



SIMPLE IRA Custodial Account Agreement

IRS Form 5305-SA (Rev. April 2017)
Department of the Treasury
Internal Revenue Service

**DO NOT FILE
with the
Internal Revenue Service**

Form 5305-SA under Section 408(p) of the Internal Revenue Code

The following provisions are part of the SIMPLE (Savings Incentive Match Plan for Employees) Individual Retirement Account Custodial Account Application (hereinafter called the "Agreement") made between STRATA Trust Company (hereinafter called the "Custodian") and each individual (hereinafter called the "Participant") who executes the Agreement for the purpose of establishing a SIMPLE individual retirement account (hereinafter called the "custodial account") as described in sections 408(a) and 408(p) of the Internal Revenue Code of 1986 ("IRC"), as amended, or any successor statute (hereinafter called the "Code"). The Custodian named above has given the Participant the disclosure statement required by Regulations Section 1.408-6.

ARTICLE I

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

ARTICLE II

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

ARTICLE III

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

3.2 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

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

4.2 The participant's entire interest in the custodial account must be, or begin to be, distributed not later than the participant's required beginning date, April 1 following the calendar year in which the participant reaches age 70 ½. By that date, the participant may elect, in a manner acceptable to the custodian, to have the balance in the custodial account distributed in:

- (a) A single sum or
- (b) Payments over a period not longer than the life of the participant or the joint lives of the participant and his or her designated beneficiary.

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

- (a) If the participant dies on or after the required beginning date and:

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

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

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

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

- (i) The remaining interest will be distributed in accordance with paragraphs (a)(i) and (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), starting by the end of the calendar year following the year of the participant's death. If, however, the designated beneficiary is the participant's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the participant would have reached age 70 ½. But, in such case, if the participant's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with paragraph (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with paragraph (ii) below if there is no such designated beneficiary.

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

4.4 If the participant dies before his or her entire interest has been distributed and if the designated beneficiary is not the participant's surviving spouse, no additional contributions may be accepted in the account.

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

- (a) The required minimum distribution under paragraph 4.2(b) for any year, beginning with the year the participant reaches age 70 ½, is the participant's account value at the close of business on December 31 of the preceding year divided by the distribution period in the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if the participant's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the participant's account value at the close of business on December 31 of the preceding year divided by the number in the joint and last survivor table in Regulations section 1.401(a)(9)-9. The required minimum distribution for a year under this paragraph (a) is determined using the participant's (or, if applicable, the participant and spouse's) attained age (or ages) in the year.
- (b) The required minimum distribution under paragraphs 4.3(a) and 4.3(b)(i) for a year, beginning with the year following the year of the participant's death (or the year the participant would have reached age 70 ½, if applicable under paragraph 4.3(b)(i)) is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the individual specified in such paragraphs 4.3(a) and 4.3(b)(i).
- (c) The required minimum distribution for the year the participant reaches age 70 ½ 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.

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

ARTICLE V

- 5.1 The participant agrees to provide the Custodian with all information necessary to prepare any reports required by sections 408(i) and 408(l)(2) and Regulations sections 1.408-5 and 1.408-6.
- 5.2 The Custodian agrees to submit to the Internal Revenue Service (IRS) and Participant the reports prescribed by the IRS.
- 5.3 The Custodian also agrees to provide the Participant's employer the summary description described in section 408(l)(2) unless this SIMPLE IRA is a transfer SIMPLE IRA.

ARTICLE VI

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

ARTICLE VII

7.1 This Agreement will be amended as necessary to comply with the provisions of the Code and the related regulations. As permitted under this IRS model form, STRATA Trust Company has added the provisions Article VIII through Article XVII and these articles may also be amended from time to time as provided in paragraph 15.1. The provisions added by STRATA Trust Company have not been reviewed or pre-approved by the IRS.

DEFINITIONS

Custodian – STRATA Trust Company

Participant – The individual who establishes the custodial account.

ARTICLE VIII CONTRIBUTIONS

- 8.1 All contributions made to the custodial account shall be in cash, except in the case of a rollover or transfer contribution from another SIMPLE IRA.
- 8.2 For any year, contributions made by or on behalf of Participant shall be made in the calendar year and not later than the time prescribed by law for filing the return for such taxable year (not including extensions).
- 8.3 Contributions made on behalf of Participant may be made during or after the calendar year in which Participant attains age 70½ years.
- 8.4 The Participant assumes sole responsibility for determining that contributions to the custodial account do not exceed the limits specified in the Code.
- 8.5 If the custodial account is an inherited IRA (an IRA the Participant receives as the beneficiary of a deceased owner's IRA), then Participant may not make regular contributions to the custodial account. An inherited IRA may receive multiple transfers from other inherited IRA accounts and/or multiple rollover contributions from inherited qualified retirement plans. Participant understands that the assets must be inherited from the same owner.
- 8.6 The Custodian will not be responsible for the computation and the collection of any contributions under this Agreement, and shall be under no duty to determine whether the nature or amount of any contributions is in accordance with this Agreement or the Code.

ARTICLE IX INVESTMENTS

9.1 The Participant acknowledges that the custodial account is self-directed, and Participant is solely responsible for the selection, management, monitoring, and retention of all investments held within the custodial account. Custodian is in no way responsible for providing investment advice or recommendations concerning the custodial account and is not a "fiduciary" for the custodial account as such term is defined in the Code, the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), by the Texas Department of Savings and Mortgage Lending or under any other applicable federal, state or local laws. The Custodian has no responsibility to question any investment direction given by Participant or his or her Designated Representative (if Participant has appointed one) regardless of the nature of the investment. Custodian is in no way responsible for the performance of any investment(s) held within the custodial account. At the direction of the Participant, the Custodian shall invest all contributions to the custodial account and earnings thereon. If the Participant has not given the Custodian investment direction orders, or if such investment direction orders are unclear in the opinion of the Custodian, with respect to all or a portion of any cash held in the custodial account, all such undirected cash shall be deposited by the Custodian, as soon as reasonably possible, in the Custodial NOW account (further described in Article 9.2) pending receipt of an investment direction or required clarification. If investment direction orders are not received as required or, if received, are unclear in the opinion of the Custodian, all or a portion of the contribution may be held in the Custodial NOW account without liability for loss of income or appreciation and without liability for interest pending receipt of such orders or clarification. Upon death of the Participant, the beneficiary(ies) and/or representative for the estate of the Participant assume all rights and responsibilities for investment of the custodial account.

9.2 By executing the IRA Application, Participant directs the Custodian to automatically deposit all deposits, transfers, earnings, and other cash received into a Negotiable Order Withdrawal (NOW) account, as defined in 12 U.S.C.A Section 1832, held by STRATA Trust Company, as Custodian, pending further investment instruction from Participant. The Custodial NOW account is an FDIC-insured bank account, which pays a rate of interest that is reviewed and adjusted periodically in accordance with market conditions. Interest Rates are determined at the Custodian's sole discretion. Interest on deposits will be calculated on the Daily Balance Method, which applies a periodic rate to the principal in the custodial account each day. Interest begins to accrue no later than the business day the Custodian receives credit for the deposits. The Custodial NOW account is FDIC-insured up to \$250,000 per Participant. Custodian will maintain the Custodial NOW account with its affiliate, Horizon Bank, SSB, and/or other depository banks selected by Custodian. Custodian is a wholly-owned subsidiary of Horizon Bank, SSB, which is headquartered in Austin, Texas. Custodian will perform all sub-accounting, recordkeeping, and interest posting functions (where applicable) for the Custodial NOW account and may receive compensation for these services. Such compensation shall be administrative charges of the type which would be borne directly by the Custodial NOW account and/or paid to a third-party for similar services, but may exceed the amount Horizon Bank or other depositories would pay to a third-party providing such services. However, no portion of such sub-accounting, recordkeeping, and interest posting compensation paid by Horizon Bank or other depositories to Custodian will be charged to Participant's custodial account. Custodian reserves the right to require Participant to give Custodian written notice of an intended withdrawal not less than seven days before the withdrawal of the deposits (plus any interest) is made. Any deposit received via check may be subject to a seven (7) day clearing period before funds are available for investment or withdrawal.

9.3 On a form acceptable to the Custodian, the Participant may designate a representative for the purpose of communicating investment directions to the Custodian and receiving information on the custodial account. The Participant's Representative ("Rep") may be a registered representative of a broker/dealer organization, a financial advisor or any other person designated and authorized by the Participant. Participant will communicate all trade and/or investment instructions to the Rep and all instructions received by the Rep (including Rep's agents, employees or broker dealer) shall be assumed by Custodian to have been authorized by Participant. Participant may change or remove the Rep at any time by notifying Custodian in writing. Any instructions received from the Rep prior to the Custodian's receipt of such notification will be executed by Custodian. The Custodian will make no investigation or recommendation with respect to Participant's Rep and will not compensate the Rep except for any payments directed by Participant. The Rep is an agent of the Participant and is in no way an agent, employee, representative, or affiliate of the Custodian. The Custodian is not responsible for and is not bound by any representations, warranties, statements or agreements made by the Rep beyond the terms and provisions contained in this Agreement or Custodian's service forms and/or documents. If another financial representative, broker, advisor, investment issuer or other party suggested that the Participant retain Custodian for an investment(s) made within the custodial account, such individual or party is in no way an agent, employee, representative, or affiliate of the Custodian. Participant agrees to indemnify and hold harmless the Custodian for any loss which may result from any action or inaction it takes in accordance with any written or verbal instructions received from the Rep on behalf of Participant's custodial account.

If the Rep has requested on the Custodian's Advisor Access Request form that the Custodian provide Account activity information to designated third-party portfolio management services utilized by the Rep, the Custodian is authorized and may continue to share such data downloads with the Rep's third-party portfolio management services, unless and until the Participant advises the Custodian in writing that the Participant has changed or removed the Rep. The Custodian shall have no liability with respect to the sharing of Account data with a Rep's third-party portfolio management services as authorized on the executed Advisor Access Request form provided to the Custodian by the Rep.

9.4 In the Agreement or on a form acceptable to the Custodian, the Participant may authorize the Custodian to accept verbal investment directions from the Participant or his or her Rep. References herein relating to the Participant's verbal direction of investments shall be deemed to refer to the Rep to the extent of the investment direction authority from the Participant. Said verbal investment directions may be given by telephone or in person in the offices of the Custodian. Participant agrees that Custodian is not responsible for verifying the propriety of any verbal investment direction which it may receive, other than requiring Participant's Social Security Number and Account Number for identification purposes. Participant further agrees that the Custodian is not responsible for unauthorized trades in the custodial account which may be effected under this Section.

9.5 If the Participant directs the Custodian to purchase publicly-traded securities, orders shall be executed through a securities broker/dealer registered under the Securities Exchange Act of 1934 designated by the Participant upon such form as the Custodian may prescribe. Any brokerage account maintained in connection herewith shall be in the name of the Custodian for the benefit of the Participant. Investment directions may be given directly to the designated broker by the Participant (in such manner as the broker may require or permit, including without limitation via the broker's website or other electronic means) and the Custodian shall not be responsible for the execution of such orders. In connection with investment directions by Participant given directly to the broker, Participant agrees that Participant shall comply fully with any terms and conditions required by such broker. The Custodian shall be authorized to honor transactions within the brokerage account without obligation to verify prior authorization of same by the Participant. Without limiting the generality of any other indemnification by Participant to Custodian, Participant does hereby agree to indemnify, defend and hold harmless Custodian from and against any and all claims, losses, causes of action, expenses (including reasonable attorneys' fees), costs and liabilities suffered or incurred by Custodian arising from or relating to (a) any direction or order given, or alleged to have been given, by Participant or Rep to any such broker or (b) any errors or misconduct on the part of the broker in processing, executing, safekeeping or reporting any such direction or order, or alleged direction or order, or the securities or proceeds resulting therefrom. Any cash received by the brokerage account, whether as income or proceeds of transactions, shall be held by the brokerage account pending directions, and the Custodian shall have no obligation to direct the broker to remit such cash until directed to do so by the Participant, but may receive remittances without direction if the same are made by the broker. Investments outside the brokerage account shall be made in accordance with the other provisions of this Agreement. When securities are purchased within the brokerage account requiring that funds be remitted by the Custodian to make settlement, Participant agrees to telephonically notify or instruct the broker or Rep to telephonically notify the Custodian on the trade date of the pending securities transaction,

and to request delivery of the custodial account assets necessary to settle the trade. Without limiting the generality of any other indemnification by Participant to Custodian, Participant agrees to hold the Custodian harmless for any losses resulting from the Participant's failure to notify the Custodian of the pending trade and request for settlement in the above prescribed manner.

9.6 Participant may direct the Custodian to purchase alternative investments, which include but are not limited to investments individually negotiated by the Participant or his or her Rep, and investments that are part of a private placement of securities offered in reliance upon exemptions provided by state and/or federal law. The Custodian may identify investments or classes of investments which are unacceptable due to their posing an administrative burden on the Custodian or potential for prohibited transactions. For such investments, the Custodian reserves the right to not follow the Participant's or Rep's direction or to not process such an investment. The Custodian's decision to reject certain assets for reasons of administrative feasibility or potential for constituting a prohibited transaction may not be construed as either investment advice, the exercise of discretion with respect to investments, an evaluation of the investment's prudence or viability, or a determination that such investment is in fact a prohibited transaction and, likewise, the Custodian's decision to accept a direction to purchase certain assets may not be construed as either investment advice, the exercise of discretion with respect to investments, an evaluation of the investment's prudence or viability, or a determination that such investment is not, in fact, a prohibited transaction. The Custodian will not make any determination as to whether an investment does not violate any requirements, give rise to any excise taxes or penalties, and is otherwise acceptable under ERISA, the Code, or any other applicable federal, state or local laws, including securities laws. Participant is solely responsible to review any investments to ensure compliance with the above requirements and to avoid the occurrence of any "prohibited transactions" under the Code arising out of any investment directed in the custodial account. Participant will have all investments reviewed by an attorney, tax advisor, or other representative prior to directing Custodian to process any transaction on behalf of the custodial account. Custodian may refuse to process any transaction or otherwise condition the processing of any transaction upon receiving an opinion from Participant's legal counsel on the legality of a given transaction. The Custodian's decision as to whether or not to condition the processing of a proposed transaction on the receipt of a legal opinion is solely within its discretion and is no indication as to whether the Custodian has investigated the facts and circumstances surrounding a proposed transaction or made any determination as to whether a proposed transaction is permitted under applicable legal requirements. The Custodian may perform an administrative review of any investment to determine whether the investment is administratively feasible for the Custodian to hold, and Custodian may decline to process any proposed transaction based on such review or require that Participant obtain a suitable agent or counsel to perform administration of such investment. Participant understands and agrees that any such administrative review is only as to the feasibility of administering the investment and that the Custodian will not perform a fiduciary or due diligence review or undertake any other investigation as to the prudence, viability, legality, merits, or suitability of any investment in the custodial account.

If the Participant or his or her Rep should direct the Custodian to purchase an alternative investment, as defined above, the following special certifications and provisions shall apply:

- (a) If the alternative investment(s) contains a provision for future contractual payments or assessments, including capital or

margin calls, Participant acknowledges that such payments shall be borne solely by the custodial account, that authorization to make such payments shall come from Participant or his or her Rep, and that making such payments may reduce or exhaust the value of the custodial account. Participant further agrees to maintain sufficient liquid funds in his or her custodial account to cover any such payments or assessments, and agrees that the Custodian shall not be responsible for monitoring the balance of the custodial account to verify compliance with this Section. Participant agrees to indemnify the Custodian and hold it harmless for any and all payments or assessments which may result from holding the alternative investment within the custodial account, and further agrees that the Custodian shall be under no obligation whatsoever to extend credit to the custodial account or otherwise disburse payment beyond the cash balance of the custodial account for any payment or assessment related to the nonstandard investment(s);

- (b) If the alternative investment(s) contain administrative and/or maintenance requirements or duties beyond the Custodian's capabilities or expertise to provide, then Participant agrees to seek out suitable agents or counsel necessary to perform such duties and deliver a written service agreement acceptable to the Custodian for execution on behalf of the Participant's custodial account;
- (c) If the Participant directs the Custodian to enter into an individually-negotiated debt instrument, including a promissory note, deed of trust, real estate contract, mortgage note, or corporate debt, then Participant agrees to enter into a Debt Servicer Agreement with a third-party Agent on a form acceptable to the Custodian or, in the alternative, the Participant may serve as his or her own Debt Servicer. The Debt Servicer shall be the agent of the Participant and not of the Custodian, and shall be responsible for administering the terms of the debt instrument on behalf of the Participant's custodial account. Should the third-party Debt Servicer ever become unwilling or unable to perform the duties outlined in the Debt Servicer agreement, then Participant understands and agrees that all duties of the Debt Servicer shall revert to Participant until a successor third party Agent is named. Likewise, should Participant fail to appoint a Debt Servicer, Participant understands that he or she becomes responsible to oversee the duties of a Debt Servicer until Participant names a successor third-party Debt Servicer. Participant understands that Custodian does not offer or provide any servicing or collection duties with respect to any debt instrument, nor will Custodian monitor the maturity date, payments, provide notice to Participant in the event of default, prepare or compute payoff balances, prepare or file Form 1098 or take any action with regard to any debt unless specifically authorized by Participant in writing. Should Participant elect to renew or renegotiate the terms of any debt instrument, Participant agrees to notify Custodian in writing and provide appropriate written instructions for Custodian to return any original debt instrument to debtor.
- (d) If the Participant directs the Custodian to purchase income producing real estate, then Participant agrees to retain the services of a Property Manager on a form acceptable to the Custodian. The Property Manager shall be the agent of the Participant and not of the Custodian, and shall be responsible for administering the terms of the property management agreement on behalf of the Participant's custodial account. Should the third-party Property Manager ever become unwilling or unable to perform the duties outlined in the property management agreement, then Participant understands and agrees that all duties of the Property Manager shall revert to Participant until a successor third party agent is named. Likewise, should Participant fail to appoint a Property Manager,

Participant understands that he or she becomes responsible to oversee the management of the Property until Participant names a successor third-party Property Manager. The Custodian will not act as Property Manager, i.e., it will not monitor the Participant's custodial account to ensure receipt of payments, provide notice in the event of default, etc.

- (e) The Custodian shall have no duty to monitor the performance of any investment, the action of any investment sponsor, or the action of the Participant and/or those of his or her heirs, successors, agents, or assigns. Nor shall the Custodian be required to monitor the acts of any paid consultant to whom the Custodian may have contractually delegated any duties or responsibilities pursuant to Participant's or his or her Rep's directions.
- (f) Participant agrees to be responsible for any and all collection actions, including contracting with a collection agency or instituting legal action, and to bring any other suits or actions which may become necessary to protect the rights of the custodial account as a result of the operation or administration of the investment(s).
- (g) Participant may not direct the purchase of a life insurance contract or a "collectible" as defined in Code Section 408(m).
- (h) The Custodian is responsible for safekeeping only those documents which are delivered into its possession by Participant or his or her agent. If the original documents are to be held by an agent, Participant must ensure that the agent agrees to safeguard the original documents and forward copies of the signed and recorded documents to the Custodian as evidence of ownership. In such cases, agent must agree to make original documentation available to Custodian for inspection, upon request. In the event Custodian asks for documentation evidencing the investment and Participant and/or agent is unwilling or unable to provide such information, Custodian may re-register the asset into Participant's individual name and report it as a distribution to the IRS. Such action may subject Participant to IRS imposed taxes and penalties.
- (i) Once Participant or Participant's agent authorizes funds to be distributed from the custodial account for purposes of investment, Participant agrees to be responsible for the following:
 - a. verifying that the individual or investment company that Participant selected placed his or her funds into the proper investment;
 - b. obtaining the necessary documentation from the individual or investment company to verify that the funds were correctly invested, including, but not limited to, shares or units, proper recordation, loan to value ratio, etc.; and
 - c. sending the original documentation evidencing the investment to the Custodian or, in the case of a promissory note investment, to a third-party servicing agent. Custodian will not monitor the custodial account to ensure receipt of such documentation and will rely solely on Participant to provide this information.

9.7 Custodian must receive an annual fair market value or good faith estimate for investments held in the custodial account and, for public and certain private investments, Custodian will make every effort to obtain such valuation from the investment issuer. However, Participant is ultimately responsible to obtain and provide the Custodian with such market value or good faith estimate from the investment issuer/sponsor or through an independent appraisal, whichever is deemed appropriate by the Custodian. If the Custodian has not been provided with an annual fair market value or good faith estimate for any investment held within the custodial account, Custodian may distribute that investment to the Participant in-kind based upon the original acquisition cost or last known value, and that such distribution would be a taxable event.

Participant understands and agrees to these terms and to the Valuation Policy shown in the Financial Disclosure included with this IRA Application, IRA Custodial Agreement and Disclosure Statement.

9.8 If investment(s) selected by the Participant or his or her Rep generate Unrelated Business Taxable Income (UBTI), Participant understands that such income, when considered in conjunction with all such income from all IRA accounts of the Participant, may be taxable to the custodial account to the extent that all UBTI for a given taxable year exceeds the threshold amount set by the IRS (currently \$1000). In such instances, the IRS requires that a Form 990-T be filed for the custodial account along with payment of the appropriate amount of tax. Participant understands that the Custodian does not monitor the amount of UBTI in the custodial account and does not prepare Form 990-T. Participant agrees to monitor UBTI for this and any other IRA account which he or she may hold, and further agrees to prepare, or have prepared, the proper 990-T tax form and forward it to the Custodian for filing, along with authorization to pay any tax due from the custodial account. If Participant is required to file Form 990-T with regard to any UBTI, Participant must obtain and utilize an Employer Identification Number ("EIN"). Participant shall not use the Custodian's EIN or Participant's own social security number. Participant must apply for an EIN for the custodial account prior to or in conjunction with requesting the Custodian to pay any tax owed with regard to any UBTI that might be incurred on an investment held within the custodial account.

9.9 The Participant understands that certain transactions are prohibited for tax exempt retirement arrangements under Internal Revenue Code Section 4975 (a "prohibited transaction"), including transactions with a "disqualified person" or a "party in interest" (as defined in the Code), and that such transactions will trigger excise taxes and may result in a deemed distribution from the custodial account. Participant further understands and acknowledges that the determination of whether a transaction directed within the custodial account is a prohibited transaction depends on the facts and circumstances that surround each transaction. The Custodian has no responsibility to make a determination as to whether any transaction directed by the Participant is a prohibited transaction, and the Participant is solely responsible to consult with his or her legal or tax advisors regarding any transaction directed with the custodial account to determine whether the transaction might be deemed a prohibited transaction. Participant further warrants that he or she will not enter into a transaction, or cause a transaction to be entered into, which is prohibited under Section 4975 of the Code. The Custodian may condition the processing of any transaction and require the Participant to obtain an opinion from legal counsel that the proposed transaction is not a prohibited transaction and refuse to process such transaction without such opinion. Participant acknowledges that the Custodian's decision as to whether or not to condition the processing on the receipt of a legal opinion is solely within its discretion and is no indication as to whether the Custodian has investigated the facts and circumstances surrounding a proposed transaction or made any determination as to whether a proposed transaction is a prohibited transaction. The Participant acknowledges that, should the custodial account engage in a prohibited transaction, the fair market value of the custodial account will become a taxable distribution to the Participant in the taxable year in which the transaction was made. In addition, if the Participant is under age 59½, additional premature distribution penalty taxes may apply. Participant further understands that certain transactions are or may be identified by the IRS as abusive tax schemes or transactions. The determination of a listed or reportable transaction may depend upon the facts and circumstances surrounding the specific

transaction. The Custodian shall have no responsibility for determining whether any investment in the custodial account constitutes a "listed transaction" or "reportable transaction," which may result in reporting requirements and adverse consequences for failing to comply with any applicable reporting or other requirements. The Participant agrees to consult with his or her own tax or legal advisor to ensure that listed or reportable transactions related to the custodial account are identified. As the entity manager who approved or caused the custodial account to be party to a listed or reportable transaction, the Participant agrees to report each listed or reportable transaction to the IRS using IRS Forms 8886-T and 8886, to pay any applicable excise taxes using Form 5330, and to disclose to the Custodian that such transaction was a prohibited tax shelter transaction, and to direct the Custodian as to any necessary corrective action to be taken by the custodial account. The Custodian shall not be responsible for any adverse consequences or for failing to comply with any applicable reporting or other requirements on behalf of the Participant and/or other parties relating to any such listed or reportable transaction.

9.10 Custodian will act solely as agent for the Participant and under the instructions of the Participant with respect to the investment of the assets of the custodial account, and will in no event act without such instructions or exercise any discretion with respect to investments. Acting in that capacity, Custodian shall place orders for the purchases of securities provided the Participant has sufficient liquid funds in the custodial account or arranges to make funds available in advance for such purposes, and will also place orders for the sale of securities provided such securities are held by Custodian and in deliverable form. The Participant authorizes the Custodian to charge the custodial account for the cost of all securities purchased or received from the securities sold or delivered against payment. Participant agrees that the Custodian shall be under no obligation whatsoever to extend credit to the custodial account or otherwise disburse payment beyond the cash balance of the custodial account for any payment or assessment related to any investment in the custodial account. In the event Participant fails to timely deposit sufficient funds in the custodial account to cover the cost of an investment, the Custodian, at its option, may cancel the order for the investment or, if the investment already has been acquired, sell the investment (if applicable) and reimburse itself for any costs or expenses incurred by the Custodian in settling the purchase order. Participant agrees that Custodian shall not be liable for any actions or inactions taken or omitted to be taken by Custodian in accordance with this provision, and further agrees, without limiting the generality of any other agreement by Participant to indemnify Custodian, to indemnify and hold Custodian harmless for its actions in canceling a purchase order in the custodial account or selling the investment to reimbursement itself as provided above. In addition, if any investment contains provisions for future contractual payments or assessments, including margin calls, Participant acknowledges that such payments or assessments shall be borne solely by the custodial account to the extent such payment is authorized by Participant or his or her Rep, and may reduce or exhaust the value of Participant's custodial account. Participant further agrees to indemnify Custodian for any and all payments or assessments which may be imposed as a result from holding the investment within the custodial account.

9.11 After Participant's death, named beneficiary(ies) shall have the right to direct the investment of the custodial assets, subject to the same conditions that applied to Participant during his or her lifetime under this Agreement. All transactions shall be subject to any and all applicable federal and state laws and regulations and the rules, regulations, customs and usages of any exchange, market or

clearing house where the transaction is executed and to Custodian's policies and practices.

ARTICLE X – CUSTODIAL ACCOUNT ADMINISTRATION

10.1 It shall be the sole duty of the Custodian to maintain a custodial account in the name of the Participant and to make payments and distributions as directed by the Participant or his or her Rep. Pursuant to the directions of the Participant or his or her Rep, the Custodian shall invest and reinvest the assets in the custodial account without any duty to diversify. Pursuant to the directions of the Participant or his or her Rep, the Custodian shall invest and reinvest without regard to whether such investment is authorized by applicable laws for IRA or custodial investment. Pursuant to the directions of the Participant or his or her Rep, the Custodian shall invest and reinvest in securities obtainable "over the counter" or on a recognized exchange, and any other acceptable public or non-standard investment which in the sole judgment of the Custodian will not impose an unreasonable administrative burden. The Custodian's determination of what constitutes an unreasonable administrative burden may not be construed as investment advice, an opinion on the investment's prudence or viability, or whether such investment is authorized by applicable laws for IRA or custodial account investment. The custodial account shall reflect the amounts contributed by the Participant, receipts, investments, distributions, disbursements, and all other transactions.

10.2 The Custodian shall have the following powers and authority in the administration of the custodial account:

- (a) Pursuant to the Participant's or his or her Rep's directions, to invest or reinvest amounts held in the custodial account into assets, including, but not limited to stocks, bonds, precious metals (as permitted under the Internal Revenue Code), limited liability companies, limited partnerships, real estate, promissory notes, mortgages, structured settlements, annuities, money market funds, brokerage accounts, certificates of deposit, or any other investments deemed administratively feasible to administer by the Custodian or otherwise permitted under applicable federal and state laws.
- (b) In the absence of specific investment instructions from the Participant or his or her Rep, to vote in person or by proxy upon securities held by the Custodian. The Custodian shall have no responsibility to notify or forward to the Participant or his or her Rep any notices, proxies, assessments or other documents received by the Custodian on behalf of the custodial account unless the Participant or his or her Rep so requests each such document in writing. The Custodian shall not be required to vote securities for which the Custodian has not received instructions from the Participant or his or her Rep., and Custodian's decisions with respect to voting, or not voting, such securities may not be construed as investment advice, the exercise of discretion with respect to the investment in the securities, or the exercise of any fiduciary responsibility with respect to the voting of such securities.
- (c) Pursuant to the Participant's directions, to consent to or participate in dissolutions, reorganizations, consolidations, mergers, sales, transfers or other changes in securities held by the Custodian, and in such connection, to delegate the Custodian's powers and to pay assessments, subscriptions and other charges.
- (d) To make, execute and deliver as Custodian any and all contracts, waivers, releases or other instruments necessary or proper for the exercise of any of the foregoing powers.
- (e) In the absence of specific investment instructions from the Participant, to leave any property comprising the custodial account (with the exception of cash, which will be held in the Custodial NOW account) for safekeeping with such banks, brokers and other custodians as the Custodian may select.

- (f) To hold any securities in bearer form or in the name of banks, brokers and other custodians or in the name of the Custodian without qualifications or description or in the name of any nominee.
- (g) To employ and pay from the custodial account reasonable compensation to agents, attorneys, accountants and other professional persons for advice that in Custodian's opinion may be necessary. Custodian may delegate to any agent, attorney, accountant and other persons selected by it any power or duty vested in Custodian by this Agreement.
- (h) To do and perform all acts or things reasonably necessary or desirable to carry out the power and authority granted to the Custodian.
- (i) To charge against and pay from the custodial account all taxes of any nature levied, assessed, or imposed upon the custodial account, and to pay all reasonable expenses and attorney fees which may be necessarily incurred by Custodian with respect to the custodial account.
- (j) To retain any funds or property subject to any dispute without liability for the payment of interest and to decline to make payment or delivery of the funds or property until a court of competent jurisdiction makes final adjudication.
- (k) To file any tax or information return required of Custodian, and to pay any tax, interest or penalty associated with any such tax return.
- (l) To begin, maintain or defend any litigation necessary in connection with the administration of the custodial account, except that Custodian shall not be obliged or required to do so unless indemnified to Custodian's satisfaction, including, without limitation, payment of such expenses out of custodial account assets.
- (m) To charge Participant separately for any fees or expenses or deduct the amount of the fees or expenses from the assets in the custodial account at Custodian's discretion. Custodian is also entitled to be reimbursed for any other expenses it assumes or incurs on behalf of Participant's custodial account. Custodian has the right to change its fee upon 30 days' notice to Participant. Custodian is authorized to liquidate assets, the choice of the selling broker and assets to be sold to be at Custodian's sole discretion, for any unpaid fee balance and may require Participant to retain uninvested cash in the custodial account sufficient to cover at least one year's estimated annual fees, including termination fees. Should fees or expenses not be collected, Custodian shall have the option to cease performing any functions, including, but not limited to, processing investment transactions until such time as all fees and expenses charged against the custodial account are fully paid. If Participant is unable or unwilling to pay fees Custodian may re-register the asset(s) into Participant's individual name and report it as a taxable distribution to the IRS, subjecting Participant to possible taxes and penalties.

10.3 Custodian will attempt to process investment directions and/or invest funds which it receives in accordance with Participant's directions within seven (7) business days of receipt of such directions and/or funds plus necessary administrative and processing time, but makes no representations, warranties, or guarantees that any asset may in fact be bought or sold within this time period or as to the price paid or received for any asset bought or sold. Custodian shall be under no duty to credit interest or earnings on the funds received during the processing period, and Participant agrees that Custodian shall not be liable for any market value adjustment which may occur during or after said processing time.

10.4 The Custodian shall exercise no discretion with respect to the funds in the custodial account and, without limitation, shall be under no

duty to question said directions, but rather, except to the extent otherwise expressly provided hereunder, shall be required to follow the directions of the Participant, his or her Rep, or Investment Advisor. The Participant or Rep will furnish payment instructions to Custodian regarding any invoice, assessment, fee or any other disbursement notification received by Custodian on behalf of any investments, and Custodian has no duty or responsibility to disburse any payment until such instructions are received. The Custodian will not render investment advice of any kind, but will act only at the direction of the Participant, his or her Rep, or Investment Advisor with respect to the investment and reinvestment of the Participants' custodial account, and shall not be liable for any loss which results from the exercise of control over the custodial account by the Participant, his or her Rep, or Investment Advisor. In the case of any solicitation received by the Custodian with respect to the Participant's custodial account (including but not limited to third party tender offers with respect to limited partnership interests in the custodial account), the Custodian will transmit such materials to the Participant (or to his or her Rep or Investment Advisor, as directed by the Participant); however, the Custodian must have at least ten (10) days from the date it receives instructions from the Participant (or his or her Rep or Investment Advisor) to transmit such instructions to the soliciting party by the date specified in the solicitation. The Custodian shall have no obligation to transmit any solicitation received or instructions given with respect to the Participant's custodial account by other than regular mail, and shall not be responsible for any failure to respond to a solicitation by the deadline specified therein due to (i) delays in the mail or (ii) where the Custodian has less than ten (10) days from the date instructions are received from the Participant (or his or her Rep or Investment Advisor) and the specified deadline for responding. Custodian need not honor offers or recognize communications that are not addressed to each Participant's custodial account by name. The Custodian shall not be responsible for any action taken by the Participant or his or her Rep as a result of information concerning the custodial account or any investment which may be transmitted or not transmitted to the Participant or his or her Rep. The Custodian shall have no responsibility or duty to review or monitor any securities or other property held within the custodial account, nor shall the Custodian be held liable for its failure to act because of the absence of any directions from the Participant. The Custodian shall not be liable for the actions or inactions of any prior trustee, custodian, or other service provider or agent of the Participant which may have occurred prior to the transfer of the custodial account assets to the Custodian. Without limiting the generality of any other indemnification of Custodian by the Participant, the Participant shall indemnify and hold Custodian harmless for any losses resulting from Custodian's action or inaction in relation to investment directions received from Participant, his or her Rep, or Investment Advisor, for the actions or inactions of Agents appointed by the Participant or by the Custodian at the direction of the Participant, and for any tax consequence resulting from the Participant's or Rep's direction to engage in any transaction, including, without limitation, any investment in life insurance contracts, any investment in collectibles, or any investment or other directed activity that constitutes a prohibited transaction under Section 4975 of the Code.

10.5 Participant agrees that Custodian has no duty to inform the Participant of any information on an asset held in the custodial account which the Custodian may have learned in connection with another account or customer or from any source other than in the operation of the Participant's custodial account.

ARTICLE XI – BENEFICIARY DESIGNATION

11.1 The Participant may from time to time designate, upon such form as the Custodian shall prescribe, any trust or persons contingently or successively, to whom the Custodian shall pay the Participant's interest in the custodial account in the event of his or her death. Such primary and contingent beneficiary designation shall be effective when filed with the Custodian and shall revoke all prior beneficiary designations made before that date by Participant.

11.2 If a Participant fails to name a beneficiary in accordance with Section 11.1, or if the named beneficiary cannot be located after a reasonable and diligent search of not less than two years, or if all beneficiaries named by a Participant predecease him, then the remaining balance of the custodial account shall be payable to the legal spouse of the Participant, or if there is no spouse living, then to the estate of the Participant.

11.3 When and after distributions of the custodial account to the Participant's beneficiary commence, all rights and obligations of the Participant under this Agreement shall inure to, and be exercised by, such beneficiary.

11.4 If the beneficiary designated to receive payments hereunder is a minor or person of unsound mind, whether so formally adjudicated or not, the Custodian, in its discretion, may make such payment to such person as may be acting as parent, guardian, committee, conservator, custodian, or legal representative of such minor or incompetent and the receipt of payment by any such person as selected by the Custodian shall be a full and complete discharge to the Custodian for any sums so paid.

ARTICLE XII – DISTRIBUTIONS

12.1 Except as otherwise provided in Section 12.3, distributions shall be made only upon the Participant's written request (or the Participant's beneficiary in the event of Participant's death) on a form provided by or acceptable to the Custodian.

12.2 Participant's election as to the method of distribution under Section 4.3 of this Agreement must be made at least thirty (30) days before the Required Beginning Date, which is defined as April 1 of the calendar year immediately following the calendar year in which the Participant reaches age 70½. If no election is made, the Custodian will make distributions over a period not to exceed the Participant's single life expectancy.

12.3 If Participant is required to take a required minimum distribution and fails to request such by the required beginning date, Custodian may, at its complete discretion, do any of the following:

- Make no distribution until Participant provides Custodian with a written distribution request;
- Distribute all assets to Participant in a single payment or in-kind distribution; or
- Determine the Participant's required minimum distribution from the custodial account each year based on Participant's life expectancy, calculated using the uniform lifetime table in Regulations section 1.401(a)(9)-9, and pay those distributions to the Participant unless Participant directs Custodian in writing otherwise. Custodian shall not be liable for any penalties or taxes in the event Participant fails to take a required minimum distribution or if Participant receives an amount in excess of the required minimum distribution.

ARTICLE XIII – DUTIES, RECORDS, REPORTS

13.1 The Custodian's sole duties to the Participant regarding reporting shall be to send Participant a copy or facsimile of IRS Form 5498 and/or an annual calendar year statement of the assets of the custodial account within time frames established by the IRS. The Custodian may, but is not obligated to, furnish periodic reports to the Participant detailing transactions performed under this Form # 220-01012021 – SIMPLE IRA Custodial Account Agreement and Disclosures
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custodial account and the value of assets held within the custodial account.

13.2 The Custodian shall have no liability or responsibility for transactions reported or not reported on any periodic statement unless Participant or his or her Rep file written exceptions or objections within 60 days after receipt of the report or statement. Upon receipt of written notification under this Section, the Custodian's liability and responsibility shall be to fully investigate the exceptions or objections, make any adjustments, correct any entries, or otherwise reconcile the custodial account as may be necessary. If any such adjustments or corrections are required, the Custodian shall issue a revised statement for the reporting period(s) in question.

ARTICLE XIV – FEES AND EXPENSES

14.1 Except as provided in section 9.2, the Participant agrees to pay the Custodian for services outlined in this Agreement in accordance with the Custodian's current posted fee schedule. The Custodian's fees may include, but are not limited to, new account establishment, annual account maintenance, processing, account termination, and any other fees outlined in the fee schedule. Fees may be paid by deducting cash from the custodial Account, charging a credit/debit card, payment by check, or other payment method offered by the Custodian.

14.2 Participant may provide the Custodian with valid credit/debit card information to retain on file, and Participant authorizes the Custodian to charge custodial fees and expenses to the credit/debit card as provided in this Fees and Expenses section of the custodial Agreement. If the credit/debit card information on file expires or ceases to be valid, Participant agrees to notify the Custodian and provide the Custodian with information for another credit/debit card or information necessary to debit the Participant's checking account to satisfy any outstanding fees and expenses. Participant hereby authorizes the Custodian to charge fees and expenses to any replacement credit/debit card or replacement bank account provided by Participant. If the Custodian is unable to complete a transaction using the information on file, then the Participant authorizes the Custodian to deduct any amount due from cash in the Participant's custodial Account or take any other action authorized in this Fees and Expenses section.

14.3 Participant may provide the Custodian with valid bank account information to retain on file, and Participant authorizes the Custodian to debit custodial fees and expenses from the bank account as provided in this Fees and Expenses section of the custodial Agreement. If the bank account closes for any reason, Participant agrees to notify the Custodian and provide the Custodian with information for another credit/debit card or information necessary to debit another of Participant's checking accounts to satisfy any outstanding fees and expenses. Participant hereby authorizes the Custodian to charge fees and expenses to any replacement credit/debit card or replacement bank account provided by Participant. If the Custodian is unable to complete a transaction using the information on file, then the Participant authorizes the Custodian to deduct any amount due from cash in the Participant's custodial Account or take any other action authorized in this Fees and Expenses section.

14.4 In the event the Participant shall at any time fail to discharge any liability under this Agreement, such liability shall be charged to the custodial Account and the Participant is deemed to have expressly directed the Custodian, as agent for the Participant and acting under Participant's authority and supervision, to liquidate investments of the custodial Account, until there is sufficient cash in the custodial Account to pay the liability to the Custodian.

Notwithstanding any provisions of this Agreement, the Participant expressly authorizes and directs the Custodian to make such liquidation and to pay such liability from the liquidated investments of the Account, and acknowledges that in carrying out that direction the Custodian acts solely at the direction of Participant. If the custodial Account is not sufficient to satisfy such liability, the Participant shall be liable for any deficiency.

14.5 The Custodian has the right to liquidate assets in the Account if necessary to pay fees, expenses or taxes properly chargeable against the Account. If Participant fails to direct Custodian as to which assets to liquidate, Custodian will decide in its complete and sole discretion and Participant agrees not to hold Custodian liable for any adverse consequences that result from its decision.

14.6 The Custodian, upon thirty (30) days' notice, may terminate and distribute the Participant's Account for non-payment of fees and expenses.

14.7 The Custodian's current posted fee schedule may be amended at any time upon 30 days' advance written notice to the Participant. The Custodian reserves the right to charge fees in addition to its posted fee schedule for extraordinary or special services, or for unforeseen expenses to the account, including legal expenses incurred by the Custodian. The Custodian does not prorate fees. On a form acceptable to the Custodian, the Participant may elect to pay fees directly, authorize payment of fees from a credit/debit card, or have them withdrawn from the assets of the account. Termination fees are due and payable upon distribution to the Participant or upon transfer to another trustee or custodian.

14.8 Participant agrees to bear sole responsibility for the prosecution or defense, including the employment of legal counsel, of any and all legal actions or suits involving Participant's Account which may arise or become necessary for the protection of the investments in that Account, including any actions lodged against the Custodian. Participant also agrees to bear sole responsibility for enforcing any judgments rendered in favor of the Account, including judgments rendered in the name of STRATA Trust Company as Custodian of the Account.

14.9 Custodian may, in its sole discretion, close any account holding \$250 or less in cash and no other assets, and the cash balance will be paid to the Custodian as an account termination fee as outlined in the fee schedule.

14.10 The Custodian has the right to be reimbursed or reserve funds for all reasonable expenses it incurs in connection with the administration of the Account (including legal fees). Any brokerage commissions attributable to the assets in the Account will be charged to the Account, and Participant cannot reimburse the Account for those commissions.

14.11 Any income taxes or other taxes of any kind whatsoever that may be levied upon or in respect of the custodial account, any transfer taxes incurred in connection with the investment and reinvestment of assets in the custodian account, and all other administrative expenses incurred by the Custodian in performance of its duties, including legal services which the Custodian may necessarily incur to maintain the custodial account shall be paid by the Participant and the Participant hereby covenants and agrees to pay the same.

ARTICLE XV – AMENDMENT AND TERMINATION

15.1 The Participant irrevocably delegates to the Custodian the right and power to amend this Agreement. Except as hereafter provided, the Custodian will give the Participant 30 days' written notice of any amendment. In case of a retroactive amendment required by law,

the Custodian will provide written notice to the Participant of the amendment within 30 days after the amendment is made, or if later, by the time that notice of the amendment is required to be given under regulations or other guidance provided by the IRS. The Participant shall be deemed to have consented to any such amendment unless the Participant notifies the Custodian to the contrary within 30 days after notice to the Participant and requests a distribution or transfer of the balance of the custodial account. The Custodian's termination fee shall be applicable to any custodial account so distributed or transferred.

15.2 The Participant may terminate this Agreement at any time by delivery of written notice of such termination to the Custodian. Upon such termination, the Custodian shall continue to hold the assets and distribute them in accordance with the previous instructions of the Participant and the provisions of this Agreement unless the Custodian receives other instructions from the Participant (such as those involving a rollover) which the Custodian may follow, without liability and without any duty to ascertain whether such payout is proper under the provisions of the Code or of any other plan.

15.3 Upon request of the Participant in writing to the Custodian, the Custodian shall transfer all assets in the custodial account to the Participant, to a qualified retirement plan, or to another individual retirement account established by the Participant. The Custodian is authorized, however, to reserve such sum of money or property as it may deem advisable for payment of all its fees, compensation, costs and expenses, or for any other liabilities constituting a charge against the assets of the custodial account or against the Custodian, with any balance of such reserve remaining after the payment of all such items to be paid over to the successor custodian or trustee.

15.4 The Custodian, upon thirty (30) days' notice, may terminate and distribute the Participant's custodial account for failure to annually provide valuation information with regard to the custodial account assets.

ARTICLE XVI – RESIGNATION, REMOVAL AND APPOINTMENT OF SUCCESSOR CUSTODIAN

16.1 Upon written notice to the Custodian, the Participant may remove it from its office hereunder. Such notice, to be effective, shall either request a distribution of assets (using the Custodian's distribution form in effect at the time of the request) or designate a successor trustee or custodian. In the event the Participant decides to have his or her custodial account transferred to another custodian or trustee, he or she will be required to submit a properly executed transfer request from the new custodian or trustee.

16.2 The Custodian may at any time resign effective not less than 30 days after it mails written notice of its resignation to the Participant. If the Participant fails to provide the Custodian, within such notice period, a properly executed distribution or transfer request the Custodian has the right to transfer the custodial account assets to a successor IRA custodian or trustee that it chooses, in its sole discretion. As an alternative, the Custodian may elect to distribute the assets directly to Participant. In such cases the Participant may be eligible to roll the assets into another IRA. In order to maintain the tax qualified status of the custodial account such assets must be re-deposited with a new custodian or trustee within 60 days from the Participant's receipt. Participant is wholly responsible for the tax consequences of any such distribution.

16.3 If the Custodian changes its name, reorganizes, merges with another organization (or comes under the control of any federal or state agency), or if Custodian's entire organization (or any portion

that includes Participant's custodial account) is purchased by another organization, that organization (or agency) will automatically become the trustee or custodian of Participant's custodial account, but only if the organization is authorized to serve in the capacity of an IRA trustee or custodian.

16.4 The Custodian shall not be liable for the acts or omissions of its successor.

ARTICLE XVII – MISCELLANEOUS

17.1 Neither the Participant nor any beneficiary of the Participant shall have any right to pledge, hypothecate, anticipate or in any way create a lien upon any assets in or part of the custodial account. Distributions to the Participant, his or her beneficiaries, spouse, heirs-at-law, or legal representatives, excepting minors and persons under legal disability, shall be made only to them and upon their personal receipts and endorsements and no interest in the custodial account, or any part thereof, shall be assignable in anticipation of payment either by voluntary or involuntary act, or by operation of law, or be liable in any way for the debts or defaults of such Participant, his or her beneficiaries, spouse, or heirs-at-law. The provisions of this paragraph shall not apply to the extent that they violate any applicable law.

17.2 The custodial account created hereunder is created for the exclusive benefit of the Participant or his or her beneficiaries, and at no time shall it be possible for any part of the assets of the custodial account to be used for or diverted to purposes other than for the exclusive benefit of the Participant or his or her beneficiaries.

17.3 Notwithstanding the provisions of Sections 17.1 and 17.2 above, in the event the Participant and the Participant's spouse obtain a divorce or a separation instrument, as described in Section 408(d)(6) of the Code, the Participant may direct the Custodian in writing to transfer the appropriate portion of the assets in the Participant's custodial account directly to the Participant's former spouse or to an IRA maintained by the Participant's former spouse, provided the transfer is in accordance with the divorce decree or separation instrument, a copy of which shall be furnished to the Custodian. The transfer of assets to the Participant's former spouse may be in cash or in-kind, pursuant to directions contained in the divorce decree or separation instrument.

17.4 The Custodian shall be under no duties whatsoever except such duties as are specifically set forth in this Agreement. The Custodian shall be fully protected in acting upon any instrument, certificate, or paper believed by it to be genuine and to be signed or presented by the proper person or persons, and the Custodian shall be under no duty to make any investigation or inquiry as to any statement contained in any such writing but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained. Without limiting the generality of any other indemnification of the Custodian by the Participant, the Participant shall at all times duly indemnify and save harmless the Custodian from any liability (including reasonable attorneys' fees) which may arise hereunder except liability arising from the gross negligence or willful misconduct of the Custodian. Participant is responsible for all tax consequences arising from contributions to and distributions from the custodial account and acknowledges that no tax advice has been provided by Custodian.

If Participant has consented to the terms and conditions of Custodian's Electronic Communication Consent ("Electronic Consent"), 1) Participant has agreed that all custodial account statements, disclosures (including amendments to this agreement), Participant directions and/or transactions, or Form # 220-01012021 – SIMPLE IRA Custodial Account Agreement and Disclosures ©STRATA Trust Company 1/1/2021

Custodian notices to Participant will be provided electronically as consented to and described in the Consent, and 2) Participant's use of an electronic signature will serve as an original signature and will bind the Participant to the terms of any document executed by Participant with an electronic signature. The Participant and Custodian retain their respective rights as provided in the Electronic Consent.

If Participant has not agreed to the Electronic Consent or later withdraws consent, then any notice provided by the Custodian to the Participant for any circumstance shall be sent to the last known address of the Participant via regular mail, and for purposes of this Agreement shall be considered delivered as of the date of the mailing. Participant shall be responsible to notify the Custodian in writing of any change of address. Participant acknowledges and agrees that the custodial account will be subject to the provisions of the Uniform Electronic Transactions Act, as passed in the state where the Custodian is organized (Texas Uniform Electronic Transactions Act) and the federal Electronic Signatures in Global and National Commerce Act (ESIGN Act, as contained in 15 U.S.C. 7001) as those laws pertain to electronic communication, electronic signatures, and electronic storage of custodial account records.

Participant understands that, in lieu of retention of the original records, the Custodian may cause any or all of the custodial account records, and records at any time in the Custodian's custody, to be photographed or otherwise reproduced to permanent form, and any such photograph or reproduction shall have the same force and effect as the original thereof and may be admitted in evidence equally with the original.

17.5 WITH RESPECT TO ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, PARTICIPANT AGREES (I) THAT SUCH SUIT, ACTION OR PROCEEDING SHALL BE HELD IN STATE DISTRICT COURT IN AUSTIN, TEXAS, (II) THAT EXCLUSIVE JURISDICTION SHALL LIE IN THE STATE DISTRICT COURT IN AUSTIN, TEXAS AND (III) TO IRREVOCABLY AND UNCONDITIONALLY SUBMIT PARTICIPANT AND HIS OR HER PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE STATE DISTRICT COURTS SITTING IN AUSTIN, TEXAS, ANY APPELLATE COURT TO WHICH ANY APPEAL MAY PROPERLY BE TAKEN THEREFROM AND (IV) THAT ALL CLAIMS IN RESPECT OF ANY SUCH SUIT, ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT, (V) THAT PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING MAY BE SERVED ON ANY PARTY ANYWHERE IN THE WORLD, AND (VI) AGREES THAT A FINAL JUDGMENT IN ANY SUCH SUIT, ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. PARTICIPANT IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, (I) ANY OBJECTION THAT HE/SHE MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY IN THE STATE DISTRICT COURT SITTING IN AUSTIN, TEXAS, AND (II) THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY SUCH COURT. IF PARTICIPANT INITIATES SUIT UNDER THIS AGREEMENT AND DOES NOT PREVAIL, PARTICIPANT AGREES THAT CUSTODIAN SHALL BE ENTITLED TO ALL COSTS, INCLUDING ATTORNEYS' FEES. NOTWITHSTANDING THE ABOVE, PARTICIPANT FURTHER AGREES THAT CUSTODIAN MAY REQUEST THAT ANY SUIT INITIATED UNDER THIS AGREEMENT OR ANY TRANSACTIONS PROPOSED HEREIN BE INITIATED IN OR REMOVED TO U.S. FEDERAL COURT IN AUSTIN, TEXAS IF AND AS APPROPRIATE.

THE PARTIES EXPRESSLY WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHT, POWER, OR REMEDY UNDER OR IN CONNECTION WITH THIS AGREEMENT OR UNDER OR IN CONNECTION WITH ANY AMENDMENT, INSTRUMENT, DOCUMENT, OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith OR ARISING FROM ANY RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT, AND AGREE THAT ANY SUCH ACTION SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. THE TERMS AND PROVISIONS OF THIS SECTION CONSTITUTE A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT.

- 17.6 Participant understands that in-kind distributions received from the custodial account are subject to Federal income tax withholding unless Participant elects not to have withholding apply. By signing the Agreement, Participant elects not to have withholding apply to distributions from the custodial account, subject to Participant's right to revoke this election at a later date. Participant also understands that if this election is revoked and there is no cash or insufficient cash in the custodial account at the time of distribution, Custodian must sell any non-cash investments to pay withholding and will distribute the remaining proceeds, if any. Participant understands and accepts the responsibility for paying Federal income tax on the taxable portion of any distribution from the custodial account and that Participant may be subject to tax penalties if payments of estimated tax and withholding, if applicable, are inadequate.
- 17.7 Participant agrees to be responsible for any and all collection actions, including contracting with a collection agency or instituting legal action, and bringing any other suits or actions which may become necessary to protect the rights of the custodial account. Participant understands that any legal filings made on behalf of this Investment are to be made in the name of "STRATA Trust Company, Custodian for benefit of (Participant's Name)." Participant agrees to not institute legal action on behalf of the custodial account without Custodian's written consent to litigate and that Participant shall prosecute any legal action. Participant agrees that any such legal action will be carried out in a manner that does not cause Custodian to incur any costs or legal exposure.
- 17.8 The custodial account created hereunder may be utilized by an employer in conjunction with an approved prototype or individually-designed document to establish a Savings Incentive Match Plan for Employees (SIMPLE) IRA.
- 17.9 Any notice or statement which the Custodian is required to give hereunder shall be deemed given when mailed to the intended recipient at his or her last known address. Any notice or statement to be given to the Custodian shall be deemed given only when actually received by the Custodian.

RIGHT OF REVOCATION

Regulations of the Internal Revenue Service require that this Disclosure Statement be given to a participant at least seven days before the account is established, or, the participant may revoke the account within seven days after it is established. Copies of the SIMPLE IRA Application establishing the SIMPLE IRA and related documents are included along with this Disclosure Statement. By executing the SIMPLE IRA Application, you acknowledge receipt of

- 17.10 Words used in the masculine shall apply to the feminine where applicable and wherever the context of this Agreement indicates the plural shall be read as the singular, and the singular as the plural.
- 17.11 The captions of Articles in this Agreement are included for convenience only and shall not be considered a part of, or an aid to, the construction of this Agreement.
- 17.12 This Agreement is intended to qualify under Section 408(p) of the Code and if any term or provision hereof is subject to more than one interpretation or construction, such ambiguity shall be resolved in favor of that interpretation or construction which is consistent with that intent.
- 17.13 This Agreement, together with the Disclosure Statement, Financial Disclosure, IRA Application, and Fee Schedule, is the complete and exclusive agreement between the parties with respect to the subject matter hereof, superseding any prior agreements and communications (both written and oral) regarding such subject matter. Participant understands that this Agreement is not assignable without the express prior written consent of the Custodian.
- 17.14 If any provision of this Agreement or the application thereof to any person or circumstances shall be determined to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
- 17.15 This Agreement is accepted by the Custodian in, and administered under, the laws of the State of Texas. All contributions to the Custodian shall be deemed to take place in the State of Texas.

GOVERNING LAW. THIS AGREEMENT AND ALL AMENDMENT HERETO SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AND THE FEDERAL LAWS OF THE UNITED STATES OF AMERICA, AND THE OBLIGATIONS HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Revised 10.1.2020

this Disclosure Statement. Accordingly, you are entitled to revoke the SIMPLE IRA within seven days after the date of your execution of the SIMPLE IRA Application. Such revocation may be made only by written notice which at your option may be mailed or delivered to STRATA Trust Company ("Custodian") as follows:

Mailing address: PO Box 23149
Waco, TX 76702

If mailed, the revocation notice shall be deemed mailed on the date of the postmark (or if by registered or certified mail, the date of registration or certification) if deposited in the mail in the United States in an envelope or other appropriate wrapper, first class

postage prepaid, properly addressed. Upon revocation within the seven-day period, Custodian will return the current fair market value of the amount contributed to the SIMPLE IRA, without penalty, service charge, or administrative expense.

B. GENERAL REQUIREMENTS OF A SIMPLE IRA – CODE SEC.

408(p)

1. All SIMPLE contributions must be made in cash, unless you are making a rollover contribution or transfer, and the Custodian accepts such non-cash assets.
2. The only types of contributions permitted to be made to this SIMPLE IRA are salary reduction contributions and employer contributions under the employer's SIMPLE Retirement Plan.
3. The Custodian of your SIMPLE IRA must be a bank, savings and loan association, credit union or a person who is approved to act in such a capacity by the Secretary of the Treasury.
4. No portion of your SIMPLE IRA funds may be invested in life insurance contracts.
5. Your interest in your SIMPLE IRA must be fully vested and is nonforfeitable at all times.
6. The assets in your SIMPLE IRA may not be commingled with other property except in a common trust fund or common investment fund.
7. You may not invest the assets of your IRA in collectibles (as described in Section 408(m) of the Internal Revenue Code). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or any other tangible personal property specified by the IRS. However, if the Custodian permits, specially minted US gold, silver and platinum coins and certain state-issued coins are permissible IRA investments. Beginning on 1/1/98 you may also invest in certain gold, silver, platinum or palladium bullion. Such bullion must be permitted by the Custodian and held in the physical possession of the IRA trustee or custodian.
8. Your interest in your SIMPLE IRA must begin to be distributed to you by the April 1st following the calendar year you attain the age of 70½. The methods of distribution, election deadlines, and other limitations are described in detail below.
9. A SIMPLE IRA must be established by or on behalf of an employee prior to the first date by which a contribution is required to be deposited into the SIMPLE IRA.

C. SIMPLE PLAN CONTRIBUTIONS

Elective Deferrals (Salary Reduction Contributions) - A salary reduction contribution is a contribution made pursuant to an employee's election to have an amount contributed to his or her SIMPLE IRA, rather than have the amount paid directly to the employee in cash. An eligible employee must be permitted to elect to have salary reduction contributions made at the level specified by the employee, expressed as a percentage of compensation for the year or as a specific dollar amount. The maximum salary reduction contribution per calendar year may not exceed "the applicable annual dollar limitation" described below. Salary reduction contributions may not begin until the eligible employee completes a form provided by the employer designed to permit the employee to elect the salary reduction percentage or specific dollar amount. An employer may not place any restrictions on the amount of an employee's salary reduction contributions (e.g. by limiting the contribution percentage), except to the extent needed to comply with the annual limit.

Applicable Annual Dollar Limitation	
Tax Year	Contribution Limit
2019	\$13,000
2020	\$13,500

The annual limit will be subject to cost-of-living increases in each subsequent year.

Catch-up Contributions - If an individual has attained the age of 50 before the close of the taxable year for which an annual contribution is being made and meets the other eligibility requirements for making salary reduction SIMPLE IRA contributions, the annual SIMPLE IRA deferral limit for that individual would be increased as follows:

Tax Year	Normal Limit	Additional Catch-Up	Total Contribution
2019	\$13,000	\$3,000	\$16,000
2020	\$13,500	\$3,000	\$16,500

The additional catch-up amount for SIMPLE IRAs is subject to cost-of-living increases in each subsequent year.

Employer Contributions

Your employer must elect to contribute through either a matching contribution or non-elective contribution. With a matching contribution, the employer must make a dollar-for-dollar matching contribution not to exceed 3% of the employee's compensation, to a maximum of \$12,500 (or \$15,500 for participants who are age 50 or older). This amount may be reduced below 3% in any two out of every five years, but may never fall below 1%. Alternatively, the employer can contribute a non-elective contribution which is the equivalent of 2% of compensation for all eligible employees (based on compensation up to \$270,000), including those employees who chose not to contribute through salary deferrals. The employer may switch between the two formulas, but such changes will not take effect until the start of the next calendar year. The employer is required to provide the participant with information that describes the terms of its SIMPLE IRA plan.

D. INCOME TAX CONSEQUENCES OF ESTABLISHING A SIMPLE IRA

1. The Participant may not take a deduction for the amounts contributed to the SIMPLE IRA as either employee elective deferrals or employer contributions. However, employee elective deferrals to a SIMPLE IRA will reduce the participant's taxable income. Employer SIMPLE IRA contributions, including earnings, will not be taxable until the participant takes a distribution from the SIMPLE IRA.

Participation in the employer's SIMPLE IRA plan renders you an active participant in a retirement plan maintained by your employer for purposes of determining whether or not you can deduct contributions to a Traditional IRA.

2. The employer must deliver the salary reduction contributions to the financial institution maintaining the SIMPLE IRA as of the earliest date on which the contributions can reasonably be segregated from the employer's general assets, but no later than the close of the 30-day period following the last day of the month in which amounts would otherwise have been payable to the employee in cash. Matching and nonelective employer contributions must be made to the financial institution maintaining the SIMPLE IRA no later than the due date for filing the employer's income tax return, including extensions, for the taxable year that includes the last day of the calendar year for which the contributions are made.

3. You may be eligible for a credit on your tax return for contributions you defer to a SIMPLE IRA. Specifically, if you are an eligible individual, you may be able to claim a "saver's credit" on your federal income tax return for a percentage of your contributions to a SIMPLE IRA. To be eligible, you must be at least 18 years old as of the end of the taxable year, and you cannot be a full-time student or an individual for whom someone else claims a personal exemption. The maximum credit rate is the lesser of 50% of the annual contribution or \$2,000 (\$4,000 if married filing jointly). Thus, the credit can be as much as \$1,000 per person (\$2,000 for married couples filing jointly). This credit is also subject to limitations based on modified

adjusted gross income ("MAGI"). For 2017, the credit is phased out if you are a joint filer with MAGI greater than \$62,000, head of household filer with a MAGI greater than \$46,500, or a MAGI greater than \$31,500 if you are single, married filing separately, or a qualifying widow(er). Subsequent annual adjustments will be set by the IRS. Please refer to IRS Form 8880 to determine your credit rate.

4. The investment earnings of your SIMPLE IRA are not subject to federal income tax until distributions are made (or, in certain instances, when distributions are deemed to be made).

E. ROLLOVERS and CONVERSIONS

A SIMPLE IRA may be rolled over to another SIMPLE IRA or Traditional IRA, may receive rollover contributions from another SIMPLE IRA, or may be converted to a Roth IRA provided that all of the applicable rollover and conversion rules are followed. A rollover is described as a movement of cash or other property from a SIMPLE IRA to either a Traditional IRA or another SIMPLE IRA, or from a SIMPLE IRA to an employer's eligible qualified retirement plan after a two-year period has been satisfied. The amount rolled over is not subject to taxation or the additional 10 percent early distribution penalty tax. A conversion is described as a movement of SIMPLE IRA assets into a Roth IRA. A conversion is generally a taxable event. These transactions are often complex, and you should discuss rollover or conversions of SIMPLE IRA assets with your tax advisor.

Special Rules that Apply to Rollovers

- The rollover must be completed no later than the 60th day after the day the distribution was received by you.
- Regardless of how many IRAs you may own, you may only have one IRA to IRA rollover during a 12 consecutive month period measured from the date you received a distribution from an IRA which was rolled over to another IRA. (See IRS Publication 590 for more information.)
- The same property you receive in a distribution must be the same property you roll over into the second IRA. For example, if you receive a distribution from an IRA of property, such as stocks, that same stock must be rolled over into the second IRA.
- You are required to make an irrevocable election indicating that this transaction will be treated as a rollover contribution. Once made, the rollover election is irrevocable.
- You are not required to receive a complete distribution from your IRA in order to make a rollover contribution into another IRA, nor are you required to roll over the entire amount you received from the first IRA.
- If you inherit an IRA due to the death of the participant, you may not roll this IRA into your own IRA unless you are the spouse of the decedent.
- If you are age 70½ or older and wish to roll over to another IRA, you must first satisfy the minimum distribution requirement for that year and then the rollover of the remaining amount may be made.
- Rollover contributions to a SIMPLE IRA may not be made from a qualified plan, 403(b) plan, or any other IRA that is not a SIMPLE IRA.

F. RECHARACTERIZATIONS

Conversions from a SIMPLE IRA to a Roth IRA may be recharacterized back to the SIMPLE IRA along with any income earned. The deadline for completing a recharacterization is the tax filing deadline (including extensions) for the year in which the conversion was completed.

G. EXCESS DEFERRALS

Excess elective deferrals (amounts in excess of the "applicable" SIMPLE elective deferral limit for the year) are includible in your gross income in the calendar year of deferral. Income on the excess elective deferrals is includible in your income in the year of withdrawal from the SIMPLE IRA. You should withdraw excess elective deferrals and any allocable income, from your SIMPLE IRA

by April 15 following the year to which the deferrals relate. These amounts may not be transferred or rolled over tax-free to another SIMPLE IRA. If you fail to withdraw excess elective deferrals, and any allocable income, by the following April 15th, the excess elective deferrals will be taxed in the year of deferral and taxed again when distributed. Income on excess elective deferrals is includible in your gross income in the year you withdraw it from your IRA and must be withdrawn by April 15 following the calendar year to which the deferrals relate. Income withdrawn from the SIMPLE IRA after that date may be subject to a 10% tax (or 25% if withdrawn within the first 2 years of participation) on early distributions. The rules for determining and allocating income attributable to excess elective deferrals and other excess SIMPLE contributions are the same as those governing regular IRA excess contributions. The trustee or custodian of your SIMPLE IRA will inform you of the income allocable to such excess amounts.

H. DISTRIBUTIONS

In general, all distributions from a SIMPLE IRA are subject to federal income tax to the payee or distributee, whichever the case may be. When you start withdrawing from your SIMPLE IRA, you may take the distributions in regular payments, random withdrawals or in a single sum payment. Generally, all amounts distributed to you from your SIMPLE IRA are included in your gross income in the taxable year in which they are received. However, if you have made nondeductible contributions to any regular IRA as permitted under section 408(o) of the Code, the nontaxable portion of the distribution, if any, will be a percentage based upon the ratio of your unrecovered nondeductible contributions to the aggregate of all IRA balances, including SEP, SIMPLE and rollover contributions, as of the end of the year in which you take the distribution, plus distributions from the account during the year. All taxable distributions from your SIMPLE IRA are taxed at ordinary income tax rates for federal income tax purposes and are not eligible for either capital gains treatment or 10-year averaging. An employer may not require an employee to retain any portion of the contribution in the SIMPLE IRA or otherwise impose any withdrawal restrictions.

Premature Distributions: In general, if you are under age 59½ and receive a distribution from your SIMPLE IRA account, a 10% additional income tax will apply to the taxable portion of the distribution, unless the distribution is received due to death; disability; a series of substantially equal periodic payments at least annually over your life expectancy or the joint life expectancy of you and your designated beneficiary; medical expenses that exceed 7.5% of your adjusted gross income; health insurance premiums paid by certain unemployed individuals; qualified acquisition costs of a first time home buyer; qualified higher education expenses; a qualifying rollover distribution; the timely withdrawal of an excess deferral plus income attributable; due to an IRS Levy; or qualified reservist distributions. 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 10% additional income tax will apply retroactively to the year payments began through the year of such modification. In addition, if you request a distribution from your SIMPLE IRA within your first 2 years of participation in the SIMPLE plan and none of the exceptions listed above applies to the distribution, the normal 10% additional income tax referred to earlier is increased to 25%.

Age 70½ Required Minimum Distributions: You are required to begin receiving minimum distributions from your SIMPLE IRA by your required beginning date (the 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". The required minimum for your first distribution calendar year must be withdrawn no later than your required beginning date. The required minimum for your

second distribution calendar year and for each subsequent distribution calendar year must be made by December 31 of each such year. Your minimum distribution for each year beginning with the calendar year you attain the age of 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 Uniform Lifetime Distribution Period Table regardless of who or what entity is your named beneficiary. This uniform table assumes you have a designated 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 amount is the fair market value of each IRA you own as of the prior December 31st, adjusted for outstanding rollovers (or transfers) as of such prior December 31st.

However, no payment will be made from this SIMPLE IRA until you provide the Custodian with a proper distribution request acceptable to 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 relevant distribution calendar year and such spouse is more than 10 years younger than you.

In any distribution calendar year you may take more than the required minimum. However, if you take less than the required minimum with respect to any distribution calendar year, you are subject to a Federal excise tax penalty of 50% of the difference between the amount required to be distributed and the amount actually distributed. If you are subject to that tax, you are required to file IRS Form 5329.

Death Distributions: If you die before your required beginning date and you have a designated beneficiary, the balance in your SIMPLE 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. 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 the age of 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 SIMPLE 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 SIMPLE IRA will be distributed to your beneficiary over the longer of the beneficiary's single life expectancy or your remaining 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 SIMPLE 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 SIMPLE IRA as his or her own SIMPLE 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 SIMPLE IRA as his or her own SIMPLE 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 SIMPLE IRA.

Prohibited Transactions: If you or your beneficiary engages in a prohibited transaction described in Code Sec. 4975, the entire account will lose its exemption from tax, and you must include the fair market value of the account in your income for the year in which the prohibited transaction took place. In addition, you may incur certain penalties for engaging in the transaction as well as the premature distribution penalty tax if you are under age 59½ (see below). Examples of prohibited transactions are the borrowing of the income or corpus from an account, selling property to or buying property from the account, or personally using property owned by the account.

Pledging Account As Security: If you use your account or any portion thereof as security for a loan, the portion so used is treated as distributed to you and may be subject to the 10% penalty tax on premature distributions if you are under age 59½ (see below). Accordingly, if you invest in securities, you may not sell short or execute purchases in an amount greater than available cash.

Income Tax Withholding: All withdrawals from your SIMPLE IRA (except a direct transfer) are subject to federal income tax withholding. You may, however, elect not to have withholding apply to your SIMPLE IRA distribution in most cases. If withholding is applied to your distribution, not less than 10 percent of the amount withdrawn must be withheld.

I. FEDERAL ESTATE AND GIFT TAXES

Transfers of your SIMPLE IRA assets to a beneficiary made during your life and at your request may be subject to federal gift tax under Section 2501 of the Internal Revenue Code.

J. PENALTIES

If you are under age 59½ and receive a premature distribution from your SIMPLE IRA, an additional 10% (or 25% for certain SIMPLE IRA distributions) income tax will apply on the taxable amount of the distribution. If you are age 70½ or over or if you should die, and the appropriate required minimum distributions are not made from your SIMPLE IRA, an additional tax of 50% is imposed upon the difference between what should have been distributed and what was actually distributed.

K. ADDITIONAL SELF-DIRECTION REQUIREMENTS

Under the Custodian's Account Agreement, you are required to direct the Custodian with respect to the investment of funds in your account. In the absence of direction from you, or your Representative (as described in Section "O" below), the Custodian will not make or dispose of any investments or distribute any funds held in the account. The Custodian has no power or duty to question the direction of a specified investment, to review any investments held in the account or to make any suggestions to you with respect to the investment, retention or disposition of any asset in the account. The Custodian will not be liable for any loss of any kind, which may result by reason of any action taken by it in accordance with direction from you or your Representative, or by reason of any failure to act because of the absence of any directions. The Custodian may refuse to execute an investment direction if it determines in its discretion that the investment would not be administratively feasible.

Unrelated Business Taxable Income: There is an exception to the tax-exempt status of your IRA when you invest in any security, which is debt-financed, or a limited partnership which actively conducts a trade or business rather than receiving passive income or which is publicly traded. Unrelated Business Taxable Income (UBTI) from such an investment may be taxable to your account if it exceeds \$1,000 in any tax year. For purposes of the \$1,000 limit, all of your IRA accounts are considered to be one account. These taxes are an

expense of your account and should be paid by you using assets in the account, and should be filed utilizing IRS Form 990-T. Custodian does not calculate UBTI for your account and does not prepare Form 990-T. If your account has any investment which generates UBTI, you are responsible for preparing or having prepared on behalf of your IRA account the appropriate 990-T form. Upon completion, the form should be forwarded to Custodian for filing, along with instructions to pay any required tax.

Growth in Value: As stated in the Custodian's SIMPLE Individual Retirement Account Custodial Agreement, the assets of your IRA account will be invested only at the direction of you or your Representative. You are entitled to direct the investment of the assets in your IRA in a wide variety of investments, but Custodian has no responsibility to offer investment advice, and will not offer any investment advice or assume any fiduciary responsibility with respect to which investments may be best for your IRA account and, because you are responsible for directing all investments, you assume sole responsibility for the success or failure of your investments. The value of assets in your IRA account at any given time will depend upon the amount of your contributions, the mix of assets, and the performance of the investments you have chosen. Accordingly, growth and value of your IRA account is not guaranteed, and the value of the assets in your account at any given point in time in the future is impossible to predict. Except to the extent cash is invested in the Custodial NOW account, which is FDIC-insured, or directed into other FDIC-insured bank products, the IRA account is not FDIC-insured, nor guaranteed in any way by Custodian, or any government agency, or any other entity. Neither Custodian's acceptance, nor its rejection, of an investment direction is ever related in any way to the prudence, merit or viability of the investment and may not be considered, or construed, as either investment advice, the exercise of discretion with respect to investments, an evaluation of the investment's prudence or viability, or a determination that such investment in fact is, or is not, a prohibited transaction.

L. REPRESENTATIVE PROVISIONS

If you have designated a Representative on the Custodian's SIMPLE Individual Retirement Custodial Account Application or on a form acceptable to Custodian, your designation is subject to the following provisions:

1. You recognize that Custodian is entitled to rely on directions from your Representative, and you agree that Custodian shall be under no duty to make an investigation with respect to any instructions received from your Representative. You also recognize that your Representative may choose to communicate investment directions to Custodian via an agent, such as his office staff or broker/dealer organization;
2. You are solely responsible for managing the investment of your IRA Account, and for directing your Representative. All instructions, directions, and/or confirmations received by Custodian from your Representative shall be assumed to have been authorized by you;
3. You recognize that such Representative is your agent, and not an agent, employee, or representative of Custodian;
4. You understand that your Representative may be a registered representative of a broker dealer organization, a financial advisor, or other person that you deem acceptable.
5. You understand that Custodian has not made and will not make any recommendation or investigation with respect to your Representative, nor does Custodian compensate your Representative in any manner.
6. You may remove your Representative and either designate a new Representative or choose not to designate any representative, by written notice to Custodian on a form acceptable to Custodian. However, removal of a Representative will not have the effect of canceling any instruction, direction, or confirmation which has been received

7. by Custodian from the Representative prior to the date that notice of removal is received and processed by Custodian; and You agree to indemnify and hold Custodian harmless from any and all liability or claims, including, but not limited to, damages, court costs, legal fees, and costs of investigation as a result of (i) any loss or diminution of your IRA funds resulting from changes in the market value of such funds; (ii) reliance or action taken in reliance on written or oral instructions received from you or your Representative; (iii) any exercise or failure to exercise investment direction authority by you or by your Representative; (iv) Custodian's refusal on advice of counsel to act in accordance with any exercise of investment direction by you or your Representative; (v) any other act or failure to act by you or your Representative; (vi) any prohibited transaction or plan disqualification due to any actions taken or not taken by Custodian in reliance on directions from you or your Representative; or (vii) any other act Custodian takes in good faith hereunder.

M. CUSTODIAN FEES

A schedule of the Custodian's fees and charges is included with the IRA Application. This schedule may be amended from time to time upon 30 days' written notice to you. Custodian reserves the right to charge additional fees over and above those shown on the fee schedule for extraordinary services or expenses. Examples of extraordinary services include, but are not limited to, stop payment fees, incoming or outgoing wire charges, or checks returned for insufficient funds. You are responsible for the payment of all fees, expenses or other charges relating to your IRA account. If you do not pay such charges upon billing, or if you make an automatic withdrawal election, the fees, expenses and charges will be withdrawn from the assets of your account. Custodian, upon 30 days written notice, may terminate and distribute your account for non-payment of fees and expenses. Custodian will perform all sub-accounting, recordkeeping, and interest posting functions (where applicable) for the Custodial NOW account and may receive compensation for these services. Such compensation shall be administrative charges of the type which would be borne directly by the Custodial NOW account and/or paid to a third-party for similar services, but may exceed the amount Horizon Bank or other depositories would pay to a third-party providing such services. However, no portion of such sub-accounting, recordkeeping, and interest posting compensation paid by Horizon Bank or other depositories to Custodian will be charged to your account.

N. IRS APPROVAL AS TO FORM

The STRATA Trust Company SIMPLE Individual Retirement Custodial Account Agreement is treated as approved as to form by the Internal Revenue Service since it utilizes precise language of Form 5305-SA currently provided by the Internal Revenue Service, plus additional language permitted by such form. The Internal Revenue Service approval is a determination only as to the form of the account, and does not represent a determination of the merits of the account.

O. SUBSTITUTION OF NON-BANK CUSTODIAN

The non-bank Custodian shall substitute another trustee or custodian if the non-bank Custodian receives Notice from the Commissioner of Internal Revenue that such substitution is required because it has failed to comply with the requirements of Regulations section 1.408-2(e).

P. ADDITIONAL INFORMATION

Additional information regarding Individual Retirement Accounts may be obtained from any district office of the Internal Revenue Service. In particular, you may wish to obtain IRS Publication 590 (Individual Retirement Arrangements).

Revised 7.15.2017

