced with another Program Bank and a Program Bank may also be added or deleted. While you will be provided notice of changes to Program Banks, which are all IDIs, via a message on your periodic brokerage account statement, in advance when practicable, the Pershing website <https://www.pershing.com/rates> will always have the most current list of Program Banks participating in the Liquid Insured Deposits.

Each of R&T and Pershing enter into participation agreements with multiple Program Banks to accept funds from the Product. Pursuant to negotiations between R&T and the Program Banks, each Program Bank will establish, and from time to time reestablish, the level of deposits that it is willing to accept (the "target level"), and the amount of interest and fees that it is willing to pay under the Product.

R&T's allocation algorithm is a non-discretionary allocation methodology performed at the open of each business day that ranks the Program Banks according to the following objective process:

- Each Program Bank is initially priority ranked according to the amount of the balance required to reach its target level by accepting Product deposits that day. Under this ranking process, the Program Bank with the greatest amount required to reach its target level is ranked first, the Program Bank with the second greatest amount required to reach its target level is ranked second, and so on; and
- The initial priority ranking shall be adjusted, as needed, to take into account Program Bank specific conditions that may, pursuant to the terms of its participation agreement and certain regulatory requirements, restrict its ability to receive individual client deposits under the Product below certain minimum dollar amounts (e.g., only deposits of \$100,000 or more per individual depositor may be accepted) or from only certain types of accounts (e.g., based on legal category of account ownership, whether held by a U.S. or non-U.S. person).

With respect to the above adjustment, Program Banks that require specific types of deposits or deposit minimums per individual depositor will be moved to the top of the priority ranking, based first on the dollar amount of any individual depositor minimum, and then based on the target level, each by descending amounts. In addition, Program Banks that are affiliated with Pershing, your Investment Professional or your IBD, at their instruction, may be given sequence priority to receive deposits.

The initial ranking as so adjusted for each business day is referred to as that business day's "Deposit Allocation Ranking".

Once the Deposit Allocation Ranking is established, all customer funds participating in the Product are allocated (and re-allocated), each business day, to the Program Banks according to the current Deposit Allocation Ranking, subject to (i) the individual customer opt-out rights as to any Program Bank(s), (ii) the Program Bank's individual depositor minimum, where applicable; (iii) the Program Bank's account type restrictions; (iv) the Program Bank's stated capacity; and (v) the Product Deposit Limit. Customer funds are allocated to the Program Banks individually, based on deposit size, in descending order. Accordingly, customers with larger deposits will be processed and allocated before customers with smaller balances.

With respect to the allocation of your Product balance, the first Program Bank in the Deposit Allocation Ranking for any business day will receive your funds first until such Program Bank holds an amount of your funds not to exceed \$250,000. To the extent that you have allocable funds in excess of the maximum limit per bank set by Pershing (currently \$245,000), your funds are then allocated to the second Program Bank in the Deposit Allocation Ranking, and this process is continued until your Product balance is fully allocated or the Product Deposit Limit is reached. To the extent that a Program Bank has already received deposits up to such Program Bank's target level, or to the extent the level of your deposits is insufficient to satisfy a Program Bank's per individual depositor minimum deposit minimum requirements, or your deposits do not satisfy the Program Bank's account type requirements, such Program Bank will be skipped when allocating your funds, and your funds will be allocated to the next Program Bank in the Deposit Allocation Ranking. Any Program Bank on which you have exercised your opt-out right will also be skipped.

Unless your IBD has instructed Pershing otherwise, once your Product balance reaches the current Product Deposit Limit of \$2,490,000, Pershing, as your agent, will automatically sweep any Excess Balance in your Account into the secondary sweep option in your Account.

Each Program Bank is a separate FDIC member insured depository institution. You can obtain publicly available financial information for all Program Banks at the FDIC's website at [www.fdic.gov](http://www.fdic.gov); or by contacting the FDIC's Division of Information and Research by writing to Federal Deposit Insurance Corporation, Division of Information and Research, 550 17th Street, N.W., Washington, D.C. 20429-9990; or by calling the FDIC's Division of Information and Research at 877-275-3342. Neither Pershing nor R&T guarantees the financial condition of any Program Bank, or the accuracy of any publicly available information concerning a Program Bank. Pershing and R&T are not responsible for any insured or uninsured portion of any deposits at a Program Bank. You expressly give your consent to Pershing, R&T and their service providers to provide your customer account information to Program Banks and the FDIC, if necessary, for purposes of your involvement in the Product.

The Program Bank accounts established by Pershing on behalf of its customers, as customers' agent, constitute a direct obligation of the Program Bank(s) and are not directly or indirectly an obligation of R&T, Pershing, your IBD or your Investment Professional.

Where your funds are held in MMDAs, the return of your funds may be delayed. Program Banks are permitted to, but rarely do, impose a delay of up to seven days on any withdrawal request from an MMDA.

#### **Secondary Sweep Option**

Unless your IBD has instructed Pershing otherwise, once your Product balance reaches the current Product Deposit Limit of \$2,490,000, Pershing, as your agent, will automatically sweep any additional free credit balance over that amount ("Excess Balance") from your Account into the secondary sweep option selected by your IBD or your Investment Professional. If your IBD or Investment Professional has not selected a secondary sweep option on your account, any Excess Balance will be swept into a default money market mutual fund ("Money Fund"). The default Money Fund used as

the secondary sweep option for the Product is currently the Dreyfus Government Cash Management Service Shares (Ticker symbol DGUXX). Please see the section of this Disclosure Statement titled "Money Fund Features" for additional information on the default secondary sweep option.

### **Money Fund Features**

Any balance in excess of the current Product Deposit Limit of \$2,490,000 will be automatically swept into the secondary sweep option in your Account that was selected by your IBD or your Investment Professional. If your IBD or Investment Professional has not selected a secondary sweep option in your Account, Pershing, as your agent, will automatically sweep any Excess Balance into the Dreyfus Government Cash Management Service Shares Money Fund (Ticker symbol DGUXX). If the Excess Balance in your Account is swept into the default Money Fund, a prospectus will automatically be mailed to you. Balances in a Money Fund are not eligible for FDIC insurance coverage, but are eligible for SIPC coverage up to applicable limits. You could lose money by investing in a Money Fund. Although a Money Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in a Money Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The sponsor of a Money Fund has no legal obligation to provide financial support to the Money Fund, and you should not expect that the sponsor will provide financial support to the Money Fund at any time. Although the board of the default Money Fund has no current intention to impose a fee upon the sale of shares or temporarily suspend redemptions if the liquidity of the Money Fund falls below certain levels, the board reserves the ability to do so after providing at least 60 days prior written notice to shareholders. Please see the "SIPC Coverage" section of this Disclosure Statement for more information on SIPC coverage.

### **K. Interest and Compensation to Pershing and R&T**

#### **Interest**

The amount of paid interest and the annual percentage yield earned ("APYE") applicable to your Liquid Insured Deposits will be stated on your Account statement. Contact your Investment Professional or IBD to obtain the current interest rate and APY being paid on your Liquid Insured Deposits, the names of the Program Banks, your account balances at each of the Program Banks as of the most recent business day, and other account information.

The interest rate paid by each Program Bank is paid pursuant to an agreement with each Program Bank and is subject to change at any time. The interest rate on the Deposit Accounts is determined by Pershing based on the amount that Banks are willing to pay on the Deposit Accounts less the fees paid to Pershing and R&T as set forth below under "Compensation to Pershing and R&T". The interest rate may fluctuate daily.

Interest will be compounded daily and posted monthly to the Program Bank account. Interest will accrue on deposits from the day they are received in investible form by the Program Bank through the day preceding the date of withdrawal from the Program Bank. The "daily balance method" is used to calculate interest. This method applies a daily periodic interest rate to the principal in the account for the period. The daily rate is 1/365 (or 1/366 in a leap year) of the applicable annual rate. The interest rate you earn on your Liquid Insured Deposits may be higher or lower than the rates available to depositors making non-Product deposits with Program Banks directly, through other types of accounts at Pershing, or with other depository institutions in comparable accounts. Any fees imposed under the Product reduce earnings on your Liquid Insured Deposits. You should compare the terms, rates of return, required minimum amounts, charges and other features of a Liquid Insured Deposit with other accounts and investment alternatives.

#### **Negative Interest Rates**

In response to certain extraordinary economic conditions, some foreign countries have implemented a negative interest rate policy to stabilize their economies. Under such a policy, a central bank charges banks a fee to hold reserves, and, as a result, the banks then charge depositors a fee to maintain their deposits. Historically, the U.S. has not adopted policies resulting in negative interest rates, and there is no indication that the Federal Reserve Board plans to adopt such a policy in the future. If, however, such a policy is adopted in the U.S., Program Banks may begin to charge fees to maintain deposits held through bank deposit sweep products, such as the Product. In such an event, a fee would be charged for maintaining your deposits at Program Banks through the Product. This fee would be in addition to fees received from Program Banks for their participation in the Product. Any fees related to negative interest rates would be applied to your Product balance on a monthly basis for the duration of the negative interest rate period. If applicable, this fee will appear on your periodic Account statement.

### **Compensation to Pershing and R&T**

Each Program Bank pays Pershing and R&T fees for services related to your Liquid Insured Deposits equal to a percentage of the average daily deposit balance in the Deposit Accounts at the Program Bank. For certain accounts, such fees may be determined on a "per account" basis. The fee may vary from bank to bank. The amount of the fee paid to R&T and Pershing will affect the interest rate paid on the Product balance in your Account. In its sole discretion, Pershing may adjust its fee and may vary the amount of fees between clients. Pershing may earn a higher fee if you participate in the Product than if you used another cash sweep investment (e.g., shares in a money market mutual fund). Your IBD will receive a portion of the fee paid to Pershing by the Program Banks, which it can choose to share with your Investment Professional. The combined fee of Pershing, R&T and your IBD may not exceed 4%, or 400 basis points, on the average daily balances held in the Deposit Accounts. Other than applicable fees imposed by Pershing on your Account, there will be no charges, fees, or commissions imposed on your Account with respect to the Product. If an Excess Balance is swept into a Money Fund, including the default Money Fund, the Dreyfus Government Cash Management Service Shares Money Fund (Ticker symbol DGUXX), Pershing will earn fees on that balance and your IBD will receive a portion of the fee paid to Pershing by the Money Fund Provider, which it may share with your Investment Professional.

There is no minimum deposit amount to participate in the Product and no minimum balance to maintain your participation in the Product. There also is no minimum period that your money must remain on deposit in the Product and no limitations on the number or dollar amount of withdrawals from, or deposits to, the Product accounts. There is no penalty or fees for withdrawal of your entire balance, or any part thereof, at any time.

### **L. Account Statements**

You will receive a periodic Account statement from Pershing. All activity with respect to your Liquid Insured Deposits will appear on your periodic Account statement, including interest earned during the period covered, the total of your opening and closing balance in the Liquid Insured Deposits and your balance held at each Program Bank. You will not receive a separate statement from the Program Banks. You should retain all Account statements.

Within 30 days you must notify your Investment Professional or IBD of any discrepancies you note on your Account statement. See Section P below.

### **M. Tax Reporting**

**The discussion contained in this document as to U.S. Federal tax considerations is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties. Such discussion is written to support the promotion or marketing of the transactions or matters addressed herein. Each taxpayer should seek U.S. Federal tax advice based on the taxpayer's particular circumstances from an independent tax advisor.**

The interest that you receive from your Liquid Insured Deposits is generally fully subject to federal, state and, where applicable, local income tax. An I.R.S. Form 1099 will be sent to you by Pershing for each year, showing the amount of interest income you have earned from your Liquid Insured Deposits. You will not receive a Form 1099 if you are not a citizen or resident of the United States or Canada.

### **N. FDIC Deposit Insurance for FDIC-Recognized Categories of Account Ownership; Multi-Tiered Fiduciary Relationships**

To ensure that your Product Deposits are protected by FDIC insurance to the fullest extent possible under the Product, you should understand how FDIC insurance applies to each FDIC-recognized category of account ownership.

In general, the FDIC-recognized categories of account ownership include single ownership accounts; accounts held by an agent, escrow agent, nominee, guardian, custodian, or conservator; annuity contract accounts; certain joint ownership accounts; certain revocable trust accounts; accounts of a corporation, partnership, or unincorporated association; accounts held by a depository institution as the trustee of an irrevocable trust; certain irrevocable trust accounts; certain retirement and other employee benefit plan accounts; and certain accounts held by government depositors.

The rules that govern these categories of account ownership are very detailed and very complex, and there are many nuances and exceptions. Complete information can be found at the FDIC's regulations set forth at 12 C.F.R. Part 330.

The FDIC's regulations impose special requirements for obtaining pass-through FDIC insurance coverage, up to the SMDIA (currently \$250,000 for each FDIC-recognized category of account ownership), for multiple levels of fiduciary relationships. In these situations, in order for FDIC insurance coverage to pass through to the true beneficial owners of the funds, it is necessary (i) to expressly indicate, on the records of the insured depository institution that there are multiple levels of fiduciary relationships, (ii) to disclose the existence of additional levels of fiduciary relationships in records, maintained in good faith and in the regular course of business, by parties at subsequent levels, and (iii) to disclose, at each of the level(s), the name(s) and the interest(s) of the person(s) on whose behalf the party at the level is acting. No person or entity in the chain of parties will be permitted to claim that they are acting in a fiduciary capacity for others unless the possible existence of such a relationship is revealed at some previous level in the chain. If your Liquid Insured Deposits are beneficially owned through multiple levels of fiduciary relationship, you must take steps to comply with these special requirements.

Due to operational complexities, Product balances held in Accounts with trust registrations are allocated at the Account level and not at the beneficiary level; therefore, FDIC insurance coverage on Product balances held in trust accounts is not available at the beneficiary level. The Product does not provide FDIC coverage at the beneficiary level. Product balances held in Accounts with joint registrations are assumed to be held by two individuals and allocated to Program Banks accordingly.

For questions about FDIC insurance coverage, you may call the FDIC at 877-275-3342 or visit the FDIC's web site at [www.fdic.gov](http://www.fdic.gov).

You also may wish to utilize "EDIE The Estimator," the FDIC's electronic insurance calculation program, which is found at <https://www.fdic.gov/edie/index.html>. Other information regarding FDIC insurance coverage may be found at the "Deposit Insurance" section of the "Quick Links for Consumers & Communities" on the FDIC's web site at <http://www.fdic.gov/quicklinks/consumers.html>.

## O. Business Continuity

In the event you are unable to contact your Investment Professional or IBD due to a business interruption event, such as a natural disaster, you may contact Pershing. In the event you cannot contact Pershing, you may call R&T at 1-800-433-1918 for account information.

## P. Notice of Unauthorized Activity

Please refer to the Regulation E/ Electronic Funds Transfer section of the Disclosure Statement delivered to you by Pershing upon opening of your Account or found by selecting Business Continuity and Other Disclosures on [www.pershing.com](http://www.pershing.com).

## Q. Other Terms

**Limits on Certain Deposit Accounts:** Federal banking regulations may limit the transfers from an MMDA to a total of six (6) during a monthly statement cycle, and certain aggregation rules may apply to transfers from such accounts at the Program Banks. These limits on transfers will not limit the number of withdrawals you can make from your Product balance, the interest rate you earn or the amount of FDIC insurance coverage for which you are eligible. The Product seeks to rely on certain exemptions and interpretive relief granted by the Federal Reserve Board in connection with these limitations.

**Inactive Accounts:** Pershing and the Program Banks may be required by law to turn over (escheat) any portion of your Liquid Insured Deposits to a state, typically your state of residence, based on account inactivity for a certain time period established by applicable state law. If funds are remitted to the state, you may file a claim with the state to recover the funds.

**Assignment by Customer:** Neither these Terms and Conditions nor your participation in the Product may be assigned or transferred by you to any other person or entity, except for (i) a transfer by a change in ownership of the Account in which the Product balance is held or (ii) a transfer that occurs due to death, incompetence, marriage, divorce, attachment or otherwise by operation of law, in which case, such transfer shall not be binding on Pershing, R&T, or the Program Banks unless and until sufficient, acceptable documentation has been received by such entities.

**Assignment by Pershing and R&T:** Pershing and R&T may assign and transfer their respective rights and obligations under the Product, including, without limitation, pursuant to these Terms and Conditions, to one or more of its affiliates or subsidiaries or to any person that acquires all or substantially all of the assets of Pershing or R&T, without prior notice to you and without obtaining your consent.

**Termination: Closing of Account:** Pershing may, at its sole discretion and without any prior notice, suspend or terminate your participation in the Product. If you or Pershing, for any reason, close your Account, your participation in the Product will also be terminated and your Product balance liquidated and the proceeds will be credited to your Account according to the terms and conditions of your Account agreement.

**Ordinary Care:** Any failure by Pershing, R&T, or any Program Bank to act or any delay by such party beyond time limits prescribed by law or permitted by these Terms and Conditions is excused if caused by your negligence, interruption of communication facilities, suspension of payments by another financial institution, war, act of terrorism, emergency conditions or other circumstances beyond the control of such party. You agree that any act or omission made by Pershing, R&T, or any Program Bank in reliance upon or in accordance with any provision of the Uniform Commercial Code as adopted in New York, or any rule or regulation of the State of New York, the New York Stock Exchange, Inc., Financial Industry Regulatory Authority, or a federal agency having jurisdiction over such party shall constitute ordinary care.

**Personal Information:** You agree that Pershing, the Program Banks and their respective service providers may share information concerning you and your accounts in connection with your participation in the Product and these Terms and Conditions to any affiliate of such entity or otherwise in accordance with applicable laws and regulations, Pershing's Privacy Policy and/or customary brokerage and banking practices. You agree that Pershing, the Program Banks and their respective service providers may obtain such information as may be necessary for legitimate business needs in connection with the operation of the Product. For information regarding the collection, processing and use of your personal information and your rights to limit the use and disclosure of such information, you should refer to the Pershing's Privacy Policy provided to you at the time you opened your Account.

**Alternatives to the Product:** By your enrollment in the Product, you agree to the terms provided herein. You understand that, at any time, you may withdraw your consent to participate in the Product. If you withdraw your consent, and you do not designate a replacement automatic cash investment option for your Account, the uninvested cash held through the Product will be credited to your Account.

**Days of Operation:** The Product will operate on all days when both the NYSE and the Federal Reserve Bank of New York are open for business.

**Tax Withholding:** Pershing may be required to withhold U.S. federal income tax at the prevailing rate on all taxable distributions payable to certain depositors who fail to provide their correct taxpayer identification number or to make required certifications or who have been notified by the Internal Revenue Service that they are subject to backup withholding. Interest earned on accounts held by entities (individuals or corporations) that are neither citizens nor residents of the United States, except for Canadian residents, is not subject to withholding tax. Consult your tax advisor.

**Joint Account Owners.** If your Account is a joint or other multi-party account, any one of the account owners may deposit or withdraw funds from the Account. You hereby authorize Pershing, your Investment Professional or your IBD to act on the verbal, written or electronic instructions of any of the account owners or authorized signers, and such entity will so honor the instructions of any such account owner.

**Limitation of Liability.** TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL R&T OR ITS AFFILIATES BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES OF ANY NATURE, WHETHER SUCH LIABILITY IS ASSERTED ON THE BASIS OF CONTRACT, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE, INCLUDING WITHOUT LIMITATION, LOSS OF PROFITS, GOODWILL OR BUSINESS INTERRUPTION.

**Tax or Other Unique Identification Information.** You acknowledge that the Product uses a unique identifier for you (e.g., tax identification number, other unique number) to allocate your Liquid Insured Deposits across Program Banks under the Product. If you do not provide, or if you do not have, a tax identification number, your funds may not be allocated across Program Banks to provide you with expanded FDIC insurance under the provisions of these Terms and Conditions.

**Aggregation of Funds in Multiple Accounts.** If you have selected the Product in one or more Accounts with the same unique identifier, your Product balances in all such Accounts are aggregated for the purpose of allocating your Product balances and calculating the FDIC insurance coverage available under the Product. Depending on the individual facts and the ownership rights and capacities in which funds are held, additional FDIC insurance may be available. Refer to Section N above for further information about FDIC insurance.

**Complaints:** Any complaints regarding the Product should be addressed in writing to Pershing.

**Legal Process:** Pershing, R&T, and the Program Banks may comply with any writ of attachment, execution, garnishment, tax levy, restraining order, subpoena, warrant or other legal process, which such party reasonably and in good faith believes to be valid. Pershing may notify you of such process by telephone, electronically or in writing. If Pershing is not fully reimbursed for its record research, photocopying and handling costs by the party that served the process, Pershing may charge such costs to your Account or assess by increasing fees on the Liquid Insured Deposits, in addition to its minimum legal process fee. You agree to indemnify, defend, and hold Pershing, R&T, and the Program Banks harmless from all actions, claims, liabilities, losses, costs, attorney's fees, and damages associated with their compliance with any process that such party believes reasonably and in good faith to be valid. You further agree that Pershing, R&T, and the Program Banks may honor legal process that is served personally, by mail, or by facsimile transmission at any of their respective offices (including locations other than where the funds, records or property sought is held), even if the law requires personal delivery at the office where your Liquid Insured Deposits records are maintained.

**Power & Authority:** You represent and warrant that you have full power and authority to participate in the Product and to agree to and to perform these Terms and Conditions. In addition, if you are not an individual, you represent and warrant that (1) you are duly organized, validly existing and in good standing under the laws of its state or jurisdiction of organization, (2) you possess all requisite authority, power, licenses, permits, registrations and franchises and have made all governmental filings to conduct business wherever it conducts business and to execute, deliver and comply with your obligations hereunder and (3) your agreement to these Terms and Conditions and performance hereunder shall not conflict with or violate your governing documents or any law, regulation, decree, demand, order or any other contract or agreement to which it is subject.

## R. General

**Amendment:** Pershing may modify these Terms and Conditions at any time by giving such notice as required by applicable law.

**Waiver:** Any provision of these Terms and Conditions may be waived if, but only if, such waiver is in writing and is signed by the party against whom the waiver is to be effective. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

**Severability:** If any term, provision, covenant or restriction of these Terms and Conditions is held by a court of competent jurisdiction or other authority to be invalid, void, or unenforceable, the remainder of the terms, provisions, covenants and restrictions of these Terms and Conditions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

**Entire Agreement:** These Terms and Conditions and any other documents provided to you by Pershing or R&T in connection with the Product constitute the entire agreement with you regarding the Product, and supersedes all prior and contemporaneous agreements and understandings, both oral and written, with respect to the subject matter hereof. EXCEPT AS EXPRESSLY SET FORTH IN THESE TERMS AND CONDITIONS, NO REPRESENTATIONS OR WARRANTIES (ORAL OR WRITTEN, STATUTORY, EXPRESS, IMPLIED OR OTHERWISE) ARE MADE TO YOU REGARDING THE PRODUCT, INCLUDING, WITHOUT LIMITATION, AS TO MERCHANTABILITY, FITNESS FOR PURPOSE, CONFORMITY TO ANY DESCRIPTION OR REPRESENTATION, NON-INTERFERENCE, OR

**NON-INFRINGEMENT.** In the event of any inconsistency between a provision of these Terms and Conditions and a provision of any such other document provided to you in connection with the Product, the provision of these Terms and Conditions shall prevail.

**Binding Effect:** These Terms and Conditions shall inure to the benefit of and be binding upon the parties hereto and their respective permitted heirs, successors, legal representatives, and assigns. Nothing in these Terms and Conditions, expressed or implied, is intended to confer on any person other than the parties hereto and R&T, and their respective permitted heirs, successors, legal representatives and assigns, any rights, remedies, obligations, or liabilities under or by reason of these Terms and Conditions.

**Governing Law:** These Terms and Conditions are to be construed in accordance with and governed by the internal laws of the State of New York and the United States of America without giving effect to any choice of law rule that would cause the application of the laws of any other jurisdiction to the rights and duties of the parties. Unless otherwise provided herein, Pershing may comply with applicable clearinghouse, Federal Reserve and correspondent bank rules in processing transactions relating to your Liquid Insured Deposits. You agree that Pershing is not required to notify you of a change in those rules, except to the extent required by law.

**Disputes:** Except to the extent otherwise provided by applicable law, any action at law or in equity arising out of or relating to these Terms and Conditions shall be filed only in the courts of the State of New York in the City of New York, or in the United States District Court for the Southern District of New York, and you hereby consent and submit to the personal jurisdiction of such courts for the purposes of litigating any such action. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THESE TERMS AND CONDITIONS.

**Interpretative Provisions:** The headings herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. Any singular term in these Terms and Conditions shall be deemed to include the plural, and any plural term the singular. Whenever the words "include", "includes" or "including" are used in these Terms and Conditions, they shall be deemed to be followed by the words "without limitation", whether they are in fact followed by those words or words of like import. References to any document provided to you or to any agreement or contract are to that document, agreement or contract as amended, modified, or supplemented from time to time in accordance with the terms hereof or thereof. In any construction of the terms of these Terms and Conditions, the same shall not be construed against a party on the basis of that party being the drafter of such terms.

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# Important Note: Help protect your TIAA accounts by naming Trusted Contacts

TIAA is committed to helping you protect your account(s) and information. One way to protect your interests is to appoint a Trusted Contact. A Trusted Contact is someone over the age of 18 whom you know and trust. This person will serve as a point of contact should we have questions concerning your overall well-being, whereabouts, or if we suspect you may be the victim of fraud or exploitation. The individual(s) you select may not take any action on your account and will not replace or affect existing powers of attorney. You should notify those you appoint as Trusted Contacts.

To appoint your Trusted Contact(s), log in to your account at **tiaa.org**, go to your Profile icon at the top of the page. Within Manage profile, click on Trusted Contacts and complete the required Trusted Contact information, or contact us at **800-842-2252** to request a form to name a Trusted Contact.

Please note that TIAA, and its affiliates and representatives are authorized to contact your Trusted Contact(s) and disclose information about your account(s) to address possible financial exploitation, to confirm the specifics of your current contact information, health status, or the identity of any legal guardian, executor, trustee or holder of a power of attorney, or as otherwise permitted under FINRA Rule 2165. Except as is required by FINRA Rule 2165, TIAA is under no obligation to interact with your Trusted Contact(s).