

**Individual Retirement Custodial Account**  
(Under Section 408(a) of the Internal Revenue Code)

Do NOT File  
with Internal  
Revenue Service

State of \_\_\_\_\_ } SS  Amendment  
County of \_\_\_\_\_

Depositor's name \_\_\_\_\_ Depositor's date of birth \_\_\_\_\_  
Depositor's social security number \_\_\_\_\_ Depositor's address \_\_\_\_\_  
Custodian's name \_\_\_\_\_ Custodian's address or principal place of business \_\_\_\_\_

The Depositor 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 Custodian named above has given the Depositor the disclosure statement required under the Income Tax Regulations under section 408(i) of the Code.  
The Depositor assigned the custodial account \_\_\_\_\_ dollars (\$ \_\_\_\_\_) in cash.  
The Depositor and the Custodian make the following agreement:

**Article I**

The Custodian may accept additional cash contributions on behalf of the Depositor for a tax year of the Depositor. 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), 408(d)(3) of the Code or an employer contribution to a simplified employee pension plan as described in section 408(k).

**Article II**

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

**Article III**

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

**Article IV**

1. The Depositor's entire interest in the custodial account must be or begin to be, distributed by the Depositor's required beginning date, the April 1 following the calendar year end in which the Depositor reaches age 70½. By that date, the Depositor may elect, in a manner acceptable to the Custodian, to have the balance in the custodial 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 Depositor. The payments must begin by April 1 following the calendar year in which the Depositor reaches age 70½.
- (c) An annuity contract that provides equal or substantially equal monthly, quarterly, or annual payments over the joint and last survivor lives of the Depositor and his or her designated beneficiary. The payments must begin by the April 1 following the calendar year in which the Depositor reaches age 70½.
- (d) Equal or substantially equal annual payments over a specified period that may not be longer than the Depositor's life expectancy.
- (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 Depositor and his or her designated beneficiary.

Even if distributions have begun to be made under option (d) or (e), the Depositor may receive a distribution of the balance in the custodial account at any time by giving written notice to the Custodian. If the Depositor 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 70½, distribution to the Depositor will be made on that date by a single sum payment. If the Depositor 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 Depositor elects as a means of distribution (d) or (e) above, the annual payment required to be made by the Depositor's required beginning date is for the calendar year the Depositor reached age 70½. Annual payments for subsequent years, including the year the Depositor's required beginning date occurs, must be made by December 31 of that year.

2. If the Depositor 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 Depositor dies on or after the Depositor's required beginning date, distribution must continue to be made in accordance with paragraph 1.
  - (b) If the Depositor dies before the Depositor'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 Depositor'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 Depositor'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 Depositor'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 December 31 of the year following the year of the Depositor's death. If the Depositor's spouse is the beneficiary, distributions need not commence until December 31 of the year the Depositor would have attained age 70½, if later.

- (c) If the Depositor 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 Depositor's entire interest in the Custodial account as of the close of business on December 31 of the preceding year by the life expectancy of the Depositor (or the joint life and last survivor expectancy of the Depositor and the Depositor'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 Depositor and designated beneficiary as of their birthdays in the year the Depositor reaches age 70½. 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 Depositor (or spouse) elects not to have life expectancy recalculated, the Depositor's life expectancy (and the life expectancy of the Depositor'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 Depositor dies, is disabled (as defined in section 72(m) of the Code), or reaches age 59½ before any amount is distributed from the custodial account, the Custodian must receive from the Depositor a statement explaining how he or she intends to dispose of the amount distributed.

Article VI

- 1. The Depositor agrees to provide the Custodian with information necessary for the Custodian to prepare any reports required under section 408(i) of the Code and related regulations.
2. The Custodian agrees to submit reports to the Internal Revenue Service and the Depositor 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

Depositor's signature
Custodian's signature
Date
Witness
(Use only if signature of the Depositor or the Custodian is required to be witnessed.)

Instructions

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

Purpose of Form

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

Definitions

Custodian.—The custodian must be a bank or savings and loan association, as defined in section 408(n), or other person who has the approval of the Internal Revenue Service to act as custodian.

Depositor.—The depositor is the person who establishes the custodial account.

IRA for Non-Working Spouse

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

This form may be used to establish the IRA custodial account 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 custodian 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 Depositor 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 depositor and custodian to complete the agreement. These may include, for example: definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of custodian, custodian's fees, state law requirements, beginning date of distributions, accepting only cash, treatment of excess contributions, prohibited transactions with the depositor, 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.