Form **5305**
(Rev. April 1980)
Department of the Treasury
Internal Revenue Service

Individual Retirement Trust Account

(Under Section 408(a) of the Internal Revenue Code)

Do NOT File with Internal Revenue Service

State of ▶ ..... } SS ☐ Amendment

County of ▶

This Agreement, entered into as of this ..... day of ....., 19....., by and between ..... (hereinafter referred to as "Grantor") (Grantor's date of birth ..... and social security number .....), presently residing at ....., and ..... (hereinafter referred to as "Trustee"), having its principal place of business at .....

Witnesseth:

Whereas, the Grantor desires to provide for his/her retirement and for the support of his/her beneficiaries upon his/her death;

Whereas, to accomplish this purpose, the Grantor desires to establish an individual retirement account as described in section 408(a) of the Internal Revenue Code of 1954, as amended, or any successor statute (hereinafter re

(a) a single sum payment,
(b) an annuity contract providing equal or substantially equal monthly, quarterly or annual payments commencing not later than the close of such taxable year over the life of the Grantor,
(c) an annuity contract providing equal or substantially equal monthly, quarterly or annual payments commencing not later than the close of such taxable year over the joint and last survivor lives of the Grantor and his/her spouse,
(d) equal or substantially equal monthly, quarterly or annual payments commencing not later than the close of such taxable year over a period certain not extending beyond the life expectancy of the Grantor, or
(e) equal or substantially equal monthly, quarterly or annual payments commencing not later than the close of such taxable year over a period certain not extending beyond the joint life and last survivor expectancy of the Grantor and his/her spouse.

Notwithstanding that distributions may have commenced pursuant to option (d) or (e), the Grantor may receive a distribution of the balance in the trust account at any time upon written notice to the Trustee. If the Grantor fails to elect any of the methods of distribution described above on or before the close of his/her taxable year in which he/she attains the age of 70½, distribution to the Grantor will be made prior to the close of such taxable year by a single sum payment. If the Grantor elects a mode of distribution under (b) or (c) above, such annuity contract must satisfy the requirements of sections 408(b)(1), (3), (4) and (5) of the Code. If the Grantor elects a mode of distribution under (d) or (e) above, figure the payments made in tax years beginning in the tax year the Grantor reaches age 70½ as follows:

(i) For the minimum annual payment, divide the Grantor's entire interest in the trust at the beginning of each year by the life expectancy of the Grantor (or the joint life and last survivor expectancy of the Grantor and his/her spouse, or the period specified under (d) or (e) (whichever applies)). Determine the life expectancy in either case as of the date the Grantor reaches 70½ minus the number of whole years passed since the Grantor became age 70½.
(ii) For the minimum monthly payment, divide the result in (i) above by 12.
(iii) For the minimum quarterly payment, divide the result in (i) above by 4.

2. If the Grantor dies before his/her entire interest in the trust is distributed to him/her, or if distribution has been commenced, as provided in (e) above, to his/her surviving spouse and such surviving spouse dies before the entire interest is distributed to such spouse, the entire interest of the remaining undistributed interest shall, within five years after the Grantor's death or the death of the surviving spouse, be distributed in a single sum or be applied to purchase an immediate annuity for the beneficiary or beneficiaries of the Grantor or his/her surviving spouse. The terms of such annuity shall provide for payments over the life of the beneficiary or beneficiaries or for a term certain not exceeding the life expectancy of such beneficiary or beneficiaries. Any annuity contract so purchased shall be immediately distributed to such beneficiary or beneficiaries. However, no such annuity contract shall be required to be purchased if distributions over a term certain commenced before the death of the Grantor and the term certain is for a period permitted under (d) or (e) above.

Article V

Except in the case of the Grantor's death or disability (as defined in section 72(m) of the Code) or attainment of age 59½, before distributing an amount from the account, the Trustee shall receive from the Grantor a declaration of the Grantor's intention as to the disposition of the amount distributed.

Article VI

1. The Grantor agrees to provide information to the Trustee at such time and in such manner and containing such information as may be necessary for the Trustee to prepare any reports required pursuant to section 408(i) of the Code and the regulations thereunder.
2. The Trustee agrees to submit reports to the Internal Revenue Service and the Grantor at such time and in such manner and containing such information as is prescribed by the Internal Revenue Service.

Article VII

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through III and this sentence shall be controlling. Furthermore, any such additional article shall be wholly invalid, if it is inconsistent, in whole or in part, with section 408(a) of the Code and the regulations thereunder.

Article VIII

This Agreement shall be amended, from time to time, in order to comply with the provisions of the Code and regulations thereunder. Furthermore, other amendments may be made upon consent of the undersigned.

Note: *The following space (Article IX) is made available for any provisions you might wish to add. If you do not wish to add any such provisions, line through this space. If additional provisions are added, however, such provisions must comply with applicable requirements of State law and the Internal Revenue Code.*

Article IX

In witness whereof, the Grantor who has caused these presents to be signed and the Trustee, to evidence its acceptance of these presents, have hereunto set their hands and seals, on the date and year first above written.

Grantor ▶ .....

Attest ▶ .....
(Use this space if the signature of the Grantor or the Trustee is required to be witnessed)

Trustee ▶

Instructions

(References are to the Internal Revenue Code)

General Instructions

This is to be an agreement between an individual and the individual's trustee and is not to be filed with the Internal Revenue Service.

This model trust may be used by an individual who wishes to adopt an individual retirement account pursuant to section 408(a). When fully executed by the Grantor and the Trustee not later than the time prescribed by law for filing the Federal income tax return for the Grantor's taxable year (including any extensions thereof), an individual will have an individual retirement account (IRA) trust which meets the requirements of section 408(a). This trust must be created in the United States for the exclusive benefit of the Grantor or his/her beneficiaries.

Spousal IRA's

Contributions to an IRA trust for a nonworking spouse must be contributed to a separate IRA trust established by the nonworking spouse. This form may be used to establish the IRA trust for the nonworking spouse.

An employee's Social Security Number will serve as the identification number of his/her individual retirement account. An Employer Identification Number is **not** required for each individual retirement account, nor for a common fund created for such individual retirement accounts.

For further information obtain a copy of the required disclosure statement from your trustee or obtain **Publication 590,** Tax Information on Individual Retirement Savings Programs, from your local Internal Revenue Service office.

Definitions

Trustee.—The trustee must be a bank or savings and loan association, as defined in section 581, a Federally insured credit union or such other person who has the approval of the Internal Revenue Service to act as trustee.

Grantor.—The grantor is the person who establishes the trust.

Specific Instructions

Article IV.—Distributions to be made under this article may be made in a single sum, periodic payments, or a combination thereof. The distribution option should be reviewed in the year the Grantor reaches age 70½ to make sure that section 408 (a)(6) has been complied with. For example, if a Grantor elects distribution over a period permitted in (d) or (e) of Article IV, the period may not extend beyond the life expectancy of the Grantor at age 70½ (under option (d)) or the joint life and last survivor expectancy of the Grantor (at age 70½) and the Grantor's spouse (under option (e)). For this purpose, life expectancies must be determined by use of the expected return multiples in section 1.72–9 of the Income Tax Regulations (26 CFR Part 1). The balance in the account as of the beginning of each taxable year beginning on or after the Grantor attains age 70½ shall be used in computing the payments described in (d) and (e) of Article IV. Article IV does not preclude a mode of distribution different from those described in (a) through (e) of Article IV prior to the close of the taxable year of the Grantor in which he/she attains age 70½.

Article IX.—This article and those that follow could incorporate additional provisions that are agreed upon by the Grantor and Trustee to complete the agreement. These may include, for example: definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of trustee, trustee's fees, state law requirements, time of commencement of distributions, accepting only cash, treatment of excess contributions, prohibited transactions with the Grantor, etc. If additional pages are necessary, they may be executed and attached as needed.

Note: *This form may be reproduced and reduced in size for adoption to passbook or card purposes.*

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