Form **5305**
(Rev. November 1983)
Department of the Treasury
Internal Revenue Service

Individual Retirement Trust Account

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

OMB No. 1545-0365

Do NOT File with Internal Revenue Service

State of ▶ ______________ } SS
County of ▶ ______________

☐ Amendment

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), 405(d)(3), 408(d)(3), or 409(b)(3)(C) of the Code or an employer contribution to a simplified employee pension plan as described in section 408(k).

Article II

The Grantor's interest in the balance in the trust account is nonforfeitable.

Article III

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

2. No part of the trust funds may be invested in collectibles (within the meaning of section 408(m) of the Code).

Article IV

1. The Grantor's entire interest in the trust account must be, or begin to be, distributed before the end of the tax year in which the Grantor reaches age 70½. By the end of that tax year, the Grantor may elect, in a manner acceptable to the trustee, to have the balance in the trust account distributed in:

(a) A single sum payment.

(b) An annuity contract that provides equal or substantially equal monthly, quarterly, or annual payments over the life of the Grantor. The payments must begin by the end of that tax year.

(c) An annuity contract that provides equal or substantially equal monthly, quarterly, or annual payments over the joint and last survivor lives of the Grantor and his or her spouse. The payments must begin by the end of the tax year.

(d) Equal or substantially equal monthly, quarterly, or annual payments over a specified period that may not be longer than the Grantor's life expectancy.

(e) Equal or substantially equal monthly, quarterly, or 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 spouse.

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 end of the tax year in which he or she reaches age 70½, distribution to the Grantor will be made before the end of that tax year 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), (4), and (5) of the Code. If the Grantor elects as a means of distribution (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 account 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 or her spouse, or the period specified under (d) or (e), whichever applies). Determine the life expectancy in either case on the date the Grantor reaches 70½ minus the number of whole years passed since the Grantor became 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 or her entire interest in the account is distributed to him or her, or if distribution is being made as provided in (e) above to his or her surviving spouse, and the surviving spouse dies before the entire interest is distributed, the entire remaining undistributed interest will, within 5 years after the Grantor's death or the death of the surviving spouse, be distributed to the beneficiary or beneficiaries of the Grantor or the Grantor's surviving spouse. However, the preceding distribution is not required if distributions over a specified term began before the death of the Grantor and the term is for a period permitted under (d) or (e) above and distributions continue over that period.

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.

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.)

Paperwork Reduction Act Notice

The Paperwork Reduction Act of 1980 says that we must tell you why we are collecting this information, how it is to be used, and whether you have to give it to us. The information is used to determine if you are entitled to a deduction for contributions to this trust. Your completing this information is only required if you want a qualified individual retirement account.

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 (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 not required for each individual retirement account, nor 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 (IRA's).

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. For example, if a Grantor elects distributions 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 using 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 tax year beginning on or after the Grantor reaches age 70½ will 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 tax year of the Grantor in which he/she reaches age 70½.

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.*

U.S. GOVERNMENT PRINTING OFFICE. 1984-421-108/251