Form **5305**
(Rev. December 1987)
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 ▶

Grantor's name _____ Grantor's date of birth _____

Grantor's social security number _____ Grantor's address _____

Trustee's name _____ Trustee's address or principal place of business _____

The Grantor whose name appears above is establishing an individual retirement account (under section 408(a) of the Internal Revenue Code) to provide for his or her retirement and for the support of his or her beneficiaries after death.

The Trustee named above has given the Grantor the disclosure statement required under the Income Tax Regulations under section 408(i) of the Code.

The Grantor has assigned the trust _____ dollars ($ _____) in cash.

The Grantor and the Trustee make the following agreement:

Article I

The Trustee may accept additional cash contributions on behalf of the Grantor for a tax year of the Grantor. The total cash contributions are limited to $2,000 for the tax year unless the contribution is a rollover contribution described in section 402(a)(5), 402(a)(7), 403(a)(4), 403(b)(8),

(e) Equal or substantially equal annual payments over a specified period that may not be longer than the joint life and last survivor expectancy of the Grantor and his or her designated beneficiary.

Even if distributions have begun to be made under option (d) or (e), the Grantor may receive a distribution of the balance in the trust account at any time by giving written notice to the trustee. If the Grantor does not choose any of the methods of distribution described above by the April 1 following the calendar year in which he or she reaches age 70 ½, distribution to the Grantor will be made on that date by a single sum payment. If the Grantor elects as a means of distribution (b) or (c) above, the annuity contract must satisfy the requirements of section 408(b)(1), (3), and (4) of the Code. If the Grantor elects as a means of distribution (d) or (e) above, the annual payment required to be made by the Grantor's required beginning date is for the calendar year the Grantor reached age 70½. Annual payments for subsequent years, including the year the Grantor's required beginning date occurs, must by made by December 31 of that year.

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

(a) If the Grantor dies on or after the Grantor's required beginning date, distribution must continue to be made in accordance with paragraph 1.

(b) If the Grantor dies before the Grantor's required beginning date, the entire remaining interest will, at the election of the beneficiary or beneficiaries, either

(i) Be distributed by the December 31 of the year containing the fifth anniversary of the Grantor's death, or

(ii) Be distributed in equal or substantially equal payments over the life or life expectancy of the designated beneficiary or beneficiaries.

The election of either (i) or (ii) must be made by December 31 of the year following the year of the Grantor's death. If the beneficiary or beneficiaries do not elect either of the distribution options described in (i) and (ii), distribution will be made in accordance with (ii) if the beneficiary is the Grantor's surviving spouse, and in accordance with (i) if the beneficiary or beneficiaries are or include anyone other than the surviving spouse. In the case of distributions under (ii), distributions must commence by the December 31 of the year following the year of the Grantor's death. If the Grantor's spouse is the beneficiary, distributions need not commence until the December 31 of the year the Grantor would have attained age 70 ½, if later.

(c) If the Grantor dies before his or her entire interest has been distributed and if the beneficiary is other than the surviving spouse, no additional cash contributions or rollover contributions may be accepted in the account.

3. In the case of distribution over life expectancy in equal or substantially equal annual payments, to determine the minimum annual payment for each year, divide the Grantor's entire interest in the trust as of the close of business on December 31 of the preceding year by the life expectancy of the Grantor (or the joint life and last survivor expectancy of the Grantor and the Grantor's designated beneficiary, or the life expectancy of the designated beneficiary, whichever applies). In the case of distributions under paragraph (1), determine the initial life expectancy (or joint life and last survivor expectancy) using the attained ages of the Grantor and designated beneficiary as of their birthdays in the year the Grantor reaches age 70 ½. In the case of distribution in accordance with paragraph (2)(b)(ii), determine life expectancy using the attained age of the designated beneficiary as of the beneficiary's birthday in the year distributions are required to commence. Unless the Grantor (or spouse) elects not to have life expectancy recalculated, the Grantor's life expectancy (and the life expectancy of the Grantor's spouse, if applicable) will be recalculated annually using their attained ages as of their birthdays in the year for which the minimum annual payment is being determined. The life expectancy of the designated beneficiary (other than the spouse) will not be recalculated. The minimum annual payment may be made in a series of installments (e.g., monthly, quarterly, etc.) as long as the total payments for the year made by the date required are not less than the minimum amounts required.

Article V

Unless the Grantor dies, is disabled (as defined in section 72(m) of the Code), or reaches age 59½ before any amount is distributed from the trust account, the Trustee must receive from the Grantor a statement explaining how he or she intends to dispose of the amount distributed.

Article VI

1. The Grantor agrees to provide the Trustee with information necessary for the Trustee to prepare any reports required under section 408(i) of the Code and related regulations.

2. The Trustee agrees to submit reports to the Internal Revenue Service and the Grantor as 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 will be controlling. Any additional articles that are not consistent with section 408(a) of the Code and related regulations will be invalid.

Article VIII

This agreement will be amended from time to time to comply with the provisions of the Code and related regulations. Other amendments may be made with the consent of the persons whose signatures appear below.

Note: *The following space (Article IX) may be used for any other provisions you wish to add. If you do not wish to add any other provisions, draw a line through this space. If you add provisions, they must comply with applicable requirements of State law and the Internal Revenue Code.*

Article IX

Grantor's signature _____

Trustee's signature _____

Date _____

Witness _____

(Use only if signature of the Grantor or the Trustee is required to be witnessed.)

Instructions

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

Purpose of Form

This model trust may be used by an individual who wishes to adopt an individual retirement account under 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 tax year (not 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.

Definitions

Trustee.—The trustee must be a bank or savings and loan asociation, as defined in section 408(n), or 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 account.

IRA for Non-Working Spouse

Contributions to an IRA trust account for a non-working spouse must be made to a separate IRA trust account established by the non-working spouse.

This form may be used to establish the IRA trust for the non-working spouse.

An employee's social security number will serve as the identification number of his or her individual retirement account. An employer identification number is only required for each participant-directed individual retirement account. An employer identification number is required for a common fund created for individual retirement accounts.

For more information, get a copy of the required disclosure statement from your trustee or get **Publication 590,** Individual Retirement Arrangements (IRAs).

Specific Instructions

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

Article IX.—This Article and any that follow it may 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, beginning date of distributions, accepting only cash, treatment of excess contributions, prohibited transactions with the grantor, etc. Use additional pages if necessary and attach them to this form.

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

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