

### What is an Inherited IRA?

An Inherited IRA is an account established under your name and Social Security number as the designated beneficiary of an Individual Retirement Account (IRA) when the original IRA owner has passed away.

### Can I make contributions to my Inherited IRA?

No. Inherited IRAs cannot accept contributions or rollovers, with the exception of direct rollovers from an employer plan for which you were named as a designated beneficiary. The plan would issue the proceeds directly to the Inherited IRA.

### I am the spouse of a deceased IRA owner; do any special provisions apply to me?

As the spouse of a deceased IRA owner, you may transfer or roll the balance of your spouse's IRA into an IRA in your own name. If you choose to do this, please fill out either the BlackRock Traditional IRA or Roth IRA application depending on what type of IRA your spouse owned, or provide us with your existing BlackRock IRA account number.

### I am the non-spouse beneficiary of a deceased IRA owner. What are my options?

You will be subject to required minimum distributions (RMD), based on the original participant's account type and RMD status.

The table below describes some RMD options available based on the various situations.

| Beneficiary is:          | If the Owner had NOT begun RMD:   | If the Owner had begun RMD:   |
|--------------------------|---|---|
| Spouse                   | <ol style="list-style-type: none"> <li>1) Roll over your spouse's IRA assets into an IRA and treat it as your own if you are the sole beneficiary.</li> <li>2) Transfer your spouse's IRA assets to an Inherited IRA and elect one of the options available for a non-spouse beneficiary.</li> </ol>  | <ol style="list-style-type: none"> <li>1) Roll over your spouse's IRA assets into an IRA and treat it as your own if you are the sole beneficiary.</li> <li>2) Transfer your spouse's IRA assets to Inherited IRA and elect one of the options available for a non-spouse beneficiary.</li> </ol> |
| Non-Spouse Person        | <p>Set up an inherited IRA, the entire account balance may be required to be distributed by the end of the 5th year following the owner's death.</p> <p><b>OR</b></p> <p>Set up an inherited IRA, Elect in writing prior to 9/30 of the year following the year in which the account owner passed away to take distributions based on your life expectancy.</p> | <p>You must continue to liquidate the account by taking RMD generally based on the longer of: Your single life expectancy or the owner's life expectancy.</p>   |
| Trust                    | <p>The assets must be completely distributed by December 31 of the fifth year following the year of the IRA owner's death.</p> <p>The beneficiaries of a trust may be considered as having been designated beneficiaries only under certain circumstances. Consult IRS Pub 590-B.</p>   | <p>IRS minimum required distributions are based on the remaining life expectancy of the IRA owner as if s/he were still alive.</p>  |
| Estate, Foundation, etc. | <p>The assets must be completely distributed by December 31 of the fifth year following the year of the IRA owner's death.</p>  | <p>IRS minimum required distributions are based on the remaining life expectancy of the IRA owner as if s/he were still alive.</p>  |

### When can I take money out of my Inherited IRA?

You can redeem from an Inherited IRA at any time after the account is re-registered into your own name. Please note: Inherited IRAs are subject to RMD requirements.

### What is an "RMD"?

The IRS requires that an Inherited IRA owner take "Required Minimum Distributions" from their account. Whether or not the original IRA owner had begun taking RMD during their lifetime determines your options (see the table below).

As the owner of an inherited IRA you may be required to **EITHER**:

▶ Liquidate the account within five years of the December following the original owner's death.

**OR**

▶ Choose by September of the year following the original owner's death to take required distributions.

**IMPORTANT DEADLINE:** You must elect in writing prior to September 30th of the year following the year in which the account owner passed away to take distributions based on your life expectancy (for trust beneficiaries, the deadline is October 31 of the year following).

Please consult IRS Publication 590 or your financial advisor or tax advisor to review the best options for your particular situation.

- ▶ **Section 1 (Registration) and the Signature section are required to open an account.** All information provided on each person listed on the account will be verified as required by the USA PATRIOT Act.
- ▶ To establish required distributions, you should also include written instructions (you can use BlackRock's **IRA Distribution Form**).

Mail this application, along with any other required documents, to:

▶ **Regular Mail**  
BlackRock Funds  
P.O. Box 9819  
Providence, RI 02940

▶ **Overnight Mail**  
BlackRock Funds  
4400 Computer Dr.  
Westborough, MA 01581

 **Questions? Call us at 1-800-441-7762, Monday through Friday between 8:00 AM and 6:00 PM ET or visit us online at [www.blackrock.com](http://www.blackrock.com).**

### Instructions for Completing this Form

An "Inherited IRA," also known as a "beneficiary IRA," is conduit account established for a beneficiary of a deceased IRA account owner. In order for you to claim your portion of a deceased IRA owners account, you must 1) be listed as a beneficiary at the time of death, and 2) you must complete this application in order to transfer your portion to a non-spouse Inherited IRA account. Please note: The state of the deceased's residence may require an inheritance tax waiver.

**If you are the surviving spouse of the IRA owner and wish to treat the IRA as your own, do not use this application.** Please complete the BlackRock IRA Application or provide us with your existing BlackRock IRA account number.

The IRS requires that the balance of an Inherited IRA must be distributed to the beneficiary either within 5 years of the original IRA owner's death, or over the lifetime of the beneficiary or the IRA participant (refer to the Table in the FAQ).

### Transfer Instructions (from the original IRA)

\_\_\_\_\_  
Full Name of Deceased IRA Owner

\_\_\_\_\_  
Date of Death (month/day/year)

\_\_\_\_\_  
Social Security number

\_\_\_\_\_  
State of Residence at time of death

A.  I am transferring from an existing Blackrock Funds IRA or Inherited IRA account, on which I was listed as a beneficiary at the time of the IRA owner's death. All shares will be transferred-in-kind. For accounts with multiple beneficiaries, shares will be divided according to the beneficiary designation on file with BlackRock.

Please transfer my portion from all IRA accounts under this Social Security number:

**OR**

Please transfer my portion from all IRA accounts with the following account number ONLY:

\_\_\_\_\_  
Social Security number

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

B.  I am transferring from an existing **Inherited** IRA at another custodian (account should already be registered in the name of the beneficiary). I have completed and enclosed the BlackRock IRA Transfer of Assets / Direct Rollover form (be sure to include a statement copy of the account you are transferring from).

Type of **Inherited** IRA at the other custodian:     Traditional     Roth     SEP IRA     Rollover

You can mail your completed and signed application (along with any additional paperwork that may be required, such as our **IRA Distribution Request** form) to either of the addresses above.

## 1. Registration for the New Account

Please complete this section about the type of account you wish to open, and provide information on anyone that will be listed on your BlackRock account(s). Please note that missing or incorrect information may delay your account opening.

First, tell us which type of account you would like to open:

- Non-Spouse (includes a spouse that wishes to be treated as a non-spouse beneficiary)  
 Estate     Custodian/Responsible Individual for Minor     Trust

Now, please tell us about the Owner(s) of this account:

For each person listed on the account, we will need their full name (first, middle initial and last—exactly as it will be registered on the account), date of birth and Social Security number. A minor may open an account, but must list a custodian/responsible individual until they reach age 18.

You must include a physical address here for each person listed on the account. If you wish to use a P.O. Box for mailing, please include it in the “Other Account Information” section on the next page.

\_\_\_\_\_  
Full Name of Inherited IRA Owner (includes Trustee for Trusts)

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Date of Birth (Month/Day/Year)

\_\_\_\_\_  
Contact Telephone Number

\_\_\_\_\_  
If applicable: Name of Trust, or Full Name of Custodian/  
Responsible individual for a minor

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Date of Birth (Month/Day/Year)

\_\_\_\_\_  
Contact Telephone Number

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Street #    Street Name


\_\_\_\_\_  
City    State    ZIP Code

Check here to use this as the address on your account.

\_\_\_\_\_  
Street #    Street Name

\_\_\_\_\_  
City    State    ZIP Code

Check here to use this as the address on your account.

 **Sign me up for eDelivery!** By adding your email address, we will sign you up for eDelivery of prospectus, annual/semi-annual reports & general mailing. For your security, you will need to **Access Your Account online** at **blackrock.com** to add quarterly statements, daily confirms and tax forms.

**Mailing Address** (Complete ONLY if you want the address on your account to be different from the address given above. BlackRock will send ALL mail to this address, including any redemptions by check).

\_\_\_\_\_  
PO Box #/Street #

\_\_\_\_\_  
Street Name

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
ZIP Code

## 2. Investment Dealer

Check here to carry over existing Investment Dealer information (from the original IRA) to the new account.

Your Financial Professional will have this information available, and should help complete it and review it for accuracy.

Some Investment Dealers have their own internal application process (Principal and/or Financial Professional signature may be needed). Applications requesting Investor C Shares must list an Investment Dealer on the account.

|   |                                     |
|---|-------------------------------------|
| Name of Dealer Firm                                 | Full Name of Financial Professional |
| Dealer Number                                       | Branch Number                       |
| PO Box #/Street #                                   | Street Name                         |
| City  | State                               |
|   | ZIP Code                            |
| Optional: BIN (Provided by Financial Professional): | Representative's Number             |
|   | Contact Telephone #                 |
|   | Email Address                       |
|   | Network level:                      |

If required by the Investment Dealer firm, I (the above Financial Professional) have complied with my firm's policies and procedures in regards to opening this account.

|                                     |                       |  |
|-------------------------------------|-----------------------|--|
| Signature of Financial Professional | Date (Month/Day/Year) | Principal Approval/Stamp (if required) |
|-------------------------------------|-----------------------|--|

**Financial Professionals:** Sign In to our "Advisor Center" [www.blackrock.com](http://www.blackrock.com) for enhanced tools, investment ideas, and account access (through AdvisorCentral®) and more.

## 3. Investment Directions

Tell us **how** you would like to invest. You can indicate how you will fund your account, as well as how you wish us to allocate your investment. First, check the box next to appropriate option below:

- Transfer from existing BlackRock IRA (funds will be transferred into the same funds)
- A check (payable to "BlackRock") will follow     Funds will be transferred or rolled over from another institution

If you are not transferring in-kind (keeping the same funds as the original IRA), please tell us how you wish to have your investment **allocated**. You should consult your Financial Advisor about which investment choices are right for your portfolio. Please read the prospectus for each Fund carefully before investing.

**The minimum initial investment is \$1,000 per fund.** Investor A Shares are subject to a front-end sales charge, while Investor C Shares are subject to a contingent deferred sales charge. If you do not elect a class of shares, your investment will be made in Investor A Shares. **NOTE:** If you do not have an Investment Dealer on your account, you may only invest in Investor A Shares. Please review the prospectus for more detailed information.

| Fund Name | Share Class  | Investment Amount           |
|-----------|--|-----------------------------|
|           | <b>A</b> <b>C</b><br><input type="checkbox"/> <input type="checkbox"/> | \$ _____ . _____ or _____ % |
|           | <b>A</b> <b>C</b><br><input type="checkbox"/> <input type="checkbox"/> | \$ _____ . _____ or _____ % |
|           | <b>A</b> <b>C</b><br><input type="checkbox"/> <input type="checkbox"/> | \$ _____ . _____ or _____ % |
|           | <b>A</b> <b>C</b><br><input type="checkbox"/> <input type="checkbox"/> | \$ _____ . _____ or _____ % |
|           | <b>A</b> <b>C</b><br><input type="checkbox"/> <input type="checkbox"/> | \$ _____ . _____ or _____ % |

**Total Amount to Invest**    \$ \_\_\_\_\_ . \_\_\_\_\_    = **100%**  
 (Must include an estimated amount)

## REDUCED SALES CHARGE

The sales charge on Investor A Shares may be reduced or eliminated using **Rights of Accumulation (“ROA”)** or **Letter of Intent (“LOI”)**, as described below. While ROA remains on your account(s), an LOI is limited to purchases made during a 13-month period (review the Fund’s prospectus to determine eligibility).

**Rights of Accumulation (ROA)** – The market value of your existing BlackRock holdings are added to the current purchase amount to determine the qualifying breakpoint (i.e. a \$25,000 purchase added to \$90,000 in existing BlackRock Funds would meet the \$100,000 breakpoint). We will link this account with all eligible accounts listed below for Rights of Accumulation.

**Letter of Intent (LOI)** – I agree to the Letter of Intent provisions of the prospectus. I understand that the current market value (as of the date of commencement of the LOI) in any of the qualifying accounts listed below will count toward meeting this breakpoint. Although I am not obligated to purchase, and the Fund is not obligated to sell, I intend to invest an aggregate amount in BlackRock Funds needed to meet the breakpoint checked below over a 13-month period beginning on \_\_\_\_\_ .  
Date (Month/Day/Year)

Using ROA, LOI or a combination of both, I expect to reach the following breakpoint on Investor A Share purchases:

(Check one)     \$25,000     \$50,000     \$100,000     \$250,000     \$500,000     \$1,000,000

**Accounts to include toward a reduced sales charge (ROA and/or LOI):**

Please list account numbers (or Social Security numbers) held **directly with BlackRock** that you wish to combine for ROA and/or LOI. **NOTE:** If you wish to include assets in BlackRock Funds held through a financial intermediary, **you must include the most recent statement** detailing the holdings in BlackRock Funds (and purchases for LOI) from the financial intermediary.

\_\_\_\_\_  
BlackRock Account Number

\_\_\_\_\_  
BlackRock Account Number

\_\_\_\_\_  
BlackRock Account Number

My other investments are not held directly at BlackRock—I am including a copy of the most recent statement or similar showing my investments in BlackRock Funds (for ROA, showing current market value; for LOI, showing purchases made during the LOI period).

**OR: Purchases at NAV**

I certify that I qualify for a sales charge waiver for the following reason: \_\_\_\_\_  
(State reason—see the prospectus for available reasons)

## 4. Account Service Options

### A: BANK INSTRUCTIONS

We recommend adding your Bank Instructions to your account to enable redemptions to your checking or savings via telephone or in writing. Please complete the sections below and include a copy of a voided check, savings deposit slip or bank statement (showing the bank account number & registration of the account). **Please Note:** If the registration on the bank account does not match the registration of the BlackRock account, a medallion signature guarantee (or similar) stamp may be required.

It may take up to 10 days to test the bank instructions with your bank during the “pre-note” period.

**Redemptions by ACH**     Yes     No  
Enables you to send redemption proceeds to your checking or savings account. Your bank must be a member of the Automated Clearing House (ACH) network. There is no fee for this service.

**Wire Redemptions**     Yes     No  
Funds may be wired to your bank account via the Federal Reserve. (Your bank may have a different ABA # for wires). There is a fee of \$7.50 (per fund) for this service.

\_\_\_\_\_  
Bank Account Owner’s First Name

\_\_\_\_\_  
M.I.

\_\_\_\_\_  
Last Name

\_\_\_\_\_  
Bank Account Joint Owner’s First Name

\_\_\_\_\_  
M.I.

\_\_\_\_\_  
Last Name

\_\_\_\_\_  
Name of Bank

Checking     Savings

|  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|

\_\_\_\_\_  
ABA Routing Number or Federal Wire Number

\_\_\_\_\_  
Account Number at Your Bank

If different from the BlackRock account owner(s), signature of the other bank account owner is required: \_\_\_\_\_

## 4. Account Service Options (Continued)

### B: TELEPHONE EXCHANGE AND REDEMPTION

Your account will automatically be coded with the Telephone Redemption and the Telephone Exchange Privileges, unless you check the box below. Details about the Telephone Redemption and Telephone Exchange privileges are available in the Fund's prospectus.

**NOTE:** Checking the box below will also turn off exchanges & redemptions made via the **internet**.

I do NOT want Telephone Redemption or Exchange

BlackRock offers several convenient service options for your convenience, including 24/7 online account access and our dynamic Voice Response Unit by telephone. If you don't see a particular service option, you can locate more on our website at [www.blackrock.com](http://www.blackrock.com) on our "Forms & Applications" page, or by calling us at 1-800-441-7762.

## 5. Tax Withholding Election (REQUIRED)

Distributions from IRAs and qualified retirement plans that are not eligible for rollover are subject to federal income tax withholding (generally 10%) and may be subject to state tax withholding, unless you affirmatively elect an additional withholding amount or to NOT have withholding apply to such payments. Federal tax withholding is required for accounts registered with an address outside the United States. Please consult with a tax advisor or your state's tax authority for additional information on your state requirements.

### A: FEDERAL WITHHOLDING

Federal income tax will be withheld at the rate of 10% from any distribution, subject to the IRS withholding rules, unless you elect or have previously elected out of withholding. Tax will be withheld on the gross amount of the payment even though you may be receiving amounts that are not subject to withholding because they are excluded from gross income. This withholding procedure may result in excess withholding on the payments. If you elect to have no federal taxes withheld from your distribution, or if you do not have enough federal income tax withheld from your distribution, you may be responsible for payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient. If you are completing this form, your below election will remain in effect until such time as you make a different election in writing to the Custodian.

Please select ONE of the following:

- Do NOT withhold federal income tax       Withhold 10% federal income tax       Withhold \_\_\_\_\_% federal income tax  
(must be greater than 10%)

### B: STATE WITHHOLDING

Your state of residence will determine your state income tax withholding requirements, if any. Those states with mandatory withholding may require state income tax to be withheld from payments if federal income taxes are withheld or may mandate a fixed amount regardless of your federal tax election. Voluntary states let individuals determine whether they want state taxes withheld. Some states have no income tax on retirement payments.

**For Mandatory States Only:**

- I elect **TO NOT** have state income tax withheld from my retirement account distributions.

**For Voluntary States Only:**

- I elect **TO** have the following dollar amount or percentage from my retirement account distribution withheld for state income taxes:  
\$ \_\_\_\_\_ OR \_\_\_\_\_ %

## 6. Beneficiary Selection

Note the share percentage must equal 100% for all Primary or all Contingent Beneficiaries. If neither the Primary nor the Contingent Beneficiary box is checked, the beneficiary will be deemed to be a Primary Beneficiary. If a trust is designated as a Beneficiary, please provide both the date of the trust and the name(s) of the trustee(s).

In the event of my death, the balance in the account shall be paid to the Primary Beneficiaries who survive me in equal shares (or in the specified shares, if indicated). If none of the Primary Beneficiaries survive me, the balance in the account shall be paid to the Contingent Beneficiaries who survive me in equal shares (or in the specified shares, if indicated). I understand that, unless I have specified otherwise, if I name multiple Primary Beneficiaries and a beneficiary does not survive me, such interest is terminated and that percentage will be divided proportionately among the remaining Primary Beneficiaries. Similarly, unless I have specified otherwise, if no Primary Beneficiary survives me and I have named multiple Contingent Beneficiaries and a beneficiary does not survive me, such interest is terminated and that percentage will be divided proportionately among the remaining Contingent Beneficiaries. I understand that I may change my beneficiaries at any time by giving written notice to the Custodian. If I do not designate a beneficiary, or if all designated beneficiaries predecease me, my surviving spouse will become the beneficiary of my IRA. If I do not have a surviving spouse at the time of my death, my estate will become the beneficiary of my IRA.

**Per Stirpes Beneficiary Designations:** The Custodian shall accept as complete and accurate all written instructions provided in good order by the estate/executor with regard to the identification of the beneficiaries and the allocations thereto.

**Participant's Designation:** In the event of my death, I hereby designate the following individuals as the Primary and Contingent Beneficiary(ies) to receive all benefits that may become due and payable under my IRA. If I name a beneficiary that is a Trust, I understand that I must provide certain information concerning the Trust to the Custodian.

**Choice A**       Primary       Contingent      Relationship: \_\_\_\_\_      **Percentage:** \_\_\_\_\_ %

\_\_\_\_\_  
First Name      M.I.      Last Name

OR Name of Trust, Foundation or Other Legal Entity; Name of Responsible Individual (if beneficiary is a minor)

\_\_\_\_\_  
Social Security Number (or Tax ID of Trust, Foundation, etc.)      Date of Birth (or Date of Trust, if beneficiary is a trust)

**Choice B**       Primary       Contingent      Relationship: \_\_\_\_\_      **Percentage:** \_\_\_\_\_ %

\_\_\_\_\_  
First Name      M.I.      Last Name

OR Name of Trust, Foundation or Other Legal Entity; Name of Responsible Individual (if beneficiary is a minor)

\_\_\_\_\_  
Social Security Number (or Tax ID of Trust, Foundation, etc.)      Date of Birth (or Date of Trust, if beneficiary is a trust)

**Choice C**       Primary       Contingent      Relationship: \_\_\_\_\_      **Percentage:** \_\_\_\_\_ %

\_\_\_\_\_  
First Name      M.I.      Last Name

OR Name of Trust, Foundation or Other Legal Entity; Name of Responsible Individual (if beneficiary is a minor)

\_\_\_\_\_  
Social Security Number (or Tax ID of Trust, Foundation, etc.)      Date of Birth (or Date of Trust, if beneficiary is a trust)

**Note: Consent of the Participant's spouse** may be required in a community property or marital property state to effectively designate a beneficiary other than, or in addition to, the Participant's spouse.

**Disclaimer for Community and Marital Property States:** The Participant's spouse may have a property interest in the account and the right to dispose of the interest by will. Therefore, any sponsors, issuers, depositories and other persons or entities associated with the investments and the Custodian specifically disclaim any warranty as to the effectiveness of the Participant's beneficiary designation or as to the ownership of the account after the death of the Participant's spouse. For additional information, please consult your legal advisor. *I consent to the Beneficiary Designation.*



\_\_\_\_\_  
Signature of Spouse

\_\_\_\_\_  
Date (Month/Day/Year)

## 7. Signature(s), Taxpayer Identification Certification and Authorization

I, the Participant, acknowledge receiving and reading the IRA Application and Adoption Agreement Instructions, the IRA Combined Disclosure Statement, the IRA Custodial Account Agreement, and the Privacy Notice (the "Account Documents"). I acknowledge receiving and reading the current prospectus for each Mutual Fund I may have designated for investment. The Custodian, upon proper instructions from me, is authorized to exchange a BlackRock mutual fund for any other BlackRock mutual fund and to purchase a BlackRock mutual fund with the proceeds of any redemption.

*To help the U.S. Government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies persons opening accounts; To comply, BlackRock requires the participant's name, address, date of birth and government-issued identification number (generally, a Social Security Number) and other information that may help identify the participant; and may ask for copies of related documentation and may consult third-party databases to help verify the participant's identity. I have read and I understand the prospectus which explains the risks of opening this account if I do not provide all requested identification materials or if my identity cannot be adequately verified in accordance with U.S. Government requirements.*

*I agree that this Inherited IRA becomes effective only upon written acceptance by the Custodian and that such written acceptance will consist of a confirmation of transaction statement.*

*I agree that the Custodian may amend (add to, delete from or revise) any term of the Agreement at any time by notice to me and that my sole remedy if I disagree with the amendment is to transfer funds in the account to another custodian. I agree that the Agreement is binding on me and on my successors in interest.*

*Each deposit to my Inherited IRA will be invested in accordance with the written instructions I provide with respect to that investment. In the event that this is a rollover contribution, the undersigned hereby irrevocably elects, pursuant to the requirements of Section 1.402(a)(5)-1T of the IRS regulations, to treat this contribution as a rollover contribution.*

**Custodial Fees:** \$15.00 annual maintenance fee per fund account per year. This fee is owed and due for each full and partial calendar year that the IRA Account is open. The participant may pay the fee with funds other than those in the account ("non-custodial funds"). If the fee for a calendar year is not paid by the participant from non-custodial funds by the date reasonably designated by the Custodian or prior to closing the account, the Custodian is authorized to deduct the fee from funds in the account at any time immediately after such payment due date or immediately after receiving instructions to close the IRA Account. The Custodian is authorized to change the fee but will give at least 30 days written notice to the participant of any fee change. The Custodian will keep those records, identify and file returns and provide other information concerning the IRA as required of custodians by the Internal Revenue Code and any regulations issued or forms adopted by the Internal Revenue Service or U.S. Treasury Department.

*I direct that all benefits upon my death be paid as indicated on the beneficiary designation. If I named a beneficiary that is a Trust, I understand I must provide certain information concerning such Trust to the Custodian.*

### State Unclaimed Property Law Disclosure

The assets in your account are subject to state unclaimed property laws which provide that if no activity occurs in your account within the time period specified by the particular state law, your assets must be transferred to the appropriate state. We are required by law to advise you that your assets may be transferred to an appropriate state in compliance with these state laws.

### Tax Certification - Under penalties of perjury, I/we certify that:

- ▶ All the information I have provided on this form or otherwise in connection with establishing my IRA is true, correct, and complete, and
- ▶ I am a US person (including a US resident alien) and
- ▶ that my Social Security Number is true, correct and complete and
- ▶ that this number is my Taxpayer Identification Number. (Foreign persons must use appropriate Form W-8.)



[Signature box]

Signature of Inherited IRA owner (or responsible individual in the case of a minor)

\_\_\_\_\_  
Date (Month/Day/Year)



Questions? Call us at 1-800-441-7762, Monday through Friday between 8:00 AM and 6:00 PM ET or visit us online at [www.blackrock.com](http://www.blackrock.com).



Not all share classes are available in each fund. For more information on each fund, including which shares classes are available, please either visit [www.blackrock.com/funds](http://www.blackrock.com/funds), review the Fund's prospectus, or call us at 1-800-441-7762.

| Equity  | Multi Asset, Sector, Target Allocation, etc.   | LifePath   | Fixed Income  | iShares Index Funds   |
|---|--|--|---|---|
| <ul style="list-style-type: none"> <li>▶ <b>U.S. Equity</b><br/>Basic Value<br/>Capital Appreciation<br/>Equity Dividend<br/>Focus Growth<br/>High Equity Income<br/>Impact U.S. Equity<br/>Large Cap Focus Growth<br/>Mid-Cap Dividend<br/>Mid-Cap Growth Equity</li> <li>▶ <b>Advantage Series</b><br/>Advantage Large Cap Core<br/>Advantage Large Cap Growth<br/>Advantage Large Cap Value<br/>Advantage Small Cap Core<br/>Advantage Small Cap Growth<br/>Advantage U.S. Total Market</li> <li>▶ <b>World Equity</b><br/>Asian Dragon<br/>China A Opportunities<br/>Emerging Markets<br/>Emerging Markets Equity Strategies*<br/>EuroFund<br/>Event Driven Equity<br/>Global Dividend<br/>Global Long/Short Equity<br/>International<br/>International Dividend<br/>Latin America<br/>Long-Horizon Equity</li> </ul> | <ul style="list-style-type: none"> <li>▶ <b>Multi Asset</b><br/>Balanced Capital<br/>Dynamic High Income<br/>Global Allocation<br/>Managed Income<br/>Multi-Asset Income<br/>Tactical Opportunities<br/>Total Emerging Markets<br/>Total Factor</li> <li>▶ <b>Sector</b><br/>All-Call Energy &amp; Resources<br/>Commodity Strategies<br/>Energy and Resources<br/>Health Sciences Opps<br/>Natural Resources Trust<br/>Real Estate Securities<br/>Technology Opportunities</li> <li>▶ <b>Advantage Series</b><br/>Advantage Emerging Markets<br/>Advantage Global<br/>Advantage International</li> <li>▶ <b>Target Allocation</b><br/>20/80 Target Allocation<br/>40/60 Target Allocation<br/>60/40 Target Allocation<br/>80/20 Target Allocation</li> <li>▶ <b>Alternative Strategies</b><br/>Systematic Multi-Strategy</li> </ul> | <ul style="list-style-type: none"> <li>▶ <b>LifePath Index</b><br/>LifePath Index 2020<br/>LifePath Index 2025<br/>LifePath Index 2030<br/>LifePath Index 2035<br/>LifePath Index 2040<br/>LifePath Index 2045<br/>LifePath Index 2050<br/>LifePath Index 2055<br/>LifePath Index 2060<br/>LifePath Index Retirement</li> <li>▶ <b>LifePath Smart Beta</b><br/>LifePath Smart Beta 2020<br/>LifePath Smart Beta 2025<br/>LifePath Smart Beta 2030<br/>LifePath Smart Beta 2035<br/>LifePath Smart Beta 2040<br/>LifePath Smart Beta 2045<br/>LifePath Smart Beta 2050<br/>LifePath Smart Beta 2055<br/>LifePath Smart Beta 2060<br/>LifePath Smart Beta Retirement</li> <li>▶ <b>LifePath Dynamic</b><br/>LifePath Dynamic 2020<br/>LifePath Dynamic 2025<br/>LifePath Dynamic 2030<br/>LifePath Dynamic 2035<br/>LifePath Dynamic 2040<br/>LifePath Dynamic 2045<br/>LifePath Dynamic 2050<br/>LifePath Dynamic 2055<br/>LifePath Dynamic 2060<br/>LifePath Dynamic Retirement</li> </ul> | <ul style="list-style-type: none"> <li>▶ <b>Taxable Fixed Income</b><br/>Core Bond<br/>CoreAlpha Bond<br/>Credit Strategies Income<br/>Floating Rate Income<br/>GNMA<br/>High Yield Bond<br/>Impact Bond<br/>Inflation Protected Bond<br/>Low Duration Bond<br/>Strategic Income Opps<br/>Total Return<br/>U.S. Mortgage<br/>U.S. Government Bond</li> <li>▶ <b>World Fixed Income</b><br/>Emerging Markets Dynamic<br/>Global Long/Short Credit<br/>Strategic Global Bond</li> <li>▶ <b>Municipal Fixed Income</b><br/>California Municipal Opps<br/>High Yield Municipal<br/>National Municipal<br/>New Jersey Municipal Bond<br/>New York Municipal Opps<br/>Pennsylvania Municipal<br/>Short-Term Municipal<br/>Strategic Municipal Opps</li> </ul> | <ul style="list-style-type: none"> <li>▶ <b>U.S. Equity</b><br/>iShares Edge MSCI Multifactor USA Index*<br/>iShares Edge MSCI MIN Vol USA Index*<br/>iShares Russell 1000 Large-Cap Index<br/>iShares Russell 2000 Small-Cap Index<br/>iShares Russell Mid-Cap Index<br/>iShares S&amp;P 500 Index<br/>iShares Small/Mid-Cap Index<br/>iShares Total Stock U.S. Market Index</li> <li>▶ <b>World Equity</b><br/>iShares MSCI EAFE International Index<br/>iShares MSCI Multifactor International Index*<br/>iShares MSCI Total International Index<br/>iShares Edge MSCI Min Vol EAFE Index*</li> <li>▶ <b>Fixed Income</b><br/>iShares Short-Term TIPS Bond Index<br/>iShares U.S. Aggregate Bond Index</li> <li>▶ <b>Sector</b><br/>iShares Developed Real Estate Index</li> </ul> |

\*As of the printing of this list, these funds currently only offer Institutional Shares and / or K Shares.

***You should consider the investment objectives, risks, charges and expenses of each fund carefully before investing. Each fund's prospectus and, if available, the summary prospectus contain this and other information about the fund, and are available, along with information on other BlackRock funds by calling BlackRock or from your financial professional. The prospectus and, if available, the summary prospectus should be read carefully before investing.***



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# Supplement to the Traditional and Roth Individual Retirement Account (IRA) Disclosure Statement

## Deadline Extension for 2016 Contributions to a Traditional or Roth IRA

Most eligible individuals will have until Tuesday, April 18, 2017 to make contributions to a Traditional or Roth IRA for 2016. This extension is due to April 15, 2017 falling on a Saturday and the observance of Emancipation Day, a legal holiday in the District of Columbia, on Monday April 17, 2017. For more information on this extension, please refer to IRS News Release IR-2016-170.

## Late Rollover Contributions

The Internal Revenue Service (IRS) will permit you to deposit a late rollover contribution (exceeding the 60-day time limit), if you meet certain qualifications. All late rollover contribution deposits must be accompanied by a late rollover self-certification form. It is important to know that self-certification does not constitute an automatic waiver of the 60-day time limit. The IRS may, during the course of an examination, determine that your contribution does not meet the requirements for a waiver. If it is determined that you do not meet the requirements you could be subject to additional income, income taxes and penalties. The IRA custodian is required to report all late rollover contribution deposits on IRS Form 5498. For more information and a list of qualifying events please visit the Internal Revenue Service's web site [www.irs.gov](http://www.irs.gov) using the search term "Revenue Procedure 2016-47".

## 2017 IRA Contribution Limits for Traditional and Roth IRA

The maximum allowable contribution to your IRAs (deductible, non-deductible, and Roth) for the tax year is the lesser of (a) \$5,500 or (b) 100% of your compensation or earnings from self-employment. For those who have attained or will attain the age of 50 before the close of the taxable year, the annual IRA contribution limit is increased by \$1,000 (total of \$6,500 for 2017). Any contribution made to your IRA will be treated as a current year contribution recorded in the year it is received, unless the contribution is made between January 1 and April 18, 2017, and you have identified the contribution as a prior year contribution. Please read the Combined IRA Disclosure Statement carefully or consult IRS Publication 590 for IRA eligibility requirements and contribution restrictions.

## 2017 Traditional IRA Income Tax Deduction

Your contribution to a traditional IRA may be deductible on your federal income tax return. However, there is a phase-out of the IRA deduction if you are an active participant in an employer-sponsored retirement plan. The IRA deduction is reduced proportionately as modified adjusted gross income increases. If you are not an active participant in an employer-sponsored retirement plan, there is a phase-out of the IRA deduction based on income and, if married, based on whether or not your spouse is covered by a workplace retirement plan. Please consult IRS Publication 590 for calculating your deductible contribution as it pertains to individual income and employer-sponsored retirement plan circumstances. Your contributions in excess of the permitted deduction will be considered non-deductible contributions.

### Deduction Limit—Effect of Modified AGI on Deduction—Covered by a Retirement Plan at Work

| Tax Year 2017                                 | Full deduction if modified AGI is: | Partial deduction if modified AGI is:      | No deduction if modified AGI is: |
|---|------------------------------------|--|----------------------------------|
| Single Filers or Head of Household            | \$62,000 or less                   | More than \$62,000 but less than \$72,000  | \$72,000 or more                 |
| Married—filing jointly or Qualified Widow(er) | \$99,000 or less                   | More than \$99,000 but less than \$119,000 | \$119,000 or more                |
| Married—filing separately                     | N/A                                | Less than \$10,000                         | \$10,000 or more                 |

**Deduction Limit—Effect of Modified AGI on Deduction—You are NOT Covered by a Retirement Plan at Work  
(Spousal Coverage Considered)**

| Tax Year 2017                                    | Full deduction if modified AGI is: | Partial deduction if modified AGI is:       | No deduction if modified AGI is: |
|--|------------------------------------|---|----------------------------------|
| Married—jointly—spouse covered at work           | \$186,000 or less                  | More than \$186,000 but less than \$196,000 | \$196,000 or more                |
| Married—filing separately—spouse covered at work | N/A                                | Less than \$10,000                          | \$10,000 or more                 |

## 2017 Roth IRA Contribution Eligibility

For 2017, your Roth IRA contribution limit is reduced (phased out) based on your modified AGI as follows:

| 2017 Roth IRA Contribution Eligibility   |                                    |   |                                  |
|--|------------------------------------|---|----------------------------------|
| Tax Year 2017  | Full deduction if modified AGI is: | Partial deduction if modified AGI is:       | No deduction if modified AGI is: |
| Married—filing jointly or Qualified Widow(er)  | Less than \$186,000                | More than \$186,000 but less than \$196,000 | \$196,000 or more                |
| Married—filing separately  | N/A                                | Less than \$10,000                          | \$10,000 or more                 |
| Single, Head of Household or Married—filing separately and you did not live with your spouse at any time during the year | Less than \$118,000                | More than \$118,000 but less than \$133,000 | \$133,000 or more                |

These limits may be adjusted from time to time by the Internal Revenue Service, please refer to Publication 590 for current year limits.

## Changes To IRA Publication 590

In September of 2014, the IRS updated Publication 590 to notify taxpayers of their intention to split Publication 590 into two separate documents (the note is located below the table of contents).

**Note.** After 2013, Publication 590 will be split into two separate publications as follows.

**Publication 590-A**, will focus on contributions to traditional IRAs as well as Roth IRAs. This publication will include the rules for rollover and conversion contributions.

**Publication 590-B**, will focus on distributions from traditional IRAs as well as Roth IRAs. This publication will include the rules for required minimum distributions and IRA beneficiaries.”

## Qualified Charitable Distribution (“QCD”) Provision—Expired On December 31, 2014

QCDs allowed certain taxpayers who were age 70½ or older to transfer funds from their IRA to an eligible charitable organization; however, the provision expired on December 31, 2014. For more information about QCDs, or for future legislative updates on efforts to further extend the provision or make it permanent, check IRS Publication 590 or the IRS website [www.irs.gov](http://www.irs.gov) under the term “QCD” or “Charitable Donations from IRAs.”

## Spousal Provisions For Same Sex Couples

Effective September 16, 2013, same-sex couples who are legally or lawfully married in a state or country that recognizes same-sex marriage will be treated as a “spouse” for federal tax purposes. The IRS will look to state or foreign law to validate the marriage. Same-sex couples who are in a civil union or domestic partnership will not be afforded the same federal tax treatment.

## Beneficiary Designations

**Per Stirpes Beneficiary Designations:** The Custodian shall accept as complete and accurate all written instructions provided in good order by the estate/executor with regard to the identification of the beneficiaries and the allocations thereto.

In the event of your death, the balance of your custodial account shall be paid to the primary beneficiaries who survive you in equal shares (or in the specified shares, if indicated). If none of the primary beneficiaries survive you, the balance of your account shall be paid to the contingent beneficiaries who survive you in equal shares (or in the specified shares, if indicated). If you name multiple primary beneficiaries and a beneficiary does not survive you, such interest is terminated and that percentage will be divided proportionately among the remaining primary beneficiaries. Similarly, unless you have specified otherwise, if no primary beneficiary survives you and you have named multiple contingent beneficiaries and a beneficiary does not survive you, such interest is terminated and that percentage will be divided proportionately among the remaining contingent beneficiaries.

You may change your beneficiaries at any time by giving written notice to the Custodian. If you do not designate a beneficiary, or if all designated beneficiaries predecease you, your surviving spouse will become the beneficiary of your IRA. If you do not have a surviving spouse at the time of your death, your estate will become the beneficiary of your IRA. If a trust is designated as a beneficiary, you must provide both the date of the trust and the name(s) of the trustee(s).

## Spousal Beneficiary Designation in the Event of Divorce

In the event of a divorce or legal separation, the Custodian will not automatically remove the former spouse as the designated beneficiary without court appointment. If your life circumstances have changed, we suggest you submit an IRA Beneficiary Designation Form. The current beneficiary designation on file with the Custodian will be deemed valid and in full force until such date as the Custodian receives a signed IRA Beneficiary Designation Form, in good order.

References to the "Custodian" mean BNY Mellon Investment Servicing Trust Company.

# Traditional And Roth IRA Combined Disclosure Statement

The following information is the disclosure statement required by federal tax regulations. You should read this Disclosure Statement, the Custodial Account Agreement and the prospectuses for the mutual funds in which your Individual Retirement Account (“IRA”) contributions will be invested. The rules governing IRAs are subject to change. You should consult Internal Revenue Service (“IRS”) Publication 590 or the IRS web site [www.irs.gov](http://www.irs.gov) for updated rules and requirements.

## Important Information About U.S. Government Requirements That May Affect Your Account

BNY Mellon Investment Servicing Trust Company (“BNY Mellon”, “we”, or “us”), provides custodial and administrative services for your retirement or savings account. As a result of this role, persons who open a retirement or savings account are considered ‘customers’ of BNY Mellon (“you” or “your”).

To help the U.S. Government fight the funding of terrorism and money laundering activities, Federal law requires BNY Mellon, as a financial institution, to obtain, verify, and record information that identifies each person who opens an account. All accounts we open are opened on a conditional basis – conditioned on our ability to verify your identity in accordance with Federal law.

When establishing an account, you are required to provide your full legal name, address, government issued identification number (e.g. social security number), date of birth, and other information within your account-opening application that will allow us to identify you. We may also request a copy of your driver’s license or other identifying documents and may consult third-party databases to help verify your identity. If the account you are opening will be registered in the name of a beneficiary, trust, or estate or charity, we may require additional identifying documentation.

**If you fail to provide any requested identifying information or documentation when opening your account, your new account application may be rejected.**

**If we open your account, and you subsequently fail to provide all identification materials we request or if we are subsequently unable to adequately verify your identity as required by U.S. Government regulations, we reserve the right to take any one or more of the following actions:**

- ▶ We may place restrictions on your account which block all purchase transactions and we may place additional restrictions on your account blocking other transactional activities if we determine such additional restrictions are appropriate under Federal law or regulation.

- ▶ We may close your account, sell (i.e., “liquidate”) the assets in your account in the prevailing market at the time, and send you a check representing the cash proceeds of your account. This distribution will be reported to the Internal Revenue Service and may result in unfavorable consequences to you under Federal and state tax laws.

**You May Incur Losses.** Despite being opened as a conditional account, your account will be invested as you instruct and you will be subject to all market risks during the period between account opening and any liquidation necessitated by your failure to furnish requested identifying information or by an inability to adequately verify your identity. You may also be subject to additional market risks if the additional transactional restrictions discussed above are placed on your account. In addition, the closing of your account may subject you to fees and charges imposed by a sponsor, issuer, depository or other person or entity associated with one or more of the assets in which you are invested, and any sales charges you may have paid in connection with your purchases will not be refunded.

**You Assume All Responsibility For These Losses.** BNY Mellon expressly disclaims any responsibility or liability for losses you incur as a result of your failure to furnish identification materials we request, including investment losses and any other loss or damage (including but not limited to lost opportunities and adverse tax consequences). If you proceed with the account opening process, you accept all risks of loss resulting from any failure of yours to furnish the identification materials we request or from a subsequent inability to adequately verify your identity in accordance with Federal law or regulation.

## State Unclaimed Property Law Disclosure

The assets in your custodial account are subject to state unclaimed property laws which provide that if no activity occurs in your account within the time period specified by the particular state law, your assets must be transferred to the appropriate state. We are required by law to advise you that your assets may be transferred to an appropriate state in compliance with these state laws.

## Revocation of Your IRA

You have the right to revoke your IRA and receive the entire amount of your initial investment by notifying the Custodian in writing within seven (7) days of establishing your IRA (account open date). If you revoke your IRA within seven days, you are entitled to a return of the entire amount contributed, without adjustment for such items as sales commissions, administrative expenses, or fluctuations in market value. If you decide to revoke your IRA, notice should be delivered or mailed to the address listed in the application instructions. This notice should be signed by you and include the following:

1. The date.
2. A statement that you elect to revoke your IRA.
3. Your IRA account number.
4. The date your IRA was established.
5. Your signature and your name printed or typed.

Mailed notice will be deemed given on the date that it is postmarked, if it is properly addressed and deposited either in the United States mail, first class postage prepaid, or with an IRS approved overnight service. This means that when you mail your notice, it must be postmarked on or before the seventh day after your IRA was opened. A revoked IRA will be reported to the IRS and the Depositor on IRS Forms 1099-R and 5498.

## Contributions

For 2015, the maximum allowable contribution to your individual retirement accounts (deductible, non-deductible, and Roth) is the lesser of (a) \$5,500 or (b) 100% of your compensation or earnings from self-employment. If you are submitting a prior year contribution, the limit was set at \$5,500.

**Age 50 or above catch-up contributions**—For those who have attained the age of 50 before the close of the taxable year, the annual IRA contribution limit is increased by \$1,000.

For tax years after 2015, the above limits may be subject to Internal Revenue Service (“IRS”) cost-of-living adjustments, if any. Please read the Traditional and Roth Individual Retirement Account (IRA) Combined Disclosure Statement carefully or consult IRS Publication 590 or a qualified tax professional for more information about eligibility requirements and contribution restrictions.

**Making an IRA contribution on behalf of your spouse**—If you have earned compensation, are married and file a joint federal income tax return, you may make an IRA contribution on behalf of your working or nonworking spouse. The total annual contribution limit for both IRAs may not exceed the lesser of the combined compensation of both spouses or the annual IRA contribution limits as set forth by the IRS. Contributions made on behalf of a spouse must be made to a separate IRA account established by your spouse. More information about eligibility requirements and contribution restrictions can be found in IRS Publication 590.

Any contribution made to your IRA will be treated as a contribution for the year it is received, unless the contribution is made between January 1 and the April 15th postmark deadline and you have identified the contribution as a prior year contribution.

- ▶ **Traditional IRA Contribution Restriction**—You cannot make contributions to your traditional IRA for any taxable year after you attain age 70½.
- ▶ **Roth IRA Contribution**—Contributions can continue to be made to a Roth IRA after you attain age 70½ as long as the requirements of earned income are met.

## Description of Available Options For Your Contributions

The assets in your custodial account will be invested in accordance with instructions communicated by you (or following your death, by your beneficiary) or by your (or following your death, your beneficiary’s) authorized agent. Account contributions may be invested in shares of one or more mutual funds made available to you in connection with this IRA account (the “Mutual Funds”), or in other investments that are eligible for investment under section 408(a) of the Internal Revenue Code and that are acceptable to the Custodian as investments under the Individual Retirement Account (IRA) Application and Adoption Agreement.

**Mutual Fund Investments:** An investment in any of the Mutual Funds involves investment risks, including possible loss of principal. In addition, growth in the value of your Mutual Funds is neither guaranteed nor protected due to the characteristics of a mutual fund investment. Detailed information about the shares of each Mutual Fund available to you for investment of your IRA contributions must be furnished to you in the form of a prospectus. The method for computing and allocating annual earnings is set forth in the prospectus. (See the section of each prospectus entitled “Dividends.”) The prospectus also sets forth the costs and expenses you incur by being invested in a particular Mutual Fund; such costs and expenses reduce any yield you might obtain from the Mutual Funds. (See the section of the prospectus entitled “Expense Table” and the sections referred to therein.) For further information regarding expenses, earnings, and distributions of a particular Mutual Fund, see that Mutual Fund’s financial statements, prospectus and/or statement of additional information. Should the fund you are invested in close, and the prospectus for said fund does not specify a successor fund, your shares of said fund will be liquidated and the proceeds will be used to purchase shares of a Money Market Fund in the same Fund Family, if available.

## Beneficiary Designations

**Per Stirpes Beneficiary Designations:** The Custodian shall accept as complete and accurate all written instructions provided in good order by the estate/executor with regard to the identification of the beneficiaries and the allocations thereto.

In the event of your death, the balance of your custodial account shall be paid to the primary beneficiaries who survive you in equal shares (or in the specified shares, if indicated). If none of the primary beneficiaries survive you, the balance of your account shall be paid to the contingent beneficiaries who survive you in equal shares (or in the specified shares, if indicated). If you name multiple primary beneficiaries and a beneficiary does not survive you, such interest is terminated and that percentage will be divided proportionately among the remaining primary beneficiaries. Similarly, unless you have specified otherwise, if no primary beneficiary survives you and you have named multiple contingent beneficiaries and a beneficiary does not survive you, such interest is terminated and that percentage will be divided proportionately among the remaining contingent beneficiaries.

You may change your beneficiaries at any time by giving written notice to the Custodian. If you do not designate a beneficiary, or if all designated beneficiaries predecease you, your surviving spouse will become the beneficiary of your IRA. If you do not have a surviving spouse at the time of your death, your estate will become the beneficiary of your IRA. If a trust is designated as a beneficiary, you must provide both the date of the trust and the name(s) of the trustee(s).

Important note: the underlying beneficiaries of your trust (or estate) do not qualify for separate accounting. Separate accounting rules are described in IRS Publication 590 under the heading "Multiple individual beneficiaries", "The separate account rules cannot be used by beneficiaries of a trust." If your trust meets "look through trust" qualifications, the trustee shall provide the eldest beneficiary's date of birth so the custodian can calculate the required minimum distribution amounts that will be paid to the trust under the trust's tax ID. The Custodian will not accept beneficiary designations that vary from the provisions described above.

## Spousal Beneficiary Designation in the Event of Divorce

In the event of a divorce or legal separation, the Custodian will not automatically remove the former spouse as the designated beneficiary without court appointment. If your life circumstances have changed, we suggest you submit an IRA Beneficiary Designation Form. The current beneficiary designation on file with the Custodian will be deemed valid and in full force until such date as the Custodian receives a signed IRA Beneficiary Designation Form, in good order.

## Spousal Provisions for Same Sex Couples

Effective September 16, 2013, same-sex couples who are legally or lawfully married in a state or country that recognizes same-sex marriage will be treated as a "spouse" for federal tax purposes. The IRS will look to state or foreign law to validate the marriage. Same-sex couples who are in a civil union or domestic partnership will not be afforded the same federal tax treatment.

## Tax Refund Direct Deposit IRA Contributions

Taxpayers who qualify for a tax refund may elect to directly deposit their refund into their IRA account. The amount of the refund deposited to your IRA cannot exceed annual IRA limits as set forth by the Internal Revenue Service. You must contact the Custodian in advance of completing IRS Form 8888 to obtain the proper routing instructions. All tax refund contributions will be recorded as current year contributions for the year received.

## Health Savings Account ("HSA") Funding Distribution

You are allowed a one-time, tax-free transfer from an IRA (other than a SEP or SIMPLE IRA) to use toward your annual Health Savings Account ("HSA") contribution. Eligible individuals may make an irrevocable one-time, tax-free "qualified HSA funding distribution" from an IRA and move it directly into an HSA, subject to strict requirements. The HSA funding distribution must be directly transferred from the IRA custodian or trustee to the HSA custodian or trustee. The amount of the transfer cannot exceed the maximum HSA contribution limit for the year that the amount is transferred. The deposited amount is counted toward the individual's total HSA annual contribution limit.

## Non-Spouse Beneficiaries Of Employer Plans

Eligible non-spouse beneficiary distributions from an employer's retirement plan can be directly rolled over into a beneficiary/ inherited IRA. To accomplish the direct rollover, the plan administrator must distribute the benefit payable to the trustee or custodian and mail it directly to the receiving institution. If the distribution is paid directly to the non-spouse beneficiary, a rollover will not be permitted.

The beneficiary/inherited IRA account must be registered in both the non-spouse beneficiary's name and the decedent's name. A non-spouse beneficiary may include a trust beneficiary that meets the special "look through" rules under the IRS regulations. Non qualified trusts, estates or charities are not eligible for the direct rollover provision.

## Qualified Reservist Distributions

Early distributions paid to certain military reservists called to active duty after September 11, 2001 ("Qualified Reservist Distributions") are eligible to be repaid to an IRA within a two-year period after the end of active duty. This provision applies to distributions made after September 11, 2001. Repayments cannot exceed the amount of your Qualified Reservist Distributions. Repayment cannot be made after the date that is two years after your active duty period ends. The repayments are not treated as rollovers. For additional information refer to IRS Publication 590 under the heading "Qualified reservist repayments."

## Prohibited Transactions

If you or your beneficiary engages in any prohibited transaction as described in the Internal Revenue Code (IRC) Section 4975(c)



(such as any sale, exchange, borrowing, or leasing of any property between you and your IRA; or any other interference with the independent status of the account), the account will lose its exemption from tax and be treated as having been distributed to you in the tax year in which you or your beneficiary engaged in the prohibited transaction. The distribution may also be subject to additional penalties including a 10% penalty tax if you have not attained age 59½. See Publication 590 for further instructions on calculating taxable gain, reporting amounts in income and prohibited transaction penalty taxes. In addition, if you or your beneficiary use (pledge) all or any part of your IRA as security for a loan, then the portion so pledged will be treated as if distributed to you, and will be taxable to you. Your distribution may also be subject to a 10% penalty tax if you have not attained age 59½ during the year which you make such a pledge.

## Fees and Charges

There is an annual custodial maintenance fee for each IRA account as set forth on the Application. The Custodian may also charge a service fee in connection with any distribution from your IRA.

## Estate Tax

Amounts payable to your spouse, as your named beneficiary, may qualify for a marital tax deduction for federal estate tax purposes.

## Income Tax Withholding

The Custodian is required to withhold federal income tax from any taxable distribution from your IRA at the rate of 10% unless you choose not to have tax withheld. You may elect out of withholding by advising the Custodian in writing, prior to the distribution, that you do not want tax withheld from the distribution. This election may be made on any distribution request form provided by the Custodian. If you do not elect out of tax withholding, you may direct the Custodian to withhold an additional amount of tax in excess of 10%.

State income tax withholding may also apply to distributions from your IRA account when federal income tax is withheld. Please contact your tax advisor or state tax authority for information about your state's income tax withholding requirements.

## Additional Information

Distributions under \$10 will not be reported on IRS Form 1099-R (as allowed under IRS regulations). However, you must still report these distributions to the IRS on your Form 1040 (as well as other forms that may be required to properly file your tax return).

For more detailed information, you may obtain IRS Publication 590, Individual Retirement Arrangements (IRAs) from any district office of the Internal Revenue Service or by calling 1-800-TAX-FORM.

## Filing with the IRS

Contributions to your IRA must be reported on your tax return (Form 1040 or 1040A, and Form 8606 for nondeductible traditional IRA contributions) for the taxable year contributed. If you are subject

to any of the federal penalty taxes due to excess contributions, premature distributions, or missed required minimum distributions, you must file IRS Form 5329.

# Traditional Individual Retirement Account Disclosure

You have opened an Individual Retirement Account (IRA), which is a traditional or SEP IRA for the exclusive benefit of you and your beneficiaries, created by a written instrument (the Custodial Account Agreement). The following requirements apply to your IRA:

1. Contributions, transfers and rollovers may be made only in "cash" by check, draft, or other form acceptable to the Custodian.
2. The Custodian must be a bank, trust company, savings and loan association, credit union or a person who is approved to act in such capacity by the Secretary of the Treasury.
3. No part may be invested in life insurance contracts.
4. Your interest must be nonforfeitable.
5. The assets of the custodial account may not be mixed with other property except in a common investment fund.
6. You must begin receiving distributions from your account no later than April 1 of the year following the year in which you attain age 70½; and distributions must be completed over a period that is not longer than the joint life expectancy of you and your beneficiary.

## Traditional IRA Eligibility

You are permitted to make a regular contribution to your traditional IRA for any taxable year prior to the taxable year you attain age 70½, if you receive compensation for such taxable year. Compensation includes salaries, wages, tips, commissions, bonuses, alimony, royalties from creative efforts and "earned income" in the case of self-employment. The amount which is deductible depends upon whether or not you are an active participant in a retirement plan maintained by your employer; your modified adjusted gross income; your marital status; and your tax filing status.

## Traditional IRA Income Tax Deduction

Your contribution to a traditional IRA may be deductible on your federal income tax return. However, there is a phase-out of the IRA deduction if you are an active participant in an employer-sponsored retirement plan. The IRA deduction is reduced proportionately as adjusted gross income increases. Adjusted gross income levels are subject to change each year. Please consult IRS Publication 590 for calculating your deductible contribution as it pertains to individual income and employer-sponsored retirement plan circumstances. Your contributions in excess of the permitted deduction will be considered non-deductible contributions.

A deductible IRA contribution can be made to your spouse's IRA even if you are an active participant in an employer-sponsored retirement plan, if your joint adjusted gross income for the tax year does not exceed the limits as set forth by the IRS. The IRA deduction is reduced proportionally as your joint adjusted gross income increases.

## Traditional IRA Taxation and Rollovers

The income of your IRA is not taxed until the money is distributed to you. Distributions are taxable as ordinary income when received, except the amount of any distribution representing non-deducted contributions or the return of an excess contribution is not taxed.

## Ira Rollovers—Important Changes to the Rules Governing Indirect (60-Day) Rollovers

Beginning January 1, 2015, there will be a new restriction placed on indirect (60-day) IRA-to-IRA rollovers. An IRA participant will be allowed only one rollover across all IRAs (Traditional, Rollover, Roth, SEP, SARSEP and SIMPLE IRAs) in aggregate that a taxpayer owns in any 12-month or 365-day period. As an alternative, a participant can make an unlimited number of trustee-to-trustee transfers where the proceeds are delivered directly to the receiving financial institution, successor custodian or trustee. For more information please visit the Internal Revenue Service's web site [www.irs.gov](http://www.irs.gov) using the search term "IRA One-Rollover-Per-Year Rule", "Announcement 2014-15" or "Announcement 2014-32". You must contact the receiving institution to initiate a trustee-to-trustee transfer.

In general, you may "roll over" a distribution from another IRA, an eligible rollover distribution from your employer's qualified plan, or distributions from certain tax deferred annuities or accounts. If a distribution is rolled over (i.e. deposited in your IRA within 60 calendar days), the amount rolled over is not taxable. The IRS strictly enforces the 60-day time limit. You may rollover a portion of a distribution in which case the remainder will be subject to tax. The IRS requires 20% of any distribution from your employer's qualified plan to be withheld for federal income tax unless your distribution is transferred (as a direct rollover) to an eligible retirement plan such as another qualified plan or IRA.

**Note:** The rules regarding tax-free rollovers are complex and subject to frequent change; you should consult a professional tax advisor if you are considering a rollover.

## Converting to a Roth IRA

You may also "convert" all or a portion of your traditional, SEP or SIMPLE (after the required two year holding period) IRA to a Roth IRA. You may not convert any portion of a required minimum distribution (RMD). A conversion is a type of distribution and is not tax-free. Distributions are taxable as ordinary income when received, except any amount representing the return of non-deducted contributions is not taxed. The 10% penalty tax on early distributions does not

apply to conversion amounts unless an amount attributable to a conversion is distributed from the Roth IRA prior to five years from the date of the conversion. Your traditional IRA may be converted to a Roth IRA by means of an in-house direct transfer (within the same financial institution) or as a direct transfer between two different financial institutions.

A conversion is reported as a distribution from your traditional IRA (IRS Form 1099-R) and a conversion contribution to your Roth IRA (IRS Form 5498). The rules regarding conversions to Roth IRAs are complex and you should consult a professional tax advisor prior to a conversion.

## Recharacterization of a Roth IRA Conversion (Correction Process)

You may correct a conversion made in error by recharacterizing the conversion. A conversion is recharacterized by transferring the conversion amount plus allocable earnings back to a traditional IRA. The correction must take place prior to the due date, including extensions, for filing your federal income tax return for the tax year in which the conversion was originally made. A recharacterized conversion may be converted back to a Roth IRA, however limitations may apply. Assets that have been recharacterized back to a traditional IRA cannot be reconverted to a Roth IRA in the same tax year or within thirty days of the recharacterization. A recharacterized conversion is reported as a distribution from the Roth IRA (IRS Form 1099-R) and a recharacterization contribution to the traditional IRA (IRS Form 5498) for the tax year in which the recharacterization occurs. The rules regarding recharacterization are complex and you should consult a professional tax advisor prior to any recharacterization or reconversion. A recharacterization form is available from the Custodian and should be used for all recharacterization requests.

## Recharacterizing Traditional IRA Contributions

If you are eligible to contribute to a Roth IRA, all or part of a contribution you make to your traditional IRA, along with allocable earnings or losses, may be recharacterized and treated as if made to your Roth IRA on the date the contribution was originally made to your traditional IRA. Recharacterization of a contribution is irrevocable and must be completed on or before the due date, including extensions, for filing your federal income tax return for the tax year for which the contribution was originally made. Please refer to IRS Publication 590 for more information.

A recharacterized contribution is reported as a distribution from the first IRA (IRS Form 1099-R) and a recharacterization contribution to the second IRA (IRS Form 5498) for the tax year in which the recharacterization occurs. The rules regarding recharacterization are complex and you should consult a professional tax advisor prior to any recharacterization. A recharacterization form is available from the Custodian and should be used for all recharacterization requests.

## Excess Contributions

Amounts contributed to your traditional IRA in excess of the allowable limit will be subject to a non-deductible excise tax of 6% for each year until the excess is used up (as an allowable contribution in a subsequent year) or returned to you. The 6% excise tax will not apply if the excess contribution and earnings allocable to it are distributed by your federal income tax return due date, including extensions. If such a distribution is made, only the earnings are considered taxable income for the tax year in which the excess was contributed to the IRA. The return of earnings may also be subject to the 10% penalty tax on early distributions discussed in the section titled “Early Distributions from a Traditional IRA”. If you make an excess contribution to your IRA and it is not corrected on a timely basis, an excise tax of 6% is imposed on the excess amount. This tax will apply each year to any part or all of the excess that remains in your account.

Earnings will be removed with the excess contribution, if corrected before your federal income tax return due date (including extensions), pursuant to Internal Revenue Code Section 408(d)(4) and IRS Publication 590. The IRS may impose a 10% early distribution penalty on the earnings if you are under age 59½. An IRS Form 1099-R will be issued for the year in which the distribution occurred, not the year in which the excess contribution was made. Consult IRS Publication 590 for more information pertaining to excess contributions. If you are subject to a federal penalty tax due to an excess contribution, you must file IRS Form 5329.

For the purpose of the excess contribution, we will calculate the net income attributable to that contribution (Net Income Attributable or “NIA”) using the method provided for in the IRS Final Regulations for Earnings Calculation for Returned or Recharacterized Contributions. This method calculates the NIA based on the actual earnings and losses of the IRA during the time it held the excess contribution. Please note that a negative NIA is permitted and, if applicable, will be deducted from the amount of the excess contribution.

Excess contributions (plus or minus the NIA) that are distributed by your federal income tax return due date (including extensions) will be considered corrected, thus avoiding an excess contribution penalty.

## Early Distributions from a Traditional IRA

Your receipt or use of any portion of your account (excluding any amount representing a return of non-deducted contributions) before you attain age 59½ is considered an early or premature distribution. The distribution is subject to a penalty tax equal to 10% of the distribution unless one of the following exceptions applies to the distribution:

1. Due to your death, or
2. Made because you are disabled, or
3. Used specifically for deductible medical expenses which exceed 7.5% of your adjusted gross income, or

4. Used for health insurance cost due to your unemployment, or
5. Used for higher education expenses defined in section 529(e)(3) of the Internal Revenue Code, or
6. Used toward the expenses of a first time home purchase up to a lifetime limit of \$10,000, or
7. Part of a scheduled series of substantially equal periodic payments over your life, or over the joint life expectancy of you and a beneficiary. If you request a distribution in the form of a series of substantially equal periodic payments, and you modify the payments before 5 years have elapsed and before attaining age 59½, the penalty tax will apply retroactively to the year payments began through the year of such modification, or
8. Required because of an IRS levy, or
9. The distribution is a Qualified Reservist Distribution.

The 10% penalty tax is in addition to any federal income tax that is owed at distribution. For more information on the 10% penalty tax and the exceptions listed above, consult IRS Publication 590. If you are subject to a federal penalty tax due to a premature distribution, you must file IRS Form 5329.

## Required Distributions from a Traditional IRA

You are required to begin receiving minimum distributions from your IRA by your required beginning date (April 1 of the year following the year you attain age 70½). The year you attain age 70½ is referred to as your “first distribution calendar year”. Your required minimum distribution for each year, beginning with the calendar year you attain age 70½, is generally based upon the value of your account at the end of the prior year divided by the factor for your age (derived from the IRS Uniform Lifetime Distribution Period Table). This table assumes you have a designated spouse beneficiary exactly 10 years younger than you. However, if your spouse is your sole beneficiary and is more than 10 years younger than you, your required minimum distribution for each year is based upon the joint life expectancies of you and your spouse. The account balance that is used to determine each year’s required minimum distribution amount is the prior year end fair market value (value as of December 31st), adjusted for outstanding rollovers, transfers and recharacterizations (that relate to a conversion or failed conversion made in the prior year). You are responsible for notifying the Custodian of any outstanding amounts.

If the amount distributed during a taxable year is less than the minimum amount required to be distributed, you will be subject to a penalty tax equal to 50% of the difference between the amount distributed and the amount required to be distributed. You are responsible for monitoring this schedule from year to year to make sure that you are withdrawing the required minimum amount. If you are subject to a federal penalty tax due to a missed required minimum distribution, you must file IRS Form 5329.

However, no payment will be made from this IRA until you provide the Custodian with a proper distribution request acceptable by the Custodian. Upon receipt of such distribution request, you may switch to a joint life expectancy in determining the required minimum distribution if your spouse was your sole beneficiary, as of the January 1st of the calendar year that contains your required beginning date, and such spouse is more than 10 years younger than you. The required minimum distribution for the second distribution calendar year and for each subsequent distribution calendar year must be made by December 31 of each such year. A required minimum distribution election form is available from the Custodian.

## Traditional IRA Distributions Due to Death

If, prior to your death, you have not started to take your required distributions and you properly designated a beneficiary(ies), the entire value of your IRA must be distributed to your beneficiaries within five years after your death, unless the designated beneficiary elects in writing, no later than September 30th of the year following the year in which you die, to take distributions over their life expectancy. These distributions must commence no later than December 31st of the calendar year following the calendar year of your death. However, if your spouse is your sole beneficiary, these distributions are not required to commence until the December 31st of the calendar year you would have attained age 70½, if that date is later than the required commencement date in the previous sentence. If you die before your required beginning date and you do not have a designated beneficiary, the balance in your IRA must be distributed no later than the December 31st of the calendar year that contains the fifth anniversary of your death.

If you die on or after your required beginning date and you have a designated beneficiary, the balance in your IRA will be distributed to your beneficiary over the beneficiary's single life expectancy. These distributions must commence no later than December 31st of the calendar year following the calendar year of your death. If you die on or after your required beginning date and you do not have a designated beneficiary, the balance in your IRA must be distributed over a period that does not exceed your remaining single life expectancy determined in the year of your death. However, the required minimum distribution for the calendar year that contains the date of your death is still required to be distributed. Such amount is determined as if you were still alive throughout that year. If your spouse is your sole beneficiary, your spouse may elect to treat your IRA as their own IRA, whether you die before or after your required beginning date. If you die after your required beginning date and your spouse elects to treat your IRA as his or her own IRA, any required minimum that has not been distributed for the year of your death must still be distributed to your surviving spouse and then the remaining balance can be treated as your spouse's own IRA. After your death, your designated beneficiary may name a subsequent beneficiary. Any subsequent beneficiaries must take distributions at least as frequently as the original

designated beneficiary. If you do not properly designate a beneficiary, or all designated beneficiaries have predeceased you, your spouse shall become the beneficiary or, if no surviving spouse or unmarried, the distribution will be made to your estate.

## Traditional IRA—IRS Approved Form

Your traditional IRA is the Internal Revenue Service's model custodial account contained in IRS Form 5305-A. Certain additions have been made in Article VIII of the form. By following the form, your traditional IRA meets the requirements of the Internal Revenue Code. However, the IRS has not endorsed the merits of the investments allowed under the IRA. Form 5305-A may also be used by qualifying employers in conjunction with Form 5305-SEP to establish a Simplified Employee Pension plan (SEP) on behalf of employees. If your IRA is part of a SEP, details regarding the plan should also be provided by your employer. IRS Form 5305-A cannot be used in connection with SIMPLE or Roth IRAs or Coverdell Education Savings Accounts.

## Roth Individual Retirement Account Disclosure

You have opened a Roth Individual Retirement Account (Roth IRA), which is an account for the exclusive benefit of you and your beneficiaries, created by a written instrument (the Custodial Account Agreement). The following requirements apply to your Roth IRA:

1. Contributions, transfers and rollovers may be made only in "cash" by check, draft, or other form acceptable to the Custodian.
2. The Custodian must be a bank, trust company, savings and loan association, credit union or a person who is approved to act in such capacity by the Secretary of the Treasury.
3. No part may be invested in life insurance contracts.
4. Your interest must be nonforfeitable.
5. The assets of the custodial account may not be mixed with other property except in a common investment fund.
6. There is no age limit on contributions as long as you have earned income.
7. Your adjusted gross income must be within the eligibility limits (see IRS Publication 590 for current year limits).
8. There are no mandatory withdrawals during your lifetime.

## Roth IRA Eligibility

You are permitted to make a regular contribution to your Roth IRA for any taxable year if you receive compensation for such taxable year. Compensation includes salaries, wages, tips, commissions, bonuses, alimony, royalties from creative efforts and "earned income" in the case of self-employment.

Contributions can continue to be made to a Roth IRA after you attain age 70½ as long as the requirements of earned income are met.

There is a phase-out of eligibility to make a Roth IRA contribution if your adjusted gross income is between certain levels. These limits may be adjusted from time to time by the Internal Revenue Service, please refer to IRS Publication 590 for current year limits.

## Roth IRA Income Tax Deduction

Your contribution to a Roth IRA is not deductible on your federal income tax return.

## IRA Rollovers—Important Changes to the Rules Governing Indirect (60-Day) Rollovers

Beginning January 1, 2015, there will be a new restriction placed on indirect (60-day) IRA-to-IRA rollovers. An IRA participant will be allowed only one rollover across all IRAs (Traditional, Rollover, Roth, SEP, SARSEP and SIMPLE IRAs) in aggregate that a taxpayer owns in any 12-month or 365-day period. As an alternative, a participant can make an unlimited number of trustee-to-trustee transfers where the proceeds are delivered directly to the receiving financial institution, successor custodian or trustee. For more information please visit the Internal Revenue Service's web site [www.irs.gov](http://www.irs.gov) using the search term "IRA One-Rollover-Per-Year Rule", "Announcement 2014-15" or "Announcement 2014-32". You must contact the receiving institution to initiate a trustee-to-trustee transfer.

In general, you may "roll over" a distribution from another IRA, an eligible rollover distribution from your employer's qualified plan, or distributions from certain tax deferred annuities or accounts. If a distribution is rolled over (i.e. deposited in your IRA within 60 calendar days), the amount rolled over is not taxable. The IRS strictly enforces the 60-day time limit. You may rollover a portion of a distribution in which case the remainder will be subject to tax. The IRS requires 20% of any distribution from your employer's qualified plan to be withheld for federal income tax unless your distribution is transferred (as a direct rollover) to an eligible retirement plan such as another qualified plan or IRA.

**Note:** The rules regarding tax-free rollovers are complex and subject to frequent change; you should consult a professional tax advisor if you are considering a rollover.

## Rollover from a Designated Roth Contribution Account Under an Employer-Sponsored Plan into a Roth IRA

Amounts attributable to a participant's designated Roth contribution account under an employer's 401(k) plan or 403(b) plan are eligible to roll over into a Roth IRA as either a direct rollover or a 60-day rollover. Once the amount is rolled over to a Roth IRA it may not be rolled back to an employer's plan. The rules regarding designated Roth rollovers to Roth IRAs are complex and you should consult a tax advisor prior to initiating a designated Roth rollover.

## Military Death Gratuities and Service Members Group Life Insurance (SGLI) Payment Rollovers

If you received a military death gratuity or SGLI payment, you may contribute all or part of the amount received to your Roth IRA or to a Coverdell Education Savings Account (Coverdell ESA). The contribution is treated as a rollover, except that this type of rollover does not count when figuring the annual limit on the number of rollovers allowed. The amount you can contribute to a Roth IRA or Coverdell ESA under this provision cannot exceed the total amount of such payments that you received because of the death of a person reduced by any part of the amount so received that you have already contributed to a Roth IRA or Coverdell ESA.

## Roth Conversions

You may convert a traditional, SEP, or SIMPLE (after the required two year holding period) IRA into a Roth IRA. You may not convert any portion of a required minimum distribution (RMD). If a distribution is converted from a traditional IRA and is deposited to your Roth IRA within 60 calendar days, the amount of the conversion distribution will be taxed as ordinary income, except any amount which represents the return of non-deductible contributions is not taxed. The IRS enforces the 60-day time limit strictly. The 10% penalty for early distributions will not apply to the amount converted if held in your Roth IRA for at least five years and certain other criteria are met. See the section titled "Taxation of Roth IRA Distributions". Your traditional IRA may be converted to a Roth IRA by means of an in-house direct transfer (within the same financial institution) or as a direct transfer between two different financial institutions.

A conversion is reported as a distribution from your traditional IRA (IRS Form 1099-R) and a conversion contribution to your Roth IRA (IRS Form 5498). The rules regarding conversions to Roth IRAs are complex and you should consult a professional tax advisor prior to a conversion.

## Employer-Sponsored Plan Conversions to a Roth IRA

Conversion rollovers from employer-sponsored plans, such as qualified plans and 403(b) plans, to a Roth IRA are permitted.

## Recharacterization of a Conversion (Correction Process)

You may correct a conversion made in error by recharacterizing the conversion. A conversion is recharacterized by moving the conversion amount, plus allocable earnings, back to a traditional IRA. The correction must take place prior to the due date, including extensions, for filing your federal income tax return for the tax year in which the conversion was originally made. A recharacterized conversion may be converted back to a Roth IRA, however limitations may apply. Assets that have

been recharacterized back to a traditional IRA cannot be reconverted to a Roth IRA in the same tax year or within thirty days of the recharacterization.

A recharacterized conversion is reported as a distribution from the Roth IRA (IRS Form 1099-R) and a recharacterization contribution to the traditional IRA (IRS Form 5498) for the tax year in which the recharacterization occurs. The rules regarding recharacterization are complex and you should consult a professional tax advisor prior to any recharacterization or reconversion. A recharacterization form is available from the Custodian and should be used for all recharacterization or reconversion requests.

## Recharacterizing a Roth IRA Contribution

All or part of a contribution you make to your Roth IRA, along with any allocable earnings or losses, may be recharacterized and treated as if made to your traditional IRA on the date the contribution was originally made to your Roth IRA. All or part of a contribution you make to your traditional IRA may be recharacterized and treated as if made to your Roth IRA on the date the contribution was originally made to your traditional IRA. Recharacterization of a contribution is irrevocable and must be completed on or before the due date, including extensions, for filing your federal income tax return for the tax year for which the contribution was originally made.

A recharacterized contribution is reported as a distribution from the first IRA (IRS Form 1099-R) and a recharacterization contribution to the second IRA (IRS Form 5498) for the tax year in which the recharacterization occurs.

## Excess Contributions

Amounts contributed to your Roth IRA in excess of the allowable limit will be subject to a non-deductible excise tax of 6% for each year until the excess is used up (as an allowable contribution in a subsequent year) or returned to you. The 6% excise tax on excess contributions will not apply if the excess contribution and earnings allocable to it are distributed by your federal income tax return due date, including extensions. If such a distribution is made, only the earnings are considered taxable income for the tax year in which the excess was contributed to the IRA. The return of earnings may also be subject to the 10% penalty tax on early distributions. An IRS Form 1099-R will be issued for the year in which the distribution occurred, not the year in which the excess contribution was made. Consult IRS Publication 590 for more information pertaining to excess contributions. If you make an excess contribution to your Roth IRA and it is not corrected on a timely basis, an excise tax of 6% is imposed on the excess amount. This tax will apply each year to any part or all of the excess that remains in your account.

Earnings will be removed with the excess contribution if corrected before your federal income tax return due date (including extensions), pursuant to Internal Revenue Code

Section 408(d)(4) and IRS Publication 590. The IRS may impose a 10% early distribution penalty on the earnings if you are under age 59½. If you are subject to a federal penalty tax due to an excess contribution, you must file IRS Form 5329.

For the purpose of the excess contribution, we will calculate the net income attributable to that contribution (Net Income Attributable or “NIA”) using the method provided for in the IRS Final Regulations for Earnings Calculation for Returned or Recharacterized Contributions. This method calculates the NIA based on the actual earnings and losses of the Roth IRA during the time it held the excess contribution. Please note that a negative NIA is permitted and, if applicable, will be deducted from the amount of the excess contribution.

Excess contributions (plus or minus the NIA) that are distributed by your federal income tax return due date (plus extensions) will be considered corrected, thus avoiding an excess contribution penalty.

## Taxation of Roth IRA Distributions

Any distribution, or portion of any distribution, which consists of the return of contributions you made to your Roth IRA is not subject to federal income tax. For federal income tax purposes, contributions are presumed to be withdrawn first, then conversion contributions, then earnings.

**Qualified Distribution**—The earnings on your contributions will not be subject to federal income tax or penalty if the assets being withdrawn have been in your Roth IRA for at least five (5) years (from the first taxable year in which your initial contribution, including rollover or conversion contribution, was made to the Roth IRA) in addition to any one of the following:

1. You have attained age 59½, or
2. Used toward the expenses of a first time home purchase up to a lifetime limit of \$10,000, or
3. Made because you are disabled, or
4. Due to your death.

**Non-Qualified Distribution**—The earnings portion of a distribution made prior to the end of the five-year holding period, regardless of the reason, is considered a non-qualified distribution and is subject to ordinary income tax. The earnings may also be subject to a 10% penalty tax if you are under age 59½, unless an early distribution exception applies. The distribution of amounts attributable to conversion contributions (prior to five years from the tax year of conversion) may be subject to a 10% penalty tax if you are under age 59½, unless an early distribution exception applies. Exceptions to the 10% penalty tax on early distributions are described in the section titled “Early Distributions from a Roth IRA”. If you are subject to a federal penalty tax due to a premature distribution, you must file IRS Form 5329.

## Early Distributions from a Roth IRA

The earnings portion of distributions made prior to the end of the five-year holding period, or which fail to meet the criteria as outlined in “Taxation of Roth IRA Distributions”, are subject to ordinary income taxes. The earnings portion of the distribution is also subject to the 10% penalty tax on early distributions unless one of the following exceptions applies to the distribution:

1. You have attained age 59½, or
2. Due to your death, or
3. Made because you are disabled, or
4. Used specifically for deductible medical expenses which exceed 7.5% of your adjusted gross income, or
5. Used for health insurance cost due to your unemployment, or
6. Used for higher education expenses defined in section 529(e)(3) of the Internal Revenue Code, or
7. Used toward the expenses of a first time home purchase up to a lifetime limit of \$10,000, or
8. Part of a scheduled series of substantially equal payments over your life, or over the joint life expectancy of you and a beneficiary. If you request a distribution in the form of a series of substantially equal payments, and you modify the payments before 5 years have elapsed and before attaining age 59½, the penalty tax will apply retroactively to the year payments began through the year of such modification, or
9. Required because of an IRS levy, or
10. The distribution is a Qualified Reservist Distribution.

The 10% penalty tax is in addition to any federal income tax that is owed at distribution. For more information on the 10% penalty tax and the exceptions listed above, consult IRS Publication 590.

## Roth IRA Required Distributions

You are not required to take distributions from your Roth IRA during your lifetime.

## Roth IRA Distribution Due to Death

If you have properly designated a beneficiary(ies), the entire value of your Roth IRA must be distributed to your beneficiaries within five years after your death, unless the designated beneficiary elects in writing, no later than September 30th of the year following the year in which you die, to take distributions over their life expectancy. These distributions must commence no later than December 31st of the calendar year following the calendar year of your death. Your designated beneficiary may name a subsequent beneficiary. Any subsequent beneficiaries must take distributions at least as frequently as the original designated beneficiary.

If you do not properly designate a beneficiary, or all designated beneficiaries have predeceased you, your spouse shall become the beneficiary or, if no surviving spouse or unmarried, the distribution will be made to your estate. If your designated beneficiary is your spouse, your spouse may elect to treat your Roth IRA as their own.

## Roth IRA—IRA Approved Form

Your Roth IRA is the Internal Revenue Service’s model custodial account contained in IRS Form 5305-RA. Certain additions have been made in Article IX of the form. By following the form, your Roth IRA meets the requirements of the Internal Revenue Code. However, the IRS has not endorsed the merits of the investments allowed under the Roth IRA. IRS Form 5305-RA cannot be used in connection with, SEP, SIMPLE or traditional IRAs or Coverdell Education Savings Accounts.

## Traditional IRA Custodial Account Agreement

### (Under Section 408(A) of the Internal Revenue Code—Form 5305-A (Revised March 2002))

Form 5305-A is a model custodial account agreement that meets the requirements of section 408(a) and has been pre-approved by the IRS. The Depositor whose name appears in the accompanying Application is establishing an Individual Retirement Account (“IRA”) under section 408(a) to provide for his or her retirement and for the support of his or her beneficiaries after death. The account must be created in the United States for the exclusive benefit of the Depositor or his or her beneficiaries.

The Custodian has given the Depositor the disclosure statement required under Regulations section 1.408-6.

The Depositor and the Custodian make the following agreement:

### Article I

Except in the case of a rollover contribution described in section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), an employer contribution to a simplified employee pension plan as described in section 408(k), or a recharacterized contribution described in section 408A(d)(6), the Custodian will accept only cash contributions up to \$3,000 per year for tax years 2002 through 2004. That contribution limit is increased to \$4,000 for tax years 2005 through 2007 and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$3,500 per year for tax years 2002 through 2004, \$4,500 for 2005, \$5,000 for 2006 and 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

## Article II

The Depositor's interest in the balance in the custodial account is nonforfeitable.

## Article III

1. No part of the custodial 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 Depositor'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 Depositor's entire interest in the custodial account must be, or begin to be, distributed not later than the Depositor's required beginning date, April 1 following the calendar year in which the Depositor reaches age 70½. By that date, the Depositor 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 Depositor or the joint lives of the Depositor and his or her designated beneficiary.
3. If the Depositor dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:
  - (a) If the Depositor dies on or after the required beginning date and:
    - i. the designated beneficiary is the Depositor'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 Depositor'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 Depositor 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 Depositor as determined in the year of the Depositor's death and reduced by 1 for each subsequent year.
  - (b) If the Depositor dies before the required beginning date, the remaining interest will be distributed in accordance with (i) below or, if elected or there is no designated beneficiary, in accordance with (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 Depositor's death. If, however, the designated beneficiary is the Depositor's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Depositor would have reached age 70½. But, in such case, if the Depositor's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with (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 (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 Depositor's death
4. If the Depositor dies before his or her entire interest has been distributed and if the designated beneficiary is not the Depositor'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 Depositor'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 Depositor reaches age 70½, is the Depositor'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 Depositor's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the Depositor'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 Depositor's (or, if applicable, the Depositor 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 Depositor's death (or the year the Depositor would have reached age 70½, if applicable under paragraph 3(b)(ii)) 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 Depositor 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 traditional IRAs may satisfy the minimum distribution requirements described above by taking from one traditional IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408(a)(6).

## Article V

- 1. The Depositor agrees to provide the Custodian with information necessary for the Custodian to prepare any reports required under sections 408(i) and Regulations sections 1.408-5 and 1.408-6.
- 2. The Custodian agrees to submit to the Internal Revenue Service (IRS) and Depositor the reports prescribed by the IRS.

## 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 that are not consistent with section 408(a) and the related regulations will be invalid.

## Article VII

This agreement will be amended from time to time to comply with the provisions of the Code and related regulations. Other amendments may be made with the consent of the persons whose signature appears on the IRA application.

## Article VIII

- 1. All funds in the custodial account (including earnings) shall be invested in shares of any one or more of the registered investment companies ("mutual funds"), or portfolios thereof, which have been designated by the company listed

on the account opening documents ("company") as eligible for investment under this custodial account. The mutual funds, portfolios, and company shall be collectively referred to herein as "the Funds" and the shares of the Funds shall be collectively referred to as "Fund Shares." Fund Shares shall be purchased at the public offering price for Fund Shares next to be determined after receipt of the contribution by the Custodian or its agent.

- 2. The shareholder of record of all Fund Shares shall be the Custodian or its nominee.
- 3. The Depositor shall, from time to time, direct the Custodian to invest the funds of his/her custodial account in Fund Shares. Any funds, which are not directed as to investment, shall, at the sole discretion of the Custodian, be held uninvested until such direction is received from the Depositor or be returned to the Depositor without being deemed to have been contributed to his/her custodial account. The Depositor shall be the beneficial owner of all Fund Shares held in the custodial account, and the Custodian shall not vote any such shares except upon written direction of the Depositor.
- 4. The Custodian agrees to forward, or to cause to be forwarded, to every Depositor the then-current prospectus(es) of the Funds, as applicable, which have been designated by the company as eligible for investment under the custodial account and selected by the Depositor for such investment, and all notices, proxies and related proxy soliciting materials applicable to said Fund Shares received by it.
- 5. Each Depositor shall have the right by written notice to the Custodian to designate or to change a beneficiary to receive any benefit to which such Depositor may be entitled in the event of his/her death prior to the complete distribution of such benefit. A beneficiary designation will be deemed to be in effect when received in good order by the Custodian. If no such designation is in effect at the time of the Depositor's death, or if the designated beneficiary has predeceased the Depositor, the spouse shall become the beneficiary or, if no surviving spouse or unmarried, the beneficiary shall be the Depositor's estate.
- 6. (a) The Custodian shall have the right to receive rollover contributions. The Custodian reserves the right to refuse to accept any property, which is not in the form of cash.  
(b) The Custodian, upon written direction of the Depositor and after submission to the Custodian of such documents as it may reasonably require, shall transfer the assets held under this Agreement (reduced by (1) any amounts referred to in paragraph 8 of this Article VIII and (2) any amounts required to be distributed during the calendar year of transfer) to a qualified retirement plan, to a successor individual retirement account, to an individual retirement annuity for the Depositor's benefit, or directly to the Depositor.

Any amounts received or transferred by the Custodian under this paragraph 6 shall be accompanied by such records and other documents, as the Custodian deems necessary to establish the nature, value and extent of the assets and of the various interests therein.

7. Without in any way limiting the foregoing, the Depositor hereby irrevocably delegates to the Custodian the right and power to amend at any time and from time to time the terms and provisions of this Agreement and hereby consents to such amendments, provided they shall comply with all applicable provisions of the Code, the Treasury regulations there under and with any other governmental law, regulation or ruling. Any such amendments shall be effective when the notice of such amendments is mailed to the address of the Depositor indicated by the Custodian's records.
8. Any income taxes or other taxes of any kind whatsoever levied or assessed upon or in respect of the assets of the custodial account or the income arising there from, any transfer taxes incurred, all other administrative expenses incurred, specifically including, but not limited to, administrative expenses incurred by the Custodian in the performance of its duties and fees for legal services rendered to the Custodian, and the Custodian's compensation may be paid by the Depositor and, unless so paid within such time period as the Custodian may establish, shall be paid from the Depositor's custodial account. The Custodian reserves the right to change or adjust its compensation upon 30 days advance notice to the Depositor.
9. The benefits provided hereunder shall not be subject to alienation, assignment, garnishment, attachment, execution, or levy of any kind, and any attempt to cause such benefits to be so subjected shall not be recognized, except to such extent as may be required by law.
10. The Custodian may rely upon any statement by the Depositor (or the Depositor's beneficiary if the Depositor is deceased) when taking any action or determining any fact or question which may arise under this Custodial Agreement. The Depositor hereby agrees that neither the Custodian nor the Funds will be liable for any loss or expense resulting from any action taken or determination made in reliance on such statement. The Depositor assumes sole responsibility for assuring that contributions to the custodial account satisfy the limits specified in the appropriate provisions of the Code.
11. The Custodian may resign at any time upon 30 days written notice to the Depositor and the Funds, and may be removed by the Depositor at any time upon 30 days written notice to the Custodian. Upon the resignation or removal of the Custodian, a successor Custodian shall be appointed within 30 days of such resignation notice and in the absence of such appointment, the Custodian shall appoint a successor unless the Agreement be sooner terminated. Any successor Custodian shall be a bank (as defined in section 408(n) of the Code) or such other person found qualified to act

as a Custodian under an individual account plan by the Secretary of the Treasury or his delegate. The appointment of a successor Custodian shall be effective upon receipt by the Custodian of such successor's written acceptance, which shall be submitted to the Custodian, the Funds, and the Depositor. Within 30 days of the effective date of a successor Custodian's appointment, the Custodian shall transfer and deliver to the successor Custodian applicable account records and assets of the custodial account (reduced by any unpaid amounts referred to in paragraph 8 of this Article VIII). The successor Custodian (or any successor thereto) shall be subject to the provisions of this Agreement on the effective date of its appointment.

12. The Custodian shall, from time to time, in accordance with instructions in writing or by means of recorded telephone conversation with the Depositor (or the Depositor's authorized agent, or the Depositor's beneficiary if the Depositor is deceased), make distributions out of the custodial account in the manner and amounts as may be specified in such instructions (reduced by any amounts referred to in Article VIII, paragraph 8). An IRA distribution form is available from the Custodian, and may be obtained and used to request distributions from your IRA. Notwithstanding the provisions of Article IV above, the Custodian assumes (and shall have) no responsibility to make any distribution from the custodial account unless and until such instructions specify the occasion for such distribution and the elected manner of distribution, except as set forth in the second part of this paragraph (12) below, with respect to age 70½ distributions.

Prior to making any such distribution from the custodial account, the Custodian shall be furnished with any and all applications, certificates, tax waivers, signature guarantees, and other documents (including proof of any legal representative's authority) deemed necessary or advisable by the Custodian, but the Custodian shall not be liable for complying with any such instructions which appear on their face to be genuine, or for refusing to comply if not satisfied such instructions are genuine, and assumes no duty of further inquiry. Upon receipt of proper instructions as required above, the Custodian shall cause the assets of the custodial account to be distributed in cash and/or in kind, as specified in such instructions.

The Depositor may select a method of distribution under Article IV, paragraph 2. If the Depositor requests an age 70½ distribution by timely instruction, but does not choose any of the methods of distribution described above by the April 1st following the calendar year in which he or she reaches age 70½, distribution to the Depositor will be made in accordance with Article IV, paragraph 2. If the Depositor does not request an age 70½ distribution from the custodial account by timely instruction, or does not specify a method of calculating the amount of the age 70½ distribution which the Depositor will be taking from another IRA(s), no

distribution will be made; however calculation of the current year Required Minimum Distribution amount which cannot be rolled over to another IRA will be made in accordance with Article IV, paragraph 2, option (b).

13. Distribution of the assets of the custodial account shall be made in accordance with the provisions of Article IV as the Depositor (or the Depositor's beneficiary if the Depositor is deceased) shall elect by written instructions to the Custodian; subject, however, to the provisions of sections 401(a)(9), 408(a)(6) and 403(b)(10) of the Code, the regulations promulgated thereunder, Article VIII, paragraph 12 of this Agreement, and the following:

(i) If the Depositor dies before his/her entire interest in the custodial account has been distributed, and if the designated beneficiary of the Depositor is the Depositor's surviving spouse, the spouse may treat the custodial account as his/her own individual retirement arrangement. This election will be deemed to have been made if the surviving spouse makes a regular IRA contribution to the custodial account, makes a rollover to or from such custodial account, or fails to receive a payment from the custodial account within the appropriate time period applicable to the deceased Depositor under section 401(a)(9)(B) of the Code.

The provisions of this paragraph (13) of Article VIII shall prevail over the provisions of Article IV to the extent the provisions of this paragraph (13) are permissible under proposed and/or final regulations promulgated by the Internal Revenue Service.

14. In the event any amounts remain in the custodial account after the death of the Depositor, the rights of the Depositor under this Agreement shall thereafter be exercised by his or her beneficiary.

15. The Custodian is authorized to hire agents (including any transfer agent for Fund Shares) to perform certain duties under this Agreement.

16. This Agreement shall terminate coincident with the complete distribution of the assets of the Depositor's account.

17. All notices to be given by the Custodian to the Depositor shall be deemed to have been given when mailed to the address of the Depositor indicated by the Custodian's records.

18. Neither the Custodian nor the Funds shall be responsible for any losses, penalties or other consequences to the Depositor or any other person arising out of the making of, or the failure to make, any contribution or withdrawal.

19. In addition to the reports required by paragraph (2) of Article V, the Custodian shall periodically cause to be mailed to the Depositor in respect of each such period an account of all transactions affecting the custodial account during such period and a statement showing the custodial account as of the end of such period. If, within 30 days after such mailing,

the Depositor has not given the Custodian written notice of any exception or objection thereto, the periodic accounting shall be deemed to have been approved and, in such case or upon the written approval of the Depositor, the Custodian and the Funds shall be released, relieved and discharged with respect to all matters and statements set forth in such accounting as though the account had been settled by judgment or decree of a court of competent jurisdiction.

20. In performing the duties conferred upon the Custodian by the Depositor there under, the Custodian shall act as the agent of the Depositor. The parties do not intend to confer any fiduciary duties on the Custodian or the Funds, and none shall be implied. Neither the Custodian nor the Funds shall be liable (and neither assumes any responsibility) for the collection of contributions, the deductibility or the propriety of any contribution under this Agreement, the selection of any Fund Shares for this custodial account, or the purpose or propriety of any distribution made in accordance with Article IV and Paragraph 12 or 13 of Article VIII, which matters are the sole responsibility of the Depositor or the Depositor's beneficiary, as the case may be.

The Depositor and the successors of the Depositor, including any designated beneficiary, executor or administrator of the Depositor, shall, to the extent permitted by law, indemnify and hold the Custodian and the Funds and their affiliates, successors and assigns harmless from any and all claims, actions or liabilities of the Custodian, except such as may arise from the Custodian's own bad faith, negligence, nonfeasance, or willful misconduct.

21. The Custodian shall be responsible solely for the performance of those duties expressly assigned to it in this Agreement and by operation of law. Neither the Custodian nor the Funds shall have any duty to account for deductible contributions separately from nondeductible contributions, unless required to do so by applicable law. In determining the taxable amount of a distribution, the Depositor shall rely only on his or her federal tax records, and the Custodian shall withhold federal income tax from any distribution from the custodial account as if the total amount of the distribution is includible in the Depositor's income.

22. Except to the extent superseded by Federal law, this Agreement shall be governed by, and construed, administered and enforced according to, the laws of the State of Delaware, and all contributions shall be deemed made in Delaware.

23. Participant—As referenced in the Adoption Agreement/ Application and in any forms associated with this Custodial Agreement carries the same definition as the Depositor identified in Article I and the Definitions section of this Custodial Agreement.

## General Instructions—(Section References are to the Internal Revenue Code Unless Otherwise Noted.)

**Purpose of Form**—Form 5305-A is a model custodial account agreement that meets the requirements of section 408(a) and has been automatically approved by the IRS. An individual retirement account (IRA) is established after the form is fully executed by both the individual (Depositor) and the Custodian and must be completed no later than the due date of the individual's income tax return for the tax year (without regard to extensions). This account must be created in the United States for the exclusive benefit of the Depositor or his or her beneficiaries. Do not file Form 5305-A with the IRS. Instead, keep it for your records. For more information on IRAs, including the required disclosures the Custodian must give the Depositor, see IRS Publication 590 Individual Retirement Arrangements (IRAs).

### Definitions

**Custodian**—The 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.

**Depositor**—Depositor - The Depositor is the person who establishes the custodial account.

**Identifying Number**—The Depositor's social security number will serve as the identification number of his or her IRA. An employer identification number (EIN) is required only for an IRA for which a return is filed to report unrelated business taxable income. An EIN is required for a common fund created for IRAs.

**Traditional IRA for Nonworking Spouse**—Form 5305-A may be used to establish the IRA custodial account for a nonworking spouse. Contributions to an IRA custodial account for a nonworking spouse must be made to a separate IRA custodial account established by the nonworking spouse.

### Specific Instructions

**Article IV.** Distributions made under this article may be made in a single sum, periodic payment, or a combination of both. The distribution option should be reviewed in the year the Depositor reaches age 70½ to ensure that the requirements of section 408(a)(6) have been met.

**Article VIII.** Article VIII and any that follow it may incorporate additional provisions that are agreed to by the Depositor and Custodian to complete the agreement. They may include, for example, definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of the Custodian, Custodian's fees, state law requirements, Federal law requirements, regulatory requirements, beginning date of distributions, accepting only cash, treatment of excess contributions, prohibited transactions with the Depositor, etc.

## Traditional and Roth IRA Application and Adoption Agreement Instructions

Please complete the Traditional and Roth Individual Retirement Account (IRA) Application and Adoption Agreement (the "Application") to establish your IRA account. The applicant's name must be that of an individual, not a business or trust. If you are opening an IRA for your spouse, your spouse must complete a separate Application. Please read the Traditional IRA or Roth IRA Disclosure Statement carefully or consult Internal Revenue Service ("IRS") Publication 590 for IRA eligibility requirements and contribution restrictions.

References to the "Custodian", "we" or "us" mean BNY Mellon Investment Servicing Trust Company.

The maximum allowable contribution to your IRAs (deductible, non-deductible and Roth) for each tax year is the lesser of (a) the contribution limit for the given tax year (\$5,500 for 2014 and 2015) or (b) 100% of your compensation or earnings from self-employment. For those who have attained the age of 50 before the close of the taxable year, the annual IRA contribution limit increases by \$1,000 (for 2014 and 2015) known as a "catch-up contribution."

**Making an IRA contribution on behalf of your spouse -** If you have earned compensation, are married and file a joint federal income tax return, you may make an IRA contribution on behalf of your working or nonworking spouse. The total annual contribution limit for both IRAs may not exceed the lesser of the combined compensation of both spouses or the annual IRA contribution limits as set forth by the IRS. Contributions made on behalf of a spouse must be made to a separate IRA account established by your spouse. More information about eligibility requirements and contribution restrictions can be found in IRS Publication 590.

Any contribution made to your IRA will be treated as a contribution for the year it is received, unless the contribution is made between January 1 and the April 15th postmark deadline and you have identified the contribution as a prior year contribution. For tax years after 2015, the above limits may be subject to IRS cost-of-living adjustments, if any. Please read the Traditional and Roth Individual Retirement Account (IRA) Combined Disclosure Statement carefully or consult IRS Publication 590 or a qualified tax professional for more information about eligibility requirements and contribution restrictions.

The minimum initial investment to establish a BlackRock Funds IRA is \$1,000.00 per fund. Fund minimums may apply.

### **Please make checks payable to BlackRock Funds.**

Contributions to your IRA may be invested in mutual funds pursuant to the Mutual Fund Option. (See “Description of Available Options for Your Contributions” in the Combined Disclosure Statement).

Prospectuses for the mutual funds available through the Mutual Fund Option (the “Funds”) may be obtained by calling 1-800-441-7762. Before investing in a Fund, please be sure to read the prospectus for that Fund carefully.

All portions of the Traditional and Roth Individual Retirement Account (IRA) Application and Adoption Agreement are binding on you so you are encouraged to read all portions of it, in particular the “Description of Available Options for Your Contributions”, the applicable Custodial Account Agreement and “Terms and Conditions” on the signature page of the Application.

### **Trustee to Trustee Transfers and Rollovers**

If you are establishing an IRA account to accept a transfer or rollover, be sure to check the appropriate box on the Application. To transfer your current IRA directly to your BlackRock Funds IRA, please complete a “Transfer of Assets/ Direct Rollover Form.” To certify a rollover from an IRA or a qualified retirement plan, please complete the “Certification of Rollover Assets.” Participant directed rollovers must be completed within 60 calendar days.

### **Simplified Employee Pension (SEP) Instructions**

A SEP is a written arrangement (a plan) that allows your employer to make contributions toward your retirement. Contributions are made to a traditional Individual Retirement

Account (“traditional IRA”). Your employer will provide you with a copy of the agreement containing participation rules and a description of how employer contributions may be made to your IRA. Your employer must also provide you with a copy of the completed Form 5305-SEP or SEP prototype adoption agreement and a yearly statement showing contributions made to your IRA.

If you are an employer who is establishing a SEP Plan, please refer to the IRS website at [www.irs.gov](http://www.irs.gov) to obtain a copy of IRS Form 5305-SEP.

Your employer has adopted a SEP Plan for your retirement needs. Please read the information on Form 5305-SEP as it contains important information on how a SEP works and your rights as a SEP IRA account holder. Your employer will determine the amount to be contributed to your IRA each year. The amount for any year is limited to the smaller of the annual 415(c) dollar limitation (adjusted for cost-of-living, if applicable) or 25% of your compensation. Please see IRS Publication 560 for current limitations on benefits and contributions (COLA) limits.

All amounts contributed to your IRA by your employer belong to you even after you stop working for the employer. Employer contributions to your SEP IRA are excluded from your income unless there are contributions in excess of the applicable limit. For SEP IRAs, you and/or your employer are responsible for clearly differentiating SEP employer contributions from those of personal IRA contributions (if contributed to the same account).

If you are establishing a SEP IRA, you must attach an executed copy of the employer’s Form 5305-SEP or SEP prototype adoption agreement.

**FACTS****WHAT DOES BNY MELLON INVESTMENT SERVICING TRUST COMPANY DO WITH YOUR PERSONAL INFORMATION?****Why?**

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information.

Please read this notice carefully to understand what we do.

**What?**

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number
- Account balances
- Transaction history
- Account transactions
- Retirement assets

When you are no longer our customer, we continue to share your information as described in this notice.

**How?**

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons BNY Mellon Investment Servicing Trust Company chooses to share; and whether you can limit this sharing.

| Reasons we can share your personal information   | Does <b>BNY Mellon Investment Servicing Trust Company</b> share? | Can you limit this sharing? |
|--|--|-----------------------------|
| For our everyday business purposes—such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus | Yes  | No                          |
| For our marketing purposes—to offer our products and services to you   | No   | No                          |
| For joint marketing with other financial companies   | No   | No                          |
| For our affiliates' everyday business purposes—information about your transactions and experiences   | Yes  | No                          |
| For our affiliates' everyday business purposes—information about your creditworthiness   | No   | No                          |
| For our affiliates to market to you  | No   | No                          |
| For nonaffiliates to market to you   | No   | No                          |

**Questions?**

Call 855-649-0623

| Who We Are                    |  |
|-------------------------------|--|
| Who is providing this notice? | BNY Mellon Investment Servicing Trust Company, custodian for self-directed savings and retirement accounts, such as Individual Retirement Accounts, Qualified Plans and 403(b)(7) Plans, and for mutual fund Wrap Product and Global Cash Portal accounts. |

| What We Do   |  |
|--|--|
| How does <b>BNY Mellon Investment Servicing Trust Company</b> protect my personal information? | To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.  |
| How does <b>BNY Mellon Investment Servicing Trust Company</b> collect my personal information? | We collect your personal information, for example, when you: <ul style="list-style-type: none"> <li>• Open an account or deposit funds</li> <li>• Make deposits or withdrawals from your account</li> <li>• Provide account information</li> <li>• Give us your contact information</li> <li>• Show your government-issued ID</li> </ul> We also collect your personal information from affiliates or other companies. |
| Why can't I limit all sharing?   | Federal law gives you the right to limit only: <ul style="list-style-type: none"> <li>• Sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>• Affiliates from using your information to market to you</li> <li>• Sharing for nonaffiliates to market to you</li> </ul> State laws and individual companies may give you additional rights to limit sharing.            |

| Definitions     |   |
|-----------------|---|
| Affiliates      | Companies related by common ownership or control. They can be financial and nonfinancial companies.   |
| Nonaffiliates   | Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>• <b>BNY Mellon Investment Servicing Trust Company</b> does not share information with nonaffiliates so they can market to you.</li> </ul> |
| Joint marketing | A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> <li>• <b>BNY Mellon Investment Servicing Trust Company</b> doesn't jointly market.</li> </ul>                                 |

| Other Important Information  |  |
|--|--|
| This notice applies to individual consumers who are customers or former customers. <b>This notice replaces all previous notices of our consumer privacy policy, and may be amended at any time. We will keep you informed of changes or amendments as required by law.</b> |  |