



Self-Directed IRA Application Packet

SEP Application Packet

**Office**

100 Concourse Parkway
Suite 170
Birmingham, AL 35244

P: (205) 985-0860

Mailing

P.O. Box 360750,
Birmingham, AL 35236

F: (205) 985-8674

Nashville

750 Old Hickory Road,
Building Two, Ste 150
Brentwood, TN 37027

(615) 794-8961



Would you like more investment choices for your retirement funds?

With an IRA INNOVATIONS self-directed IRA, you are in full control of the investments in your retirement account. You choose what you want to invest in from a wide range of permissible assets.

At IRA INNOVATIONS, our goal is to provide our customers with the most complete and accurate information regarding the full range of investments choices available within your retirement plan.

We specialize in the record keeping and administration of all truly self-directed qualified retirement plans and in educating our clients on the unique investments that are a part of them.

Here are some of the investment options that our current clients have taken advantage of:

- Real Estate – apartments, single family homes, commercial property or undeveloped land
- Limited Liability Companies
- Private Limited Partnerships
- Secured and Unsecured Notes
- Mortgages/Deeds of Trust
- Partnerships and joint ventures
- Private stock
- Publicly traded stocks, bonds, mutual funds
- Other investments
- Judgments/Structured Settlements
- Tax Sale Certificates
- Car Paper
- Factoring
- Accounts Receivable
- Commercial Paper
- Equipment Leasing

The new tax laws affecting retirement plans can be confusing and complicated. And depending upon your financial situation, your future goals and whether you might have an employee-sponsored plan available, you will need to choose between several alternatives.

Consult with your tax advisor or financial planner on the best course of action. If you decide that a self-directing your retirement investments is for you, IRA INNOVATIONS is here to help.

Call IRA Innovations at (205) 985-0860 and get started on your self-directed IRA today.

We are never in conflict with your investment decisions because we do not endorse or sell any investment products.



What's included in this packet?

| | |
|--|---|
| Application form | Use this form to open a SIMPLE IRA |
| Fee Schedule | This document outlines the fees associated with a self-directed IRA. |
| Transfer form | Use this form to move your cash directly from your existing IRA to your Innovations self-directed IRA without taking receipt of the funds . Do not use this form to make a direct rollover. |
| Rollover form | <p>This form is intended to document the roll over of your money and/or asset from your previous 401k to your IRA Innovations account. IRA Innovations does not initiate the roll over. To rollover your money and/or asset, please contact your current IRA holder and indicate that you would like to move your money and/or assets from your existing IRA account to your Innovations IRA. For multiple transactions, please use a separate form for each. Use this form to:</p> <ul style="list-style-type: none">• Document your rollover contribution to IRA Innovations (take receipt of the assets for up to 60 days before reinvesting in a new retirement plan).• Document your direct rollover contribution (move assets directly from your qualified retirement plan to a new retirement plan). |
| IRS form 5305-SEP – Completed by Employer | <p>The 5305-SEP defines the employee eligibility, contributions and other requirements and provisions for establishing a SEP IRA plan.</p> <ul style="list-style-type: none">• Employers must complete the 5305-SEP disclosure contained in this kit. This disclosure contains a mandatory application and instructions for employers as well as information for employees. <p>Retain the original for your records and forward a copy to IRA Innovations.</p> |

Before you fill out the form, you'll want to make sure you have:

- Your social security number
- Your beneficiary information

If you have a current IRA or 401(k) and you'd like to roll over or transfer funds into your account with IRA Innovations, you'll also need:

- Your employer address
- Your employer phone number
- Your account number



Application Checklist

Once you've completed your application, use this checklist to make sure you have not missed anything:

- ☐ ***Have you included a clear, legible copy of your photo ID (where you can identify the person in the photo clearly)? Please make sure that the copy of the photo ID is clearly readable and legible.***
- ☐ Have you included your account set up fee, if applicable?
- ☐ Have you indicated which fee option you would prefer? Have you signed the fee option page?
- ☐ Have you completed the application?
- ☐ Have you indicated the type of account that you'd like to open?
- ☐ Have you indicated how you would like to fund your account?
- ☐ Have you documented your beneficiaries, including their Social Security Numbers?
- ☐ If applicable, have you signed your name?
- ☐ If you're married, have you reviewed the beneficiary section of the application?
- ☐ If so, has your spouse signed this section?
- ☐ Have you signed the application?

Once you've completed this form, please send it to:

IRA Innovations
P.O. Box 360750,
Birmingham, AL 35236
Fax: (205) 985-0860
Email:
info@irainnovations.com

I. Personal Information

All information is required.

☐ Mr. ☐ Ms. ☐ Mrs. ☐ Dr. Legal Name _____

Legal Address (no P. O. Box allowed) _____

City, State, Zip _____

Mailing Address (optional) _____

City, State, Zip _____

Date of birth (MM/DD/YYYY)

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

Social Security Number (Required)

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

Home phone: _____ Fax: _____ Cell: _____

Occupation: _____ Industry: _____

(If retired, please also state former occupation and industry.)

County of Residence: _____ Marital Status: ☐ Single ☐ Married

Email: _____

From what office did you learn about IRA Innovations? ☐ Alabama ☐ Tennessee

2. Account Type

Please select one.

☐ Traditional IRA ☐ Roth IRA ☐ Health Savings Account Type: ☐ Self-only coverage ☐ Family coverage

☐ SEP IRA (Please attach 5305 SEP form.) Name of Business: _____

☐ Simple IRA (Please attach 5305 SIMPLE form.) Name of Business: _____

☐ Beneficiary IRA Original IRA Holder Name: _____

Type: ☐ Traditional ☐ Roth ☐ SEP ☐ SIMPLE

3. Application Fee

Please note there is a \$60 application fee to open an account.

Credit Card Type: ☐ Visa ☐ Mastercard ☐ Discover ☐ American Express ☐ Check (made payable to IRA Innovations LLC)

Credit Card Number: _____ - _____ - _____ - _____

Expiration Date: _____ / _____ Card Identification Number _____
(Amex - ID on card front. All others, last three digits on back of card.)

4. How You Heard About Us

☐ Internet ☐ Radio ☐ TV ☐ Article ☐ Event _____

☐ Referred by _____ ☐ Other _____

5. Indicate Beneficiaries If designating a Trust as the beneficiary, please include a copy of the Trust Abstract.

I designate the persons named below as the Primary and/or Contingent Beneficiaries of this account. A beneficiary shall be deemed to be a Primary Beneficiary if the Primary or Contingent box is not selected for said beneficiary. In the event of my demise, Primary Beneficiaries who survive me shall receive the assets of the account in equal shares (or in the specified shares, as designated). If all Primary Beneficiaries pre-decease me, Contingent Beneficiaries who survive me shall receive the assets of the account in equal shares (or in the specified shares, as designated). A Primary or Contingent beneficiary's interest and the interest of such beneficiary's heirs shall terminate completely, in the event that the aforementioned beneficiary does not survive me. In such cases, the share for any remaining Primary or Contingent Beneficiary shall be increased on a pro rata basis. In the event that there are no surviving Primary or Contingent Beneficiaries, remaining assets of the account shall be distributed to my estate in accordance with the plan provisions. This section is to be completed if your legal residence is in a Community Property State and your spouse has not been designated as your Primary Beneficiary with 100% share.

I understand that I may change or add beneficiaries at any time by completing and delivering the proper form to the Administrator.

Please initial.

☐ Primary ☐ Contingent

Name: _____ SSN: _____

Address: _____ Relationship: _____

City: _____ State: _____ Zip: _____

Date of Birth: _____ Share: _____ %

If I named a Beneficiary which is a Trust, I understand I must supply a copy or abstract of the Trust.

☐ Primary ☐ Contingent

Name: _____ SSN: _____

Address: _____ Relationship: _____

City: _____ State: _____ Zip: _____

Date of Birth: _____ Share: _____ %

If I named a Beneficiary which is a Trust, I understand I must supply a copy or abstract of the Trust.

☐ Primary ☐ Contingent

Name: _____ SSN: _____

Address: _____ Relationship: _____

City: _____ State: _____ Zip: _____

Date of Birth: _____ Share: _____ %

If I named a Beneficiary which is a Trust, I understand I must supply a copy or abstract of the Trust.

☐ Primary ☐ Contingent

Name: _____ SSN: _____

Address: _____ Relationship: _____

City: _____ State: _____ Zip: _____

Date of Birth: _____ Share: _____ %

If I named a Beneficiary which is a Trust, I understand I must supply a copy or abstract of the Trust.

6. Spousal Consent (only required if your spouse is not the primary beneficiary-see note below).

The consent of spouse must be signed only if all of the following conditions are present:

- Your spouse is living;
- Your spouse is not the sole primary beneficiary named

I am the spouse of the account holder listed above. I hereby certify that I have reviewed the Beneficiary Designation and I understand that I have a property interest in the account. I hereby acknowledge and consent to the above Beneficiary Designation other than, or in addition to, myself as primary beneficiary. I further acknowledge that I am waiving part or all of my rights to receive benefits under this plan when my spouse dies.

I, _____ hereby consent to the above Beneficiary Designation.

Spouse Signature: _____ Date: _____

7. Appointment of Custodian, Investment Direction and Important Disclosures.

Your signature is required. Please read before signing. The account holder shown on the front of this application must read this agreement carefully and sign and date this part. By signing this application, you acknowledge the following:

Custodian and Administrator: The Custodian for my account is First Trust Company of Onaga (FTCO) and the Administrator for my account is IRA Innovations, LLC. I understand that the Custodian and the Administrator may resign by giving me written notice at least 30 days prior to the effective date of such resignation. I understand that if I fail to notify the Administrator of the appointment of a successor trustee or custodian within such 30 day period, then the assets held by the Custodian in my account (whether in cash or personal or real property, wherever located, and regardless of value) will be distributed to me, outright and free of trust, and I will be wholly responsible for the tax consequences of such distribution.

No Tax, Legal or Investment Advice: I acknowledge that the Custodian and the Administrator do not provide or assume responsibility for any tax, legal or investment advice with respect to the investments and assets in my account, and will not be liable for any loss which results from my exercise of control over my account. I understand that my account is self-directed, and I take complete responsibility for any investments I choose for my account. I further understand that neither the Custodian nor the Administrator sells or endorses any investment products. If the services of the Custodian and the Administrator were marketed, suggested or otherwise recommended by any person or entity, such as a financial representative or investment promoter, I understand that such persons are not in any way agents, employees, representatives, affiliates, partners, independent contractors, consultants, or subsidiaries of the Custodian or the Administrator, and that the Custodian and Administrator are not responsible for and are not bound by any statements, representations, warranties or agreements made by any such person or entity. I agree to consult with my own CPA, attorney, financial planner, or other professional prior to directing the Administrator to make any investment in my account.

Prohibited Transactions: I understand that my account is subject to the provisions of Internal Revenue Code (IRC) Section 4975, which defines certain prohibited transactions. I acknowledge and agree that neither the Custodian nor the Administrator will make any determination as to whether any transaction or investment in my account is prohibited under sections 4975, 408(c) or 408A, or under any other state or federal law. I accept full responsibility to ensure that none of the investments in my account will constitute a prohibited transaction and that the investments in my account comply with all applicable federal and state laws, regulations and requirements.

Unrelated Business Income Tax: I understand that my account is subject to the provisions of IRC Sections 511-514 relating to Unrelated Business Taxable Income (UBTI) of tax-exempt organizations. I agree that if I direct the Administrator to make an investment in my account which generates UBTI, I will be responsible for preparing or having prepared the required IRS Form 990-T tax return, an application for an Employer Identification Number (EIN) for my account, and any other documents that may be required, and to submit them to the Administrator for filing with the Internal Revenue Service at least ten (10) days prior to the date on which the return is due, along with an appropriate directive authorizing the Administrator to execute the forms on behalf of my account and to pay the applicable tax from the assets in my account. I understand that the Custodian and the Administrator do not make any determination of whether or not investments in my account generate UBTI; have no duty to and do not monitor whether or not my account has incurred UBTI; and do not prepare Form 990-T on behalf of my account.

Valuations: I understand that the assets in my account are required to be valued annually at the end of each calendar year in accordance with IRC Section 408(i) and other guidance provided by the IRS, and that the total value of my account will be reported to the IRS on Form 5498 each year. I agree to provide the year end value of any illiquid and/or non-publicly traded investments, which may include without limitation limited partnerships, limited liability companies, privately held stock, real estate investment trusts, hedge funds, real estate, secured and unsecured promissory notes, and any other investments as the Custodian shall designate, by no later than January 10th of each year, with substantiation attached to support the value provided. I agree to indemnify and hold harmless the Custodian and the Administrator from any and all losses, expenses, settlements, or claims with regard to investment decisions, distribution values, tax reporting or any other financial impact or consequence relating to or arising from the valuation of assets in my account.

Indemnification: I agree that the Custodian and the Administrator have no duty other than to follow my written instructions, and will be under no duty to question my instructions and will not be liable for any investment losses sustained by me or my account under any circumstances.

Under penalties of perjury, I certify that the above information (including my Social Security number) is correct. I hereby agree to participate in the Individual Retirement Custodial Account offered by the Custodian. I acknowledge receipt of a copy of the plan document under which this Individual Retirement Account is established, a copy of this Adoption Agreement, and a copy of this Disclosure Statement with respect to the Individual Retirement Account. I direct that all benefits upon my death be paid as indicated above. In the event that this is a rollover contribution, I hereby irrevocably elect, pursuant to the requirements of Section 1.402(a)(5)-1T of the IRS regulations, to treat this contribution as a rollover contribution. If I named a beneficiary which is a trust, I understand I must provide certain information concerning such trust to the Custodian.

Account Holder's Signature: _____

Date: _____

I understand that the Custodian and the Administrator are acting only as my agent, and nothing will be construed as conferring fiduciary status on the Custodian or the Administrator. I agree to indemnify and hold harmless the Custodian and the Administrator from any and all claims, damages, liability, actions, costs, expenses (including reasonable attorneys' fees) and any loss to my account as a result of any action taken (or omitted to be taken) pursuant to and/or in connection with any investment transaction directed by me or my investment advisor or resulting from serving as the Custodian or the Administrator, including, without limitation, claims, damages, liability, actions and losses asserted by me.

Electronic Communications, Signatures, and Records: I acknowledge and agree that my account will be subject to the provisions of the Uniform Electronic Transactions Act, as passed in the state where the Custodian is organized (Kansas Statutes Annotated (KSA) Sections 16-601 et seq.), and the federal Electronic Signature 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. I understand that, in lieu of the retention of the original records, the Administrator and Custodian may cause any, or all, of their records, and records at any time in their 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.

Responsibility for determining eligibility and tax consequences: I assume complete responsibility for 1) determining that I am eligible to make a contribution to my account; 2) ensuring that all contributions I make are within the limits set forth by the relevant sections of the Internal Revenue Code; and 3) the tax consequences of any contribution (including a rollover contribution) and distributions.

No FDIC Insurance for Investments: I recognize that investments purchased and/or held within my account: 1) are not insured by the Federal Deposit Insurance Corporation (FDIC); 2) are not a deposit or other obligation of, or guaranteed by, either the Custodian or the Administrator; and 3) are subject to investment risks, including possible loss of the principal amount invested.

Our Privacy Policy: You have chosen to do business with the Custodian and the Administrator. As our client, the privacy of your personal non-public information is very important. We value our customer relationships and we want you to understand the protections we provide in regard to your accounts with us.

Information We May Collect: We collect non-public personal information about you from the following sources to conduct business with you:

- Information we receive from you on applications or other forms;
- Information about your transactions with us, or others;

Non-public personal information is non-public information about you that we may obtain in connection with providing financial products or services to you. This could include information you give us from account applications, account balances, and account history.

Information We May Share: We do not sell or disclose any non-public information about you to anyone, except as permitted by law or as specifically authorized by you. We do not share non-public personal information with our affiliates or other providers without prior approval by you. Federal law allows us to share information with providers that process and service your accounts. All providers of services in connection with the Custodian and Administrator have agreed to the Custodian's and the Administrator's confidentiality and security policies. If you decide to close your account or become an inactive customer, we will adhere to the privacy policies and practices as described in this notice.

Confidentiality and Security: We restrict access to non-public personal information to those employees who need to know that information to provide products and services to you. We maintain physical, electronic, and procedural guidelines that comply with federal standards to guard your non-public personal information. The Custodian and the Administrator reserve the right to revise this notice and will notify you of any changes in advance.

If you have any questions regarding this policy, please contact us at the address and or telephone number listed on this Adoption Agreement.

For office use only:

Custodian or Authorized Representative Signature _____

Date: _____

1. Annual Asset Holding Fees are due when your IRA purchases an asset and annually on the anniversary month of the asset purchase:

Annual Asset Holding Fee – Please choose ONE option:

☐ **Option One:** Fee Based on Number of Investments:
\$295 Per Asset and/or Liability

☐ **Option Two:** Fee Based on Total Account Value

*Account will be
closed if not funded
within 60 days.*

OR

| Total Account Value: | | Annual Asset Fee: |
|----------------------|--------------|-------------------|
| \$0 | \$14,999.99 | \$195 |
| \$15,000 | \$29,999.99 | \$260 |
| \$30,000 | \$44,999.99 | \$325 |
| \$45,000 | \$59,999.99 | \$390 |
| \$60,000 | \$89,999.99 | \$450 |
| \$90,000 | \$124,999.99 | \$525 |
| \$125,000 | \$249,999.99 | \$650 |
| \$250,000 | \$499,999.99 | \$775 |
| \$500,000 | \$749,999.99 | \$1,500 |
| \$750,000 and up | | \$1,850 |

2. Transaction Fees

| | |
|---|---------------------------------------|
| Account set up fee: <i>Fee is due when application paperwork is submitted & includes a copy of <u>The Self Directed IRA Handbook</u>.</i> | \$60 |
| Purchase, Sale, Exchange or Re-Registration of any non-Real Estate Asset/Liability: | \$95 |
| Purchase, Sale, Exchange or Re-Registration of any Real Estate Asset/Liability: | \$125 |
| Outgoing wires: | \$30 each |
| Cashiers or other official bank check: | \$10 each |
| Trust checks | \$5 |
| Overnight mail: | \$30 |
| Returned Items or Stop Payment Request: | \$30 |
| Special services, such as research on any account (including closed accounts), expedited services or additional processing | \$150/hour |
| required for certain complex transactions: Rush fee for services requested within 24 hours | \$100 plus normal transaction charges |
| Account Termination | \$150 |

3. Pay fees by: *Please note there is a \$60 application fee to open an account.*

☐ IRA Account ☐ Visa ☐ Mastercard ☐ Discover ☐ American Express ☐ Check (*made payable to IRA Innovations*)

Credit Card Number: _____ - _____ - _____ - _____

Expiration Date: _____ / _____ Card Identification Number (CVC): _____

Billing Method: ☐ Always charge my credit card ☐ Only charge my credit card if no funds are available in my retirement

Accounts with no credit card on file are required to maintain minimum undirected cash balance as prepayment of fees in the amount of \$500.

Annual asset holding fees are normally withdrawn from your undirected funds within 20 days after the invoice date. In accordance with your plan and trust disclosure which you received as part of your application, Custodial fees are part of the plan and trust disclosure. In accordance with your Account Application, this Fee Disclosure is part of your Agreement with the Administrator and must accompany your Application. If a signed Fee Disclosure is not received with your Application, fees will be based on "Option 2—Account Value". **Custodians Fees.** I agree that Mainstar Trust (MST), Custodian shall be entitled to receive from the assets held in my account, a fee equal in amount to all income that is generated from any undirected cash (defined as any cash in my account not invested pursuant to a specific investment direction by me) which has been deposited by the Custodian into FDIC or other United States government insured financial institutions, United States government securities, or securities that are insured or guaranteed by the United States government as provided by the Plan Agreement and Disclosure. I agree that this fee may be retained by MST as compensation for the services provided by MST in relation to my account. MST may pay all or an agreed portion of this fee to IRA Innovations Inc. as agreed between MST and IRA Innovations, LLC. I acknowledge and agree that MST may hold any Undirected Cash in a deposit or product of any FDIC insured financial institution or in United States government securities or in securities that are insured or guaranteed by the United States government without any further approval or direction by me. I agree that IRA Innovations, LLC may change its fee schedule at any time by giving me 30 days prior written notice. If payment is not received within 20 days from the date reflected on the invoice, a past due notice will be mailed to me and a late fee equal to the lower of (a) 1.5% of the outstanding invoice for every month or partial month that the invoice is outstanding or (b) the maximum late penalty permitted under the state law of Alabama. Additionally, IRA Innovations, LLC may liquidate assets from the account, without notice, for any outstanding fee which has not been paid. If fees are not paid within thirty (30) days after IRA Innovations, LLC has mailed a past due notice, IRA Innovations, LLC will begin the process of closing the account. I understand that any asset distributed directly to me as part of closing my account will be reported to the IRS on Form 1099 and may subject me to possible taxes and penalties. I agree that accounts with past due fees, underfunded accounts, and accounts with zero value will continue to incur administration fees until such time as I notify IRA Innovations, LLC of my intent to close the account or until IRA Innovations, LLC and/or Custodian resigns.

Printed Name _____

Signature _____ Date _____

Use this form to move assets directly from one custodian to your IRA Innovations self-directed IRA without taking receipt of the funds. Do not use this form to make a direct rollover. If you wish to liquidate any assets as part of your transfer to IRA Innovations, ensure that the liquidation process is completed PRIOR to completing this form. Transfer of your funds may be delayed if this step is not taken. The terms and conditions of this document are incorporated into the Account holder's account application (the "Account Application"), and the terms and conditions of the Account Application are incorporated herein. Please return this form to IRA Innovations, the Administrator of your plan.

I. Personal Information

Legal Name: _____ Account #: _____

Legal Address (Required) _____

City, State, Zip _____

Home phone: _____ Fax: _____ Cell: _____

Date of birth (MM/DD/YYYY)

 / /

Social Security Number (Required)

 - -

2. Resigning Custodian/Trustee (Where your funds are currently. Express deliveries cannot be delivered to a PO Box)

Please include a recent statement from the resigning custodian account.

Name of Custodian/Trustee _____ Account number _____

Office address _____

City, State, Zip _____

Phone number: _____ Fax#: _____ Contact name: _____

3. Type of account to be transferred/eligibility (Must transfer to the same type of account at IRA Innovations.)

I am transferring FROM the following type of plan: (Check one.)

☐ Traditional ☐ Roth ☐ Beneficiary IRA ☐ SEP ☐ SIMPLE ☐ ESA ☐ HSA

I am transferring TO the following type of plan: (Check one.)

☐ Traditional ☐ Roth ☐ Beneficiary IRA ☐ SEP ☐ SIMPLE ☐ ESA ☐ HSA

I am an eligible person to perform this transaction: (Check one.)

☐ Account owner ☐ Responsible Individual (ESA) ☐ Death Beneficiary

4. Type of asset to be transferred (Indicate whether this is A. COMPLETE Transfer OR B. PARTIAL Transfer.)

Please indicate what you would like to transfer by indicating CASH and/or IN-KIND. If you need to liquidate investments, please contact your resigning Custodian to ensure the liquidation process is completed PRIOR to submitting this form. *Please select one below.*

Option 1: COMPLETE TRANSFER

- ☐ Cash - Send cash to "IRA Innovations as agent for Custodian FBO [your name] IRA # _____
- ☐ In Kind. *Additional transaction documents are required to facilitate this transfer. Please reference the Incoming In-Kind Transfer Checklist and complete next section on form.*

Option 2: PARTIAL TRANSFER

- ☐ Cash - Send cash to "IRA Innovations as agent for Custodian FBO [your name] IRA # _____
- ☐ In Kind. *Additional transaction documents are required to facilitate this transfer. Please reference the Incoming In-Kind Transfer Checklist and complete next section on form.*

*Please allow five business days for checks and one business day for wires to clear.

5. Description of assets to be transferred: Please attach additional delivery instructions if needed. Fees may apply from your resigning custodian.

| Asset description (For cash balances, please indicate amount.) | Amount |
|--|--------|
| | |
| | |
| | |
| | |

6. Delivery Instructions:

a. How would you like us to send this transfer request to your current resigning Custodian?

- Via ☐ Mail ☐ Express delivery (\$30 fee) - *Cannot express to a PO Box - Please select how you would like to pay the fee:*
- ☐ Fax ☐ Check (Made payable to IRA Innovations)
- ☐ Credit card on file ☐ Credit Card authorization form attached

b. How would you like your cash sent from your resigning Custodian to IRA Innovations?

- Via ☐ Mail/Check ☐ Wire/Electronic (Please note fees may apply from your resigning custodian)
- Please allow five business days to clear. Please allow one business day to clear.*

7. Signature and Acknowledgement (This does not constitute a direct rollover.)

- I understand the rules and conditions applicable to the Account Transfer set forth herein.
- I qualify for the account transfer of assets listed in the Asset Description above and authorize such transfer.
- I understand that no person affiliated with Administrator has any authority to agree to anything different than as set forth herein.
- I hereby agree to the terms and conditions set forth in this Transfer Form and my Account Application.

Account Holder Signature

Date

PRIOR TO SIGNING, PLEASE CONSULT YOUR
RESIGNING CUSTODIAN TO DETERMINE IF A
MEDALLION GUARANTEE STAMP IS REQUIRED

(Medallion Guarantee Stamp)

For office use only

ACCEPTANCE OF RECEIVING CUSTODIAN

Pursuant to a limited written delegation, First Trust Company of Onaga, as Custodian ("Custodian"), has authorized IRA Innovations, LLC to sign this form on Custodian's behalf to verify Custodian's acceptance of the transfer described above and in agreement to apply the proceeds upon receipt to the Account established by IRA Innovations, LLC on the account holders behalf. Custodian ASSUMES NO TRUST OR FIDUCIARY OBLIGATIONS TO ACCOUNT HOLDER AS IT HAS NO INVESTMENT CONTROL OVER ACCOUNT HOLDER'S FUNDS AND ACTS ONLY AS A CUSTODIAN OF ACCOUNT HOLDER'S FUNDS. IRA Innovations, LLC on behalf of Custodian, First Trust Company of Onaga.

By: _____

Date: _____

Account #: _____

Type of Account:

- ☐ Traditional ☐ Roth ☐ Beneficiary IRA ☐ SEP ☐ SIMPLE ☐ ESA ☐ HSA

I. Personal Information All information is required.

Legal Name _____ IRA Innovations Account Type and # _____

Legal Address (no P. O. Box allowed) _____

City, State, Zip _____

Date of birth (MM/DD/YYYY)

Social Security Number (Required)

/

/

—

—

Home phone: _____ Fax: _____ Cell: _____

2. Name of Resigning Custodian/Sponsor

Company Name _____ Account # _____

Legal Address (no P. O. Box allowed) _____

City, State, Zip _____

Contact Name: _____ Contact phone: _____

3. Type of Plan You Are Rolling Over From

☐ Traditional ☐ ROTH ☐ SEP ☐ SIMPLE ☐ HSA ☐ 401K ☐ Other _____

4. Verify that you are eligible to perform this transaction - select one.

I am an eligible person to perform this transaction: (Select one): ☐ Plan participant ☐ Spouse beneficiary of account

☐ Non-spouse beneficiary of account ☐ Ex-Spouse of account due to divorce/legal separation ☐ Responsible individual

5. Rollover Instructions

To Rollover **CASH:**

Rollover Amount: \$ _____

By **CHECK** - Make check payable to IRA INNOVATIONS, LLC as agent for Custodian FBO _____ [your name] By **WIRE** - Please contact our office for wiring instructions
IRA # _____ Please allow one business day for wires to clear.

Please allow five business days for checks clear.

To Rollover **IN-KIND ASSETS:**

Please complete the section below and contact our office regarding the re-registration of your asset.

Asset Description: _____ Amount: _____

Asset Description: _____ Amount: _____

6. Signature Please print this form first, then sign and mail the document to your IRA Innovations office. Please note: Your resigning Custodian may require additional documentation. Please read the following statement carefully

IRA Innovations, L.L.C. ("Administrator") performs record keeping and administration duties in connection with Account holder's self-directed retirement account (the "Account") on behalf of the custodian ("Custodian") as set forth in Account holder's account application (the "Account Application"). The terms and conditions of this document are incorporated into the Account Application, and the terms and conditions of the Account Application are incorporated herein. I hereby agree to the terms and conditions set forth in this Rollover Certification and acknowledge having established an Account through execution of the Account Application. I understand the rules and conditions applicable to a (check one) ☐ Rollover ☐ Direct Rollover, I qualify for the Rollover or Direct Rollover of assets listed in the Asset Liquidation above and authorize such transactions. If this is a Rollover or Direct Rollover, I have been advised to see a tax advisor due to the important tax consequences of rolling assets into a self-directed account. If this is a Rollover or Direct Rollover, I assume full responsibility for this Rollover or Direct Rollover transaction and will not hold Administrator or Custodian of either the distributing or receiving plan liable for any adverse consequences that may result. I understand that no one at Administrator or any of its licensees or franchisees has authority to agree to anything different as set forth herein. If this is a Rollover or Direct Rollover, I irrevocably designate this contribution of assets with a value of \$ _____ as a rollover contribution. By signing this form, I certify that I am completing this rollover within 60 calendar days following the day I received the assets. I have not performed a rollover from an IRA within the last 12 months and the rollover DOES NOT contain my Required Minimum Distribution. If I am a non-spouse beneficiary, this is a direct rollover from an employer plan and the rollover contribution DOES NOT contain my Required Minimum Distribution.

Account holder's Signature: _____ Date: _____

**Simplified Employee Pension—Individual
Retirement Accounts Contribution Agreement**

(Under section 408(k) of the Internal Revenue Code)

Do not file
with the Internal
Revenue Service

(Name of employer) makes the following agreement under section 408(k) of the Internal Revenue Code and the instructions to this form.

Article I—Eligibility Requirements (check applicable boxes—see instructions)

The employer agrees to provide discretionary contributions in each calendar year to the individual retirement account or individual retirement annuity (IRA) of all employees who are at least _____ years old (not to exceed 21 years old) and have performed services for the employer in at least _____ years (not to exceed 3 years) of the immediately preceding 5 years. This simplified employee pension (SEP) ☐ includes ☐ **does not** include employees covered under a collective bargaining agreement, ☐ includes ☐ **does not** include certain nonresident aliens, and ☐ includes ☐ **does not** include employees whose total compensation during the year is less than \$450*.

Article II—SEP Requirements (see instructions)

The employer agrees that contributions made on behalf of each eligible employee will be:

- A.** Based only on the first \$205,000* of compensation.
- B.** The same percentage of compensation for every employee.
- C.** Limited annually to the smaller of \$41,000* or 25% of compensation.
- D.** Paid to the employee's IRA trustee, custodian, or insurance company (for an annuity contract).

Employer's signature and date_____
Name and title**Instructions**

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

Purpose of Form

Form 5305-SEP (Model SEP) is used by an employer to make an agreement to provide benefits to all eligible employees under a simplified employee pension (SEP) described in section 408(k).

Do not file Form 5305-SEP with the IRS. Instead, keep it with your records.

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

Instructions to the Employer

Simplified employee pension. A SEP is a written arrangement (a plan) that provides you with an easy way to make contributions toward your employees' retirement income. Under a SEP, you can contribute to an employee's traditional individual retirement account or annuity (traditional IRA). You make contributions directly to an IRA set up by or for each employee with a bank, insurance company, or other qualified financial institution. When using Form 5305-SEP to establish a SEP, the IRA must be a Model traditional IRA established on an IRS form or a master or prototype traditional IRA for which the IRS has issued a favorable opinion letter. You may not make SEP contributions to a Roth IRA or a SIMPLE IRA. Making the agreement on Form 5305-SEP does not establish an employer IRA described in section 408(c).

When not to use Form 5305-SEP. Do not use this form if you:

1. Currently maintain any other qualified retirement plan. This does not prevent you from maintaining another SEP.
2. Have any eligible employees for whom IRAs have not been established.
3. Use the services of leased employees (described in section 414(n)).
4. Are a member of an affiliated service group (described in section 414(m)), a controlled group of corporations (described in section 414(b)), or trades or businesses under common control (described in sections 414(c) and 414(o)), unless all eligible employees of all the members of such groups, trades, or businesses participate in the SEP.
5. Will not pay the cost of the SEP contributions. Do not use Form 5305-SEP for a SEP that provides for elective employee contributions even if the contributions are made under a salary reduction agreement. Use Form 5305A-SEP, or a nonmodel SEP.

Note. SEPs permitting elective deferrals cannot be established after 1996.

Eligible employees. All eligible employees must be allowed to participate in the SEP. An eligible employee is any employee who: (1) is at least 21 years old, and (2) has performed "service" for you in at least 3 of the immediately preceding 5 years. You can establish less restrictive eligibility requirements, but not more restrictive ones.

Service is any work performed for you for any period of time, however short. If you are a member of an affiliated service group, a controlled group of corporations, or trades or businesses under common control, service includes any work performed for any period of time for any other member of such group, trades, or businesses.

Excludable employees. The following employees do not have to be covered by the

SEP: (1) employees covered by a collective bargaining agreement whose retirement benefits were bargained for in good faith by you and their union, (2) nonresident alien employees who did not earn U.S. source income from you, and (3) employees who received less than \$450* in compensation during the year.

Contribution limits. You may make an annual contribution of up to 25% of the employee's compensation or \$41,000*, whichever is less. Compensation, for this purpose, does not include employer contributions to the SEP or the employee's compensation in excess of \$205,000*. If you also maintain a salary reduction SEP, contributions to the two SEPs together may not exceed the smaller of \$41,000* or 25% of compensation for any employee.

You are not required to make contributions every year, but when you do, you must contribute to the SEP-IRAs of all eligible employees who actually performed services during the year of the contribution. This includes eligible employees who die or quit working before the contribution is made.

Contributions cannot discriminate in favor of highly compensated employees. Also, you may not integrate your SEP contributions with, or offset them by, contributions made under the Federal Insurance Contributions Act (FICA).

If this SEP is intended to meet the top-heavy minimum contribution rules of section 416, but it does not cover all your employees who participate in your salary reduction SEP, then you must make minimum contributions to IRAs established on behalf of those employees.

Deducting contributions. You may deduct contributions to a SEP subject to the limits of section 404(h). This SEP is maintained on a calendar year basis and contributions to the

* For 2005 and later years, this amount is subject to annual cost-of-living adjustments. The IRS announces the increase, if any, in a news release, in the Internal Revenue Bulletin, and on the IRS website at www.irs.gov.

SEP are deductible for your tax year with or within which the calendar year ends. Contributions made for a particular tax year must be made by the due date of your income tax return (including extensions) for that tax year.

Completing the agreement. This agreement is considered adopted when:

- IRAs have been established for all your eligible employees;
- You have completed all blanks on the agreement form without modification; and
- You have given all your eligible employees the following information:

1. A copy of Form 5305-SEP.
2. A statement that traditional IRAs other than the traditional IRAs into which employer SEP contributions will be made may provide different rates of return and different terms concerning, among other things, transfers and withdrawals of funds from the IRAs.
3. A statement that, in addition to the information provided to an employee at the time the employee becomes eligible to participate, the administrator of the SEP must furnish each participant within 30 days of the effective date of any amendment to the SEP, a copy of the amendment and a written explanation of its effects.
4. A statement that the administrator will give written notification to each participant of any employer contributions made under the SEP to that participant's IRA by the later of January 31 of the year following the year for which a contribution is made or 30 days after the contribution is made.

Employers who have established a SEP using Form 5305-SEP and have furnished each eligible employee with a copy of the completed Form 5305-SEP and provided the other documents and disclosures described in *Instructions to the Employer and Information for the Employee*, are not required to file the annual information returns, Forms 5500 or 5500-EZ for the SEP. However, under Title I of the Employee Retirement Income Security Act of 1974 (ERISA), this relief from the annual reporting requirements may not be available to an employer who selects, recommends, or influences its employees to choose IRAs into which contributions will be made under the SEP, if those IRAs are subject to provisions that impose any limits on a participant's ability to withdraw funds (other than restrictions imposed by the Code that apply to all IRAs). For additional information on Title I requirements, see the Department of Labor regulation at 29 CFR 2520.104-48.

Information for the Employee

The information below explains what a SEP is, how contributions are made, and how to treat your employer's contributions for tax purposes. For more information, see Pub. 590.

Simplified employee pension. A SEP is a written arrangement (a plan) that allows an employer to make contributions toward your retirement. Contributions are made to a traditional individual retirement account/annuity (traditional IRA). Contributions must be made to either a Model traditional IRA executed on an IRS form or a master or prototype traditional IRA for which the IRS has issued a favorable opinion letter.

An employer is not required to make SEP contributions. If a contribution is made, however, it must be allocated to all eligible employees according to the SEP agreement. The Model SEP (Form 5305-SEP) specifies that the contribution for each eligible employee will be the same percentage of compensation (excluding compensation greater than \$205,000*) for all employees.

Your employer will provide you with a copy of the agreement containing participation rules and a description of how employer contributions may be made to your IRA. Your employer must also provide you with a copy of the completed Form 5305-SEP and a yearly statement showing any contributions to your IRA.

All amounts contributed to your IRA by your employer belong to you even after you stop working for that employer.

Contribution limits. Your employer will determine the amount to be contributed to your IRA each year. However, the amount for any year is limited to the smaller of \$41,000* or 25% of your compensation for that year. Compensation does not include any amount that is contributed by your employer to your IRA under the SEP. Your employer is not required to make contributions every year or to maintain a particular level of contributions.

Tax treatment of contributions. Employer contributions to your SEP-IRA are excluded from your income unless there are contributions in excess of the applicable limit. Employer contributions within these limits will not be included on your Form W-2.

Employee contributions. You may make regular IRA contributions to an IRA. However, the amount you can deduct may be reduced or eliminated because, as a participant in a SEP, you are covered by an employer retirement plan.

SEP participation. If your employer does not require you to participate in a SEP as a condition of employment, and you elect not to participate, all other employees of your employer may be prohibited from participating. If one or more eligible employees do not participate and the employer tries to establish a SEP for the remaining employees, it could cause adverse tax consequences for the participating employees.

An employer may not adopt this IRS Model SEP if the employer maintains another qualified retirement plan. This does not prevent your employer from adopting this IRS Model SEP and also maintaining an IRS Model Salary Reduction SEP or other SEP. However, if you work for several employers, you may be covered by a SEP of one employer and a different SEP or pension or profit-sharing plan of another employer.

SEP-IRA amounts—rollover or transfer to another IRA. You can withdraw or receive funds from your SEP-IRA if, within 60 days of receipt, you place those funds in the same or another IRA. This is called a "rollover" and can be done without penalty only once in any 1-year period. However, there are no restrictions on the number of times you may make "transfers" if you arrange to have these funds transferred between the trustees or the custodians so that you never have possession of the funds.

Withdrawals. You may withdraw your employer's contribution at any time, but any amount withdrawn is includible in your income unless rolled over. Also, if withdrawals

occur before you reach age 59½, you may be subject to a tax on early withdrawal.

Excess SEP contributions. Contributions exceeding the yearly limitations may be withdrawn without penalty by the due date (plus extensions) for filing your tax return (normally April 15), but are includible in your gross income. Excess contributions left in your SEP-IRA after that time may have adverse tax consequences. Withdrawals of those contributions may be taxed as premature withdrawals.

Financial institution requirements. The financial institution where your IRA is maintained must provide you with a disclosure statement that contains the following information in plain, nontechnical language:

1. The law that relates to your IRA.
2. The tax consequences of various options concerning your IRA.
3. Participation eligibility rules, and rules on the deductibility of retirement savings.
4. Situations and procedures for revoking your IRA, including the name, address, and telephone number of the person designated to receive notice of revocation. This information must be clearly displayed at the beginning of the disclosure statement.
5. A discussion of the penalties that may be assessed because of prohibited activities concerning your IRA.
6. Financial disclosure that provides the following information:
 - a. Projects value growth rates of your IRA under various contribution and retirement schedules, or describes the method of determining annual earnings and charges that may be assessed.
 - b. Describes whether, and for when, the growth projections are guaranteed, or a statement of the earnings rate and the terms on which the projections are based.
 - c. States the sales commission for each year expressed as a percentage of \$1,000.

In addition, the financial institution must provide you with a financial statement each year. You may want to keep these statements to evaluate your IRA's investment performance.

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

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

| | |
|---|----------------|
| Recordkeeping | 1 hr., 40 min. |
| Learning about the law or the form | 1 hr., 35 min. |
| Preparing the form | 1 hr., 41 min. |

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