



The IRA Card CheckingSM New Account Kit

SELF-DIRECTED RETIREMENT PLAN SERVICES | SELF-DIRECTED RETIREMENT PLAN SERVICES | SELF-DIRECT

Welcome to Entrust!

www.TheEntrustGroup.com



Access Your Self-Directed IRA Funds *Instantly* with the *IRA Card Checking*SM

Introducing the IRA Card CheckingSM

The *IRA Card Checking*SM is a demand deposit account that allows instant access to your IRA funds. With the *IRA Card Checking*SM account, access your IRA funds with an *IRA Card*SM (debit card) or your *IRA Card Checks*SM. You may request checks, the debit card, or both.

The *IRA Card Checking*SM is great, especially to:

- Take required minimum distributions
- Access funds while on vacation
- Access funds to maintain property held in your IRA
- Access funds to pay expenses for businesses held in your IRA
- Purchase or make deposits on investments for your IRA
- And more!

How It Works

As you know, the IRS requires documentation for all transactions that occur in a self-directed IRA account, regardless of whether it's a deposit, a withdrawal or an expense payment for an asset in your IRA.

With the *IRA Card Checking*SM, once a transaction is made, simply complete the *IRA Card Checking*SM *Transaction Authorization Form* supplied in your welcome kit. The fill-in PDF form is located at www.TheEntrustGroup.com/Welcome_Kit. Send the completed form and any receipts to your local office within 30 days of the transaction. Otherwise, the transaction will be reported as a distribution to the IRS.

To use the checks or card to take a required minimum distribution or for purchases related to your IRA asset, you must first deposit funds to the *IRA Card Checking*SM account from your Entrust self-directed IRA account.

Frequently Asked Questions:

1. How can I use the IRA Card CheckingSM?

The *IRA Card Checking*SM may be used for:

- The purchase of goods or services for the IRA itself.
- Taking distributions from your IRA, which may or may not be taxable.

For example, you may purchase assets or services for your IRA when:

- **Your IRA owns real property.** The property may need a repair. It is necessary to use the IRA's own assets for the repair. By using the *IRA Card Checking*SM, you may access the funds in the IRA to pay for the supplies and labor associated with the improvements or repairs to the property.
- **Purchasing tax lien certificates at auction.** Use the *IRA Card Checking*SM to execute the purchase.
- **Taking a distribution.** Make purchases for personal use easily and conveniently with the *IRA Card Checking*SM account. Keep in mind that this may be a taxable distribution from the IRA.

2. How do I open an IRA Card CheckingSM Account?

Complete the *IRA Card Checking*SM *Buy Direction Form*. Indicate the initial transfer amount (minimum \$1,000) and whether you would like *IRA Card Checks*SM, the *IRA Card*, or both.

3. How do I use my IRA CardSM at the ATM or a merchant?

- **Withdrawing money at the ATM:** To withdraw money from an ATM, you will need the *IRA Card Checking*SM PIN number that was supplied when you opened your account. Next, select **checking option** as the account type for the withdrawal.
- **When making purchases at a merchant:** Use the **credit option**. To complete the transaction, simply sign the credit card receipt.

4. How do I ensure my purchase is not counted as a distribution?

To ensure your transaction is not counted as a distribution, submit a completed *IRA Card Checking*SM *Transaction Authorization Form* within 30 days of the transaction.

On the form, explain the nature of the expenditure and how it relates to the asset of the IRA. Providing accurate information enables the transaction to be considered an expense to the IRA and prevents the expenditure from being reported as a distribution.

When issuing an *IRA Card Check*SM for the purchase, indicate the IRA asset in the check memo field.

Attach the sales receipt and the credit/debit card slip to the completed form. Retain a copy for your records.

Finally, mail or fax the form along with the transaction receipts to your local office. Make sure that the form, the receipts and the transaction description adequately demonstrate that the activity was for the repair and maintenance of an asset held within your IRA account.

For more detailed information on the deadlines for reporting transactions, see the *Deadlines* section in your *IRA Card Checking*SM *Disclosure Statement*.

5. What happens if I forget to submit the Transaction Authorization form for my purchase?

If the *IRA Card Checking*SM *Transaction Authorization Form* and accompanying documents are not submitted or if they do not adequately reflect that the expenditure was for an asset in the IRA, the Administrator is required to file a report with the IRS showing a distribution from the IRA (IRS form 1099-R). Any amount distributed may be subject to taxes and penalties, as noted in the *IRA Card Checking*SM *Disclosure Statement*.

6. What do I do if my IRA CardSM or IRA Card ChecksSM are lost or stolen?

If your card or checks are lost or stolen, there is no statutory limit to the amount that can be lost. This may be unlike the limitations of your personal accounts. Therefore, it is important to keep your IRA CardSM and IRA Card ChecksSM safe and secure. To report your IRA CardSM lost or stolen, call (800) 821-3899 during business hours (9:00 a.m. 5:00 p.m. PST) and (800) 288-3899 after business hours. To report lost or stolen checks, please call your local Entrust office during their normal operating business hours.

7. Are there fees associated with the IRA Card CheckingSM?

Yes. Please see the *IRA Card CheckingSM Buy Direction Form* for all applicable fees.

8. How long does it take to receive the IRA Card CheckingSM?

It takes approximately three to four weeks to receive your card, once you've submitted the *IRA Card CheckingSM IRA Card CheckingSM Buy Direction Form*.

9. How long does it take before my funds are available in my IRA Card CheckingSM account?

Once your IRA Card CheckingSM account has been established, allow up to two (2) business days from the transfer request date before the funds are available for use in your account. Making changes to your account including adding and removing funds may only be made on regular business days.

10. How often may I transfer funds into the IRA Card CheckingSM account?

You may transfer funds as often as you like. There are no fees associated with fund transfers. To add funds to your IRA Card CheckingSM account, complete the appropriate section on the *IRA Card CheckingSM Transaction Authorization Form* and submit the form to your local office.

11. What is a Prohibited Transaction? How do I avoid making a Prohibited Transaction using the IRA Card CheckingSM account?

Some types of self-directed transactions violate the basic intent of your IRA and may subject your account to risks and penalties. Your retirement plan is intended to benefit you when you retire and not before. Transactions that can be interpreted as providing immediate financial gain to the account holder or other disqualified persons are not allowed.

The IRA Card CheckingSM protects you from conducting a prohibited transaction. All transactions are considered distributions unless detailed information is provided validating that the transaction was for the benefit of the IRA.

As an Administrator, we rely on the information and documentation that you provide within the time limits specified in the *IRA Card CheckingSM Disclosure*.

The IRA CardSM, The IRA Card CheckingSM, and The IRA Card CheckSM are registered service marks licensed exclusively to The Entrust Group. Visa is a registered Trademarks of Visa.

For more information, see the *Prohibited Transactions* section in the Disclosure Statement.

12. Can I use the IRA Card CheckingSM to satisfy my Required Minimum Distribution requirements (RMD) for the year?

Yes. For example, you may want to spend some of your IRA retirement savings on travel. The IRA Card CheckingSM account provides a convenient way to use the money in your IRA for retirement expenses, no matter where you are in the world.

When you use the IRA Card CheckingSM for Required Minimum Distributions, the amount withdrawn from your IRA may be taxable. It is not necessary to send in an *IRA Card CheckingSM Transaction Authorization Form* for these transactions, as the funds are being used for distribution purposes.

For a Roth IRA, the amount you withdraw is not subject to tax.

For more information, refer to the *IRA Card CheckingSM Disclosure Statement* regarding required minimum distributions and IRA taxation amounts.

13. How do I decide if my distributions will or will not be subject to tax withholding?

On the *IRA Card CheckingSM Buy Direction Form*, indicate whether or not you would like any taxes withheld from your distributions. If you elect to have taxes withheld from your account, then any time you use your *IRA Card CheckingSM* account for a taxable distribution, your local office will withdraw the funds and pay the required withholding amount to the IRS and state tax authorities (if applicable). If you elect not to have tax withheld, the taxes will not be withdrawn from the account.

Please see the *IRA CardSM Disclosure Statement* for information regarding the responsibility of the IRA participant to pay estimated taxes and the possibility of inadequate estimated taxes if you do not elect to have taxes withheld.

14. Can I use my IRA CardSM in another country?

Yes. You can use your IRA CardSM wherever VISA is accepted. You may also use the card at foreign ATM machines. Please see the *IRA Card CheckingSM Buy Direction Form* for fees and limits.

15. What happens if I still have funds in my IRA Card CheckingSM at the end of the calendar year?

The funds will remain in your IRA Card CheckingSM and are considered part of your IRA Trust assets until they are used. IRA Card CheckingSM transactions not completed before 10 p.m. (PST) on 12/31 of the respective year will be counted for the following year.

If you do not use the IRA Card CheckingSM for six months, the account will be considered dormant and the funds remaining may be re-deposited to the uninvested cash in your IRA. You will receive a dormant or inactive letter prior to the funds transfer.

16. Can I add personal funds to the IRA Card CheckingSM?

No. The funds in the IRA Card CheckingSM account may not be co-mingled with personal funds. The only method of funding your IRA Card CheckingSM is by transferring funds from your Entrust account to your IRA Card CheckingSM account.

17. What happens if I need to return an item purchased with the IRA CardSM or IRA Card ChecksSM?

If you made the purchase with the IRA CardSM, have the merchant credit the IRA CardSM for the return. Cash refunds should not be given to you for purchases made with the IRA CardSM or an IRA Card CheckSM. Cash back from the merchant would be considered a taxable distribution. See the *Distributions Made in Error* section in the *IRA Card CheckingSM Disclosure Statement* to correct distributions if the refund was intended for the IRA.

18. How do I place a stop payment on a check?

Complete the *Stop Payment* portion of the *IRA Card CheckingSM Transaction Authorization Form*. Once the form is completed and signed, mail or fax it to your local office.

19. Can I use my IRA Card CheckingSM to take cash advances at financial institutions?

Yes. You can use your IRA CardSM for cash advances, cash withdrawals at ATM's and point of sale or signature-based transactions. Please see the *IRA Card CheckingSM Buy Direction Form* for fees and limits.

20. Does the IRA Card CheckingSM have limits?

Yes. Please see the *IRA Card CheckingSM Buy Direction Form* for all applicable limits.

21. Can I make contributions directly to the IRA Card CheckingSM?

Yes. Contributions may be made directly to the IRA Card CheckingSM account using an ATM, ACH or wire transfer. Once the funds have been deposited, complete *Section E* of the *IRA CardSM Transaction Authorization Form* and send it to your local office.

22. Can I use my IRA Card CheckingSM for IRA rollover or transfer transactions?

Yes. Please see the *IRA Card CheckingSM Disclosure Statement* for rollover and transfer information.

23. Can I initiate wire and ACH (automated clearing house) debits from the IRA Card CheckingSM?

Wire debits are allowed. Complete the wiring instructions form and mail or fax it to your local Entrust office. ACH debits are not permitted.

IRA Card Checkingsm Buy Direction Form

_____ performs record keeping and administration of your IRA on behalf of the custodian named in the disclosure statement received when the account was established will not review the merits of obtaining or using an IRA Card Checkingsm.

General Information

1. Your Name (as it appears on your account application)	2. Mother's Maiden Name	3. Last four SSN digits	4. Account number
5. Birthplace (City, State)	6. Address		7. Expected uses
8. Request is for:			9. Amount (\$1,000 minimum)
<input type="checkbox"/> IRA Card sm <input type="checkbox"/> IRA Card Checks sm <input type="checkbox"/> IRA Card sm and IRA Card Checks sm			

10. IRA Card Checkingsm fees <ul style="list-style-type: none"> Annual Administration Fee: \$75.00 Monthly Maintenance Administration Fee: \$20.00* Point of sale / Signature transaction fee or check clearing fee: \$5.00* Card Re-Issuance Fee (lost or stolen cards): \$25.00 Non-Sufficient Funds (NSF) Transaction: \$25.00 (no daily max limit) Excess Contribution Return Fee \$25.00 <p><small>* Monthly Maintenance and POS / Signature transaction fees not charged for IRA Card Checkingsm only used to satisfy required minimum distributions (RMD's). * Owner / operator may also impose a fee. * Reference your account fee schedule for all miscellaneous fees</small></p>	11. IRA Card Checkingsm limits <ul style="list-style-type: none"> Minimum IRA Card Checkingsm Opening Balance: \$1,000.00 Domestic ATM Withdrawal Maximum: \$500.00* International ATM Withdrawal Maximum: \$500.00* Signature-Based Transactions: \$750.00* Point-of-Sale Based Transactions: \$750.00* Cash Advance Limit: \$500.00* Check issue limit equals cash available in IRA Card Checkingsm** <p><small>* Limits are based on a 24-hour period. Different transaction limits may apply depending on the terminals or ATM's used. ** Available cash equals the cash in your IRA Card Checkingsm minus any outstanding items not yet presented for payment.</small></p>
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12. IRA Card Checkingsm fees paid by: Annual fee due when this form is submitted. If no indication is made fees will be deducted from your uninvested cash balance if available.

Choose one: Your account Credit card Card type: _____ Card number: _____

Check

Exact Name on card: _____

Security code: _____ Expiration date: _____

Signature: _____

13. Distributions: You must complete this section for any transactions that are or may be considered distributions from your IRA.

Premature distribution (under 59½) Normal distribution (age 59½ or older) Distributions are being used for qualified expenses

14. Withholding election (Choose either Option 1 OR 2. Complete this section regardless of the distribution type chosen).

Option 1. Withhold federal income tax at the rate of _____% (not less than 10%) plus an additional amount of \$_____ from the amount withdrawn.

Option 2. Effective _____, I elect not to have federal income tax withheld. (Must have US Residence address on file.) I understand that I am still liable for the payment of Federal income tax on the taxable amount. I also understand that I may be subject to tax penalties under the estimated tax payment rules, if my payments of estimated tax and withholding, if any, are not adequate.

I certify that I am the proper party to receive payment(s) from this IRA, and that all information provided by me is true and accurate. I acknowledge that I have read the Notice of Withholding below and have completed the Withholding Election above. I further certify that no tax advice has been given to me by the Administrator, Custodian or Trustee, that distributions are reported to the IRS, and that all decisions regarding this withdrawal are my own. I expressly assume the responsibility for any adverse consequences, which may arise from this withdrawal, and I agree that the Administrator, Custodian or Trustee shall in no way be responsible for those consequences. I declare that I have examined this document, including accompanying information, and to the best of my knowledge and belief, it is true, correct, and complete. **Please read the disclosure above the signature line before signing and dating.**

Signature: _____ Date: _____

15. Notice of withholding on distributions from IRAs

The distributions you receive from your individual retirement account established at this institution are subject to Federal income tax withholding unless you elect not to have withholding apply. You may elect not to have withholding apply to your distribution payments by completing the "Withholding Election" section above. If you do not complete the "Withholding Election" section by the date your distribution is scheduled to begin, Federal income tax will be withheld from the amount withdrawn at a rate of 10% (or a higher percentage if elected above). If you elect not to have withholding apply to your distribution payments, or if you do not have enough Federal income tax withheld from your distribution, you may be responsible for payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient. Federal income tax withholding does not apply to Roth IRA distributions, except in the case of a return of an excess contribution plus earnings. The earnings will be taxable, even if the recipient otherwise meets the definition of a qualified distribution. The earnings attributable to an excess contribution made to a Roth IRA are subject to Federal income tax withholding at the rate of 10%, unless the recipient of the distribution checks the box above or fills in a different percentage. If you elect not to have Federal Income Tax withheld on the earnings attributable to an excess contribution you understand it is your responsibility to notify the Administrator of the amount to be withheld. You understand that your account is self-directed and that the Administrator and Custodian named in the disclosure statement received when the account was established will not review the merits, appropriateness and/or suitability of any investment in general, or in connection with my account in particular. You acknowledge that you have not requested that your administrator provide, and the Administrator has not provided, any advice with respect to the investment directive set forth in this form. You understand that neither the Administrator nor Custodian determine whether this investment is acceptable under the Employee Retirement Income Securities Act (ERISA), the Internal Revenue Code, or any applicable federal, state, or local laws, including securities laws. You understand that it is your responsibility to ensure compliance with these requirements. You understand that no one with the Administrator or any of its licensees has authority to agree to anything different than your foregoing understandings of Entrust policy. You understand the Administrator nor Custodian is a fiduciary for your account as such term is defined in the Internal Revenue Code, ERISA, or any applicable federal, state or local laws. You agree to release, indemnify, defend and hold Administrator and Custodian harmless from any claims arising from the issuance of your IRA Card Checkingsm in compliance with ERISA, the Internal Revenue Code or any other applicable federal, state or local laws. You also understand and agree that Administrator and Custodian will not be responsible to take any action. You are directing (Company name) and the Custodian to complete this transaction as specified above. You confirm that this decision is in accordance with the rules of your account, and you agree to hold harmless and without liability Administrator and Custodian of your account. You assume all responsibility in ensuring that the Administrator is provided with full instructions (including, but not limited to, amounts, expected use, account number, tax withholding, ... etc.). This shall be valid and in full force and effect until revoked in writing to Administrator. You authorize the Administrator to receive statements and transaction information related to your IRA Card Checkingsm. You understand this is necessary for proper record keeping and reporting under IRS rules and regulations. The Administrator will NEVER disburse or sell any client information without the signed approval of you, as its client. You understand that in no event shall the Administrator be liable for any consequential, special, incidental, punitive or indirect loss or damage which you may incur or suffer in connection with this agreement, the IRA Card Checkingsm, unauthorized transactions or authorized transactions. You declare that you have examined this document, the IRA Card Checkingsm disclosure and accompanying information. **You agree to the terms and conditions stated therein, and to the best of your knowledge and belief, it is true, correct, and complete. Do not email this form. Email is not a secure medium. Please send this form to the local office listed at the top of this form. Please read the disclosure above before signing and dating.**

Signature: _____ Date: _____

IRA Card Checkingsm Disclosure Statement

The information covered in this IRA Card Checkingsm Disclosure Statement applies to any IRA Card Checkingsm that you maintain at _____ . Information regarding charges, regulations and policies may change, and we will inform you of these changes. We may change (add to, delete or alter) the terms of this IRA Card Checkingsm Disclosure Statement at any time by mailing a notice, statement message or an amended disclosure statement to you at your last known address. In this disclosure statement, and all IRA Card Checkingsm related forms, the words "you" and "yours" refer to the IRA holder or owner; "we," "us," "company" and "Administrator" refer to _____ .

Definitions

1. **"Account Holder"** means the IRA owner that has opened an IRA Card Checkingsm as a result of a direct request by the Administrator. For your protection, and the protection of your retirement account with the Administrator, only the "Account Holder" should have access to and use the IRA Card Checkingsm. You agree that if you make your IRA Card Checkingsm available to others, the Administrator or Custodian are not liable for any claims, suits, demands, actions, proceedings, judgments, penalties, damages, losses, liabilities, costs and expenses.
 - 1.1 **"Administrator"** refers to the provider through which your Self-Directed IRA is maintained.
 - 1.2 **"Authorized Signer"** means the individuals with signature authority on the IRA Card Checkingsm. One or more signers delegated by Administrator will have signing authority on all IRA Card Checkingsm accounts for balancing, maintenance and inquiry purposes only. Signers delegated by Administrator will not have access to your IRA Card or IRA Cardsm Checks.
 - 1.3 **"Authorized User"** means "Account Holder" that has received an IRA Card or IRA Cardsm Checks as a result of a direct request by the Administrator. For your protection, and the protection of your retirement account with the Administrator, only the "Account Holder" should have access to and use (with or without PIN) the IRA Cardsm. You agree that if you make your IRA Cardsm or PIN available to others, the Administrator or Custodian are not liable for any claims, suits, demands, actions, proceedings, judgments, penalties, damages, losses, liabilities, costs and expenses.
 - 1.4 **"Card"** means an IRA Cardsm issued by Custodian or a vendor delegated by Custodian which is a debit card. The IRA Cardsm belongs to the Custodian in its capacity as Custodian of your IRA. The Custodian makes it available to you as a convenient way to enable you to access funds in your IRA. If the Custodian or the Administrator determines that you are using the card for other purposes, the Custodian or the Administrator reserves the right to terminate the IRA's card privileges.
 - 1.5 **"Card Activation"** refers to activating your IRA Cardsm upon receipt. You will call the number provided to activate your card. The IRA Cardsm can't be used without being activated.
 - 1.6 **"Card Holder"** means you, in your capacity as the recipient of an IRA Cardsm acquired from Custodian or a vendor delegated by Custodian that has been activated as a result of a direct request by the Administrator.
 - 1.7 **"Checking"** means an IRA Card Checkingsm issued by Custodian in the name of International Bank and Trust FBO your name and IRA number. The IRA Card Checkingsm belongs to the Custodian in its capacity as Custodian of your IRA. The Custodian makes it available to you as a convenient way to enable you to access funds in your IRA. If the Custodian or the Administrator determines that you are using the checking for other purposes, the Custodian or the Administrator reserves the right to terminate the IRA's checking privileges.
 - 1.8 **"Checks"** means IRA Card Checks issued by Custodian or a vendor delegated by Custodian which is a check. The IRA Card Checks belong to the Custodian in its capacity as Custodian of your IRA. The Custodian makes it available to you as a convenient way to enable you to access funds in your IRA. If the Custodian or the Administrator determines that you are using the checks for other purposes, the Custodian or the Administrator reserves the right to terminate the IRA's check privileges.
 - 1.9 **"Custodian"** is disclosed in your Form 5305 Account Disclosure you received at the time your IRA was opened.
 - 1.10 **"Limitations"** means limits on withdrawals and purchases. For security reasons and for your protection there may be times when we further limit the amounts. Different Limitations may apply based on the merchants and terminals used for transactions. You were advised of any and all limitations on your IRA Card Checkingsm Buy Direction Form.
 - 1.11 **"Third Party Bank"** is International Bank and Trust (IBT), a New Hampshire Banking Corporation. IBT is responsible for requesting and properly vesting your IRA Card Checkingsm on behalf of the Administrator.
 - 1.12 **"Transactions"** refers to any time your IRA Cardsm is used for ATM, Point of Sale (POS) or Signature based purchases, returns or exchanges, or when an IRA Card Checksm is written and presented as a form of payment. When you use your IRA Cardsm to pay for goods and services, certain merchants may ask us to authorize the transaction in advance and may estimate its final amount. When we authorize the transaction, we commit to make the requested funds available when the transaction finally settles and may place a temporary hold on the account for the amount specified by the merchant. Until the transaction finally settles or we determine that it is unlikely to be processed, the funds subject to the hold will not be available for any other purpose. We will only charge the account for the correct amount of the final transaction and will release any excess when the transaction finally settles. Neither Custodian or the Administrator are responsible or liable if a transaction is charged to your IRA Cardsm before a hold expires or if the amount of the hold placed for a reported transaction exceeds the amount of the actual transaction charged to your IRA Cardsm.

Terms of Use

2. **Account Inactivity.** If at any point there has been no activity in your IRA Card Checkingsm for six (6) consecutive months, the funds remaining may be re-deposited to your regular uninvested funds in your IRA. The IRA Card Checkingsm account will be closed once the transfer has been completed. There will be no expense to you for this transaction.
- 2.1 **Asset Purchase.** Your IRA Card Checkingsm can be used to purchase an asset or used for an earnest money deposit. The vesting of title for an asset purchased with the IRA Cardsm, or IRA Card Checks, if that asset is intended to be an asset of your IRA, must read: (Administrator Name) FBO (Your Name) IRA (Account Number)
- 2.2 **Card and PIN (Personal Identification Number) Security.** You have an obligation to us to safeguard your IRA Cardsm and will take reasonable steps to prevent its unauthorized use. You accept responsibility for any failure to safeguard your card. This means storing the card in a secure location. You must not disclose or otherwise make your card or PIN available to others, and if you do, you authorize all transactions initiated by any such persons even if they exceed the authority (whether by the number or amount of such transactions) you gave them. For security reasons, you must not write your PIN on your card or keep it in the same location as your card. You must notify us immediately if your card is lost or stolen, your PIN has been compromised or you notice any unauthorized activity.
- 2.3 **Cash Refunds on Purchases.** Cash refunds should not be given to you for purchases made with your IRA Cardsm or IRA Card Checks. If a merchant gives you a credit for merchandise returns or adjustments paid with your IRA Cardsm, it may do so by processing a credit adjustment, and upon receipt, a credit will be applied to your IRA Cardsm. Cash back from the merchant is a taxable distribution. (See Distributions section for ways to correct distributions if you intended for the amount to remain in the IRA).
- 2.4 **Checks.** You have an obligation to us to safeguard your checks and will take reasonable steps to prevent their unauthorized use. You accept responsibility for any failure to safeguard your checks. This means storing the checks in a secure location. You must not make your checks available to others, and if you do, you authorize all transactions initiated by any such persons even if they exceed the authority (whether by the number or amount of such transactions) you gave them. You must notify us immediately if your checks are lost or stolen, your account has been compromised or you notice any unauthorized activity.
- 2.5 **Contributions** directly to your IRA Card Checkingsm are permitted. You can make contributions to your IRA Card Checkingsm via ATM, ACH or wire. Any contributions made to your IRA Card Checkingsm will be swept automatically to the uninvested cash within your IRA. Contributions can be made to your IRA and then the funds can be transferred to your IRA Card Checkingsm. See your account disclosure for the rules and regulations of IRA contributions.
- 2.6 **Deadlines.** Deadlines refers to the timing of submitting your IRA Card Checkingsm Transaction Authorization Form and transaction receipts to the Administrator, and the date and time cutoff for transaction reporting. The IRA Card Checkingsm Transaction Authorization Form needs to be completed and submitted to your Administrator within thirty (30) calendar days of the transaction to avoid incorrect reporting. If the transaction is a distribution, no further action is required. IRA Card Checkingsm transactions need to be completed in the same year they are reported. Therefore, all transactions need to be completed before 10:00 pm Pacific Standard Time (PST) on 12/31 of the applicable year to be recorded for that year. Any checks issued will need to have been presented to the bank for payment by the specified deadline. Any transactions completed after will be recorded for the following year. This includes any transactions made in any other time zone in the world, or outstanding checks that haven't cleared the account.
- 2.7 **Declines or Overdrafts.** The IRA Card Checkingsm does not have overdraft, or credit privileges. The amount that you can spend using the IRA Cardsm or IRA Card Checkssm will be limited to the amount of money in uninvested funds within your IRA. This is true regardless of the purpose of the use. If you wish to make an expenditure using the IRA Cardsm or IRA Card Checkssm for an amount that is more than the amount currently in your cash account, you may liquidate another asset in your IRA. You may also transfer from one of your other IRA or Qualified Plan assets into the cash account. This will require instructing the Custodian to liquidate a portion of another asset (such as a mutual fund), which may take several days to complete, depending on the nature of your self directed investment. See the Sell Direction letters on our website at www.theentrustgroup.com for instructions on how liquidate investments and move the money to your uninvested funds within your IRA. Then you must direct that the funds be moved from your uninvested funds within your IRA to your IRA Card Checkingsm.
- 2.8 **Distributions.** Using your IRA Card Checkingsm for Distributions from your IRA may be fully or partially taxable. (Please refer to your account disclosure for more details on Distributions). Each IRA Cardsm or IRA Card Checksm transaction will be considered a distribution until information to support the purchase of an IRA asset or maintenance of an existing IRA asset is provided to the Administrator in accordance with the information provided herein. The IRA Card Checkingsm Transaction Authorization Form needs to be completed and submitted to your Administrator within thirty (30) calendar days of the transaction to avoid incorrect reporting. Transactions using IRA Card Checkssm are counted as an official transaction when the check pays against the IRA Card Checkingsm. If the transaction is a distribution, no further action is required. If you are under age 59 1/2 and receive a premature distribution from your IRA, an additional 10% excise tax may apply on the taxable amount of the distribution unless an exception applies. All withdrawals from your IRA (except certain transfers and recharacterization) are subject to Federal income tax withholding. You may, however, elect not to have withholding apply to your IRA distribution in most cases. If your distribution or withdrawal is subject to Federal Tax Backup Withholding, then standard IRS withholding rates will apply. In addition to Federal tax withholding, distributions from IRAs may also be subject to state income tax withholding.
- 2.9 **Distributions Made in Error.** When there is a taxable distribution, the Custodian will file a Form 1099-R with the IRS, showing that the amount was distributed from the IRA, whether it is a traditional or Roth in accordance with IRS regulations. A copy of this form will be sent to you by January 31. If you intended for the amount to remain in the IRA, there may be a limited opportunity to correct the situation, by providing supporting or missing documentation proving that the funds were used for a non-taxable purpose. If you provide this information by March 15, the Custodian will provide a revised 1099-R to you and will file only the corrected one with the IRS. If you provide this information between March 16 and the end of the following year, the

Custodian will prepare and file a revised 1099-R, and will charge you a fee for correcting the filing. You may also reverse the consequence of a taxable distribution from your IRA is to redeposit, or rollover, the amount of the distribution within 60 days. This may be done only once in any 12-month period. A redeposit of this type is considered to be an IRA-to-IRA rollover. The rules for IRA-to-IRA rollovers state that there can be only one such rollover for each of the IRA's that you have during any 12-month period. Therefore, if you have made some other IRA-to-IRA rollover (including a rollover that was used to establish your Entrust IRA in the first place) within the preceding 12-month period, this option of re-depositing funds will not be available to you. Based on this limitation, it is clear that this option is something that, while occasionally useful, should not be relied upon to correct taxable uses of your IRA Card Checkingsm on a regular basis. (See the IRA Disclosure Statement for IRA-to-IRA Rollovers.

- 2.10 **Expiration.** All IRA Card Checks will expire (become stale dated) six (6) months from issuance unless canceled by Custodian, the Administrator or Account Holder before the end of that period.
- 2.11 **Fees.** The fee schedule on the IRA Card Checkingsm Buy Direction Form describes the most frequently encountered fees associated with the IRA Card Checkingsm. Fees are not prorated and may be deducted automatically from your account. If insufficient funds are available in your IRA to cover your fees, we may transfer funds from your IRA Card Checkingsm to your IRA. Annual IRA Card Checkingsm fee must be paid when the IRA Card Checkingsm Buy Direction Form is submitted. Annual IRA Card Checkingsm fee and monthly maintenance fees can be paid up to one year in advance at the discretion of the Account Holder. Monthly IRA Card Checkingsm fees will be invoiced quarterly. At all times, unless otherwise agreed in writing by the Administrator, IRA Card Checkingsm fees are subject to change with thirty (30) calendar day written notice to all Account Holders.
- 2.12 **Funds.** Whenever you request the Administrator to open an IRA Card Checkingsm for your IRA, sufficient funds need to be available in your uninvested cash within your Self-Directed IRA. The Deposit Funds shall be used solely to fund the account up to the amount of the Deposit Funds made available within your account. Once funded, the balances are kept in the account until depleted by Card usage, Check usage and/or Account Maintenance Fees. When an account is re-issued, the remaining balance will be transferred to the new Account minus any applicable fees if any.
- 2.13 **Funds Transfer Requests.** Please allow up to two (2) business days from the request date before the funds will be available for use in your IRA Card Checkingsm.
- 2.14 **Interest.** Interest is not paid on funds that are transferred to your IRA Card Checkingsm.
- 2.15 **Minimum Amounts.** IRA Card Checkingsm must be opened with a minimum amount of \$1,000.00.
- 2.16 **Off-Line or System Unavailable Transactions.** In a rare instance the system is down or off-line and a transaction processes for more funds than you have available, your account will become overdrawn. Since the IRA Card Checkingsm does not allow overdraft or have credit privileges, this needs to be addressed immediately. You will be required to make a contribution (see your account disclosure for contribution rules and regulations) or liquidate a portion of another asset to cover the overdraft. Once the funds are in your IRA, the money will be transferred to your IRA Card Checkingsm to cover the overdraft. There is a NSF fee for each non-sufficient funds transaction with no daily maximum. Please see the IRA Card Checkingsm Buy Direction Form for NSF. The IRA Card Checkingsm belongs to the Custodian in its capacity as Custodian of your IRA. The Custodian makes it available to you as a convenient way access funds from your IRA. If the Custodian determines that you are abusing the IRA Cardsm or IRA Card Checkssm, the Custodian reserves the right to terminate the IRA's Checking privileges.
- 2.17 **Prohibited Transactions.** Notwithstanding anything contained herein to the contrary, the Custodian or the Administrator will not lend any part of the corpus or income of the account to; pay any compensation for personal services rendered to the account to; make any part of its services available on a preferential basis to; acquire for the account any property, other than cash, from; or sell any property to, Account Holder, any member of an Account Holder's family, or a corporation controlled by Account Holder through the ownership, directly or indirectly, of 50 percent or more of the total combined voting power of all classes of stock entitled to vote, or of 50 percent or more of the total value of shares of all classes of stock of such corporation. If you or your beneficiary engage in a prohibited transaction (as defined under Section 4975 of the Internal Revenue Code (IRC)) with your IRA, it will lose its tax exemption and you must include the value of your account in your gross income for that taxable year. If you pledge any portion of your IRA as collateral for a loan, the amount so pledged will be treated as a distribution and will be included in your gross income for that year. If the IRA property in your IRA was subject to any prohibited transaction, and you have used the IRA Cardsm or IRA Card Checkssm in any way involving the prohibited transaction, all activity involving the IRA Cardsm or IRA Card Checkssm are subject to the Prohibited Transaction rules under Section 4975 of the IRC.
- 2.18 **Rollovers** are allowed from another IRA in partial or full amounts. You are not required to rollover the entire amount received from the first IRA. However, any amount you don't roll over will be taxed at ordinary income for federal income tax purposes. Any rollovers made directly to your IRA Card Checkingsm will be swept automatically to your uninvested cash within your IRA. You may use your IRA Card Checkingsm to transfer funds from your self-directed IRA established with your Administrator as a rollover contribution to another IRA, if the custodian of the receiving IRA accepts the IRA Cardsm or IRA Card Checks. The custodian receiving the rollover contribution must provide a copy of the rollover paperwork to the the Administrator for reporting purposes. Rollover rules apply as stated in this agreement. (See the IRA Disclosure statement for IRA to IRA roll overs).
- 2.19 **Statements.** Statements will be mailed to your address on file with the Administrator on a monthly basis. The Administrator will also receive a copy of the statement for record keeping and reporting purposes under IRS rules and regulations.
- 2.20 **Stop Payments.** Stop Payments may need to be placed on IRA Card Checkssm you have issued from your IRA Card Checkingsm. You will need to complete the stop payment portion of the IRA Card Checkingsm Transaction Authorization Form and fax it to your Administrator.
- 2.21 **Termination of your IRA Card Checkingsm.** Termination of your IRA Card Checkingsm and/or the Agreement will not affect any payment obligations of the Account Holder pursuant to the IRA Card Checkingsm Buy Direction Form and/or the Agreement. Termination or cancellation of your IRA Card Checkingsm must be made in writing to the Administrator. Any remaining funds in the IRA Card Checkingsm will be transferred to your IRA minus the applicable fees disclosed on the IRA Cardsm Buy Direction Form, if any.

2.22 **Transfer.** A Direct transfer of all or a portion of your funds can be deposited in your IRA Card Checkingsm. Direct transfers are not a taxable distribution. Any transfers made directly to your IRA Card Checkingsm will be swept automatically to the uninvested cash within your IRA.

3. **Confidentiality.** The Administrator and Custodian collect non-public personal information ("NPPI") about you from your application and other forms. We do not disclose NPPI about Account Holders or former Account Holders to anyone, except as permitted by law or with the Account Holder's consent. We maintain physical, electronic and procedural safeguards that comply with federal standards to guard your NPPI. We restrict access to NPPI to those employees who need to know that information to provide services to you. We prohibit our service providers from disclosing or using NPPI except as necessary to carry out the purposes for which the information was provided.

Indemnifications and Waivers

4. **Account Holder Indemnity.** Account Holder shall indemnify, defend and hold the Administrator and its officers, directors, agents and employees harmless from and against all claims, suits, demands, actions, proceedings, judgments, penalties, damages, losses, liabilities, costs and expenses (including, without limitation, reasonable legal and expert witness fees) resulting from any and all third-party claims against Account Holder arising from or relating to: (a) any unauthorized representation, warranty, act or omission made by Account Holder in connection with the Administrator, IRA Cardsm, IRA Card Checks or Services; (b) any breach of a representation or warranty made by Account Holder hereunder; (c) any action or inaction by Account Holder or any of its agents which caused or is alleged to have caused damage to the person or property of a third-party; (d) any consequential, special, theft or incidental damages; or (e) the authorized or unauthorized use of the IRA Cardsm, Card number with or without PIN or IRA Card Checks for any and all transactions not done by Account Holder.

4.1 **Limitation of Liability.** NOTWITHSTANDING ANYTHING ELSE IN THE DISCLOSURE OR OTHERWISE, TO THE MAXIMUM EXTENT PERMITTED BY LAW: NEITHER ACCOUNT HOLDER NOR THE ADMINISTRATOR WILL BE LIABLE TO THE OTHER WITH RESPECT TO ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY CHARACTER REGARDLESS OF THE LEGAL OR EQUITABLE THEORY OF RECOVERY OR WITH RESPECT TO THE COST OF PROCURING SERVICES OR TECHNOLOGY, OR ANY LIABILITY FOR ANY FAILURE OR DELAY DUE TO MATTERS BEYOND ITS REASONABLE CONTROL; AND NEITHER THE ADMINISTRATOR NOR ITS LICENSORS WILL BE LIABLE TO ACCOUNT HOLDER (OR ANY PARTY CLAIMING UNDER OR THROUGH ACCOUNT HOLDER) FOR ANY AMOUNTS IN EXCESS OF THE LESSER OF ACCOUNT HOLDER'S DAMAGES CAUSED BY THE ADMINISTRATOR'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. THE LIMITATION OF LIABILITY DISCLOSED DOES NOT APPLY TO THE EXTENT THAT APPLICABLE LAW PROHIBITS SUCH A LIMITATION.

4.2 **Waiver.** The waiver or failure of the Administrator to exercise in any respect any right that it has will not be deemed a waiver of that right in any other circumstances or a waiver of any further rights.

4.3 **Warranty Disclaimer.** NEITHER THE ADMINISTRATOR NOR ITS LICENSORS MAKES ANY WARRANTIES TO ACCOUNT HOLDER WITH RESPECT TO THE CARDS, CHECKS OR ANY SERVICES, OR MATERIALS DESCRIBED IN THIS DISCLOSURE. THE ADMINISTRATOR AND ITS LICENSORS HAVE DISCLAIMED ALL WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, WITH RESPECT TO THE CARDS, CHECKS OR THE SERVICES, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANT ABILITY, FITNESS FOR A PARTICULAR PURPOSE.

Miscellaneous

5. **Amendments.** From time to time the Administrator or Custodian may add to, delete or change the terms and conditions described in this disclosure. We will give you reasonable notice in writing before the amendment becomes effective if the amendment will result in increased fees or liability to you or impose stricter limitations on the transfers that you may make using the IRA Cardsm or IRA Card Checks. The Administrator or Custodian may also close your IRA Card Checkingsm at any time upon reasonable notice to you and transfer the account balance back to your self-directed IRA, after applying any fees applicable to that transfer.

5.1 **Disputes.** Disputes for IRA Cardsm or IRA Card Checksm transactions and purchases will be handled by the Administrator. Unless otherwise required by law, an action or proceeding by you to enforce an obligation, duty or right arising under the IRA Card Checkingsm arrangement or by law with respect to your Card, Checks or any service must be commenced within one year after the cause of action accrues.

5.2 **Force Majeure** The Administrator will not be liable for any delays or failure to perform (other than any payment or confidentiality obligation) as a direct result of causes beyond the control of the Administrator and not due to the negligence on the part of the Administrator for delay or failure, including, but not limited to, acts of God (such as fire, storm, earthquake), electrical outages, labor disputes, wars, hostilities, revolutions, riots, civil commotion, national emergency, unavailability of supplies, epidemics, force of nature or explosion or any law, proclamation, regulation, ordinance or other act or order of any court, government or governmental agency.

5.3 **IRA Card Checkingsm Requests.** Each IRA Card Checkingsm request is subject to acceptance by the Administrator and Custodian and must include information as reasonably requested by the Administrator or Custodian from time to time at their sole discretion. Accepted requests will be filled by the Administrator and delivered in accordance with all regulatory requirements and in accordance with the Administrator's standard delivery policies, as amended from time to time by the Administrator.

5.4 **Reports and Records** The Administrator is authorized to receive statements and transaction activity related to your IRA Card Checkingsm. This is necessary for the Administrator to maintain complete and accurate record keeping for proper reporting under IRS rules and regulations.