RealTrust
IRA ALTERNATIVES, LLC

SELF-DIRECTED IRA APPLICATION & ADOPTION AGREEMENT

Real Choice. Real Control. Real Wealth.

1. IRA PARTICIPANT INFORMATION

Legal Name:

Address:

City, State, Zip: Phone Number:

Mailing Address: (if different)

Social Security #: Marital Status: Date of Birth:

Email Address: Occupation:

PLEASE INCLUDE A LEGIBLE COPY OF YOUR CURRENT DRIVER'S LICENSE OR PASSPORT WITH APPLICATION

2. ACCOUNT TYPE

- ○ Traditional IRA ☐ This is an Inherited IRA Account (Additional Documentation is required)
- ○ Roth IRA Deceased's Name:
- ○ SEP IRA Employer Name:
- ○ Simple IRA Employer Name:

3A. BENEFICIARY DESIGNATION

Name: Primary ○ Contingent ○
SSN: Date of Birth: Relationship: Percentage:

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SSN: Date of Birth: Relationship: Percentage:

Name: Primary ○ Contingent ○
SSN: Date of Birth: Relationship: Percentage:

In the event of my death, the balance in the account shall be paid to the Primary Beneficiaries who survive me in equal shares (or in the specified percentage shares, if indicated). If the Primary or Contingent Beneficiary box is not checked for a beneficiary, the beneficiary will be deemed to be a Primary Beneficiary. If none of the Primary Beneficiary (ies) survive me, the balance in the account shall be paid to the Contingent Beneficiary (s) who survive me in equal shares (or in the specified percentage shares, if indicated).

3B. CONSENT OF SPOUSE

I consent to the above Beneficiary Designation. Note: Consent of the IRA Participant's Spouse may be required in a community property or marital property state to effectively designate a beneficiary other than or in addition to the IRA Participant's Spouse. Disclaimer For Community and Marital Property States: The IRA Participant's Spouse may have a property interest in the account and the right to dispose of the interest by will. Therefore, Administrator and Custodian disclaim any warranty as to the effectiveness of the IRA Participant's Beneficiary Designation or as to the ownership of the account after the death of the IRA Participant's Spouse. For additional information, please consult your legal and/or tax advisor.

Spouse's Signature: ____ Date: ______________

4. METHOD OF PAYMENT

A. Please refer to our current Fee Agreement & Schedule of Charges. Fees and Charges are subject to change.

○ Option A (Fee assessed per Asset) OR ○ Option B (Fee assessed on Aggregate Value of Account)

B. I agree to pay the fees and charges owing hereunder according to the following method (choose one option box):

○ Debit this IRA Account ○ Invoice Me ○ Charge my Credit Card (per CC authorization below)

The Fee Agreement & Schedule of Charges attached hereto is hereby incorporated herein by this reference.

C. Credit Card Authorization. (Please complete this section to authorize fees and charges to be paid by credit card.)

Name of Cardholder:

Credit Card Number:

Expiration Date: Security Code:

Cardholder Billing Address:

5. INTERESTED 3rd PARTY AUTHORIZATION

I hereby authorize Administrator and Custodian (as identified in Paragraph 8 below) to provide the individual named herein access to information contained in my account. I understand that this authorization is for informational purposes only and that the named individual may not conduct transactions on my behalf (unless I have also granted such individual my power of attorney. I understand that I may revoke this authorization by providing written notice to Administrator at any time.

Interested Party Name: Phone Number:

Address:

Fax Number: Email Address:

6. PRIVACY POLICY STATEMENT

RealTrust IRA Alternatives, LLC (RIA) and Horizon Trust Company, LLC (HTC) take your privacy seriously. This privacy statement provides information about the personal information that RIA and/or FTC collects, and the ways in which RIA and/or FTC uses that personal information.

Collection of Personal Information. RIA and/or HTC may collect and use the following kinds of personal information: information about your use of our website and forms; information that you provide for the purpose of applying for an account; information about transactions carried out utilizing our services; and any other information that you provide to RIA and/or HTC.

Using Personal Information. RIA and/or HTC may use your personal information to: open and administer your account; provide on-line access to your account; deliver products or services to you; send you statements and invoices; collect payments from you; and send you informative communications. Where RIA and/or HTC discloses your personal information to its principals, employees, agents or sub-contractors for these purposes, the given principal, employee, agent or sub-contractor shall be obligated to use that personal information in accordance with the terms of this privacy statement and applicable law. In addition to the disclosures reasonably necessary for the purposes identified elsewhere above, RIA and/or HTC may disclose your personal information to the extent that it is required to do so by law, in connection with any legal proceedings or prospective legal proceedings, and in order to establish, exercise or defend its legal rights.

Securing your Personal Information. RIA and/or HTC will take commercially reasonable technical and organizational measures to prevent the loss, misuse or alteration of your personal information and will store all the personal information you provide on its secure servers.

USA Patriot Act. To cooperate with the US Government's efforts to combat the funding of terrorism and money laundering activities, Federal Law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. Accordingly, when you open an account with RIA and/or HTC we will request your name, address, date of birth, driver's license/passport, and other information that will enable us to identify you with reasonable certainty.

Updating this Statement. RIA and/or HTC may update this privacy policy by periodically posting a new version on its website (www.realtrustgroup.com).

FEE AGREEMENT & SCHEDULE OF CHARGES

RealTrust IRA ALTERNATIVES, LLC

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INITIAL ACCOUNT ESTABLISHMENT FEE (one time charge when account is opened): $50

MINIMUM CASH REQUIREMENT (Amount that must be maintained in the account at all times): $500

ALTERNATIVE INVESTMENT ADMINISTRATION FEE

○ **OPTION "A": Fee assessed per asset held in the account. Fee applies annually to each asset held in account; Debt–Financing associated with an investment is charged as a separate asset. Example: One Investment = $250 or Four Investments (including debt-financing) = $1,000. Fees are assessed at time of account establishment, on the anniversary date thereof and at time of asset acquisition. The Minimum Fee is assessed at time of account establishment.**

○ **OPTION "B": Fee Assessed on Aggregate Value of Account. Fee is calculated on highest aggregate value of account during annual term. Minimum Annual Administration Fee: $150. Fees are calculated on a tiered basis. For example: if value equals $20,000 the annual fee will total $170; if value equals $70,000 the annual fee will total $505. Maximum annual fee: $1,950. Fees are assessed at time of account establishment, on the anniversary date thereof and at time of asset acquisition.**

If the account value is between:	Multiply value by:
$1 to $25,000	0.0085
$25,001 to $80,000	0.0065
$80,001 to $180,000	0.0055

If the account value is between:	Multiply value by:
$180,001 to $300,000	0.0045
$300,001 to $500,000	0.0035
$500,001 and up	0.0030

ADDITIONAL SERVICES FEE SCHEDULE

Transaction Processing Fees: $150
(Purchase, Sale, Exchange, Transfer of Asset, Additional Funding. Fee assessed at time of transaction.)

MISCELLANEOUS FEES:

Overnight Courier	$30
Overnight Courier (Int'l)	$20 + cost
Roth Conversion/Recharacterization	$150
Re-registration of Assets (plus costs)	$150
In-Kind Distribution (+ 3rd party costs)	$300
Reprocessing Fee	$50
Special Handling Fee	$150
Partial Termination	$150 + $50 per asset
Full Termination	$250 + $50 per asset
Late Charge on Past Due Fair Market Valuation	$75
Paper Invoice	$5

FINANCIAL TRANSACTIONS:

Custodial Account Check:	$10
Cashiers Check:	$30
Wire Transfer: (In/Out)	$30
Wire Transfer: (International)	$60
ACH Transfer:	$10
Return Item	$30
Stop Payment Fee	$30
Late Charge on Past Due Statements	$30
(Plus 1.5% per month on past due amount)	
Required Minimum Distribution (by check)	$10
Declined Credit Card	$30

Unless an alternate payment method is selected in section 4(B) above, funds will be deducted from your account to pay applicable fees and/or charges to the extent there is cash available therein. In the event your account has insufficient funds to pay fees and/or charges when due, you will be invoiced and the Paper Invoice charge will be assessed. The balance that appears on invoices or statements shall be payable in full no later than ten (10) days from the date of the invoice or statement. All past due sums shall incur a late charge of $30.00 and bear interest at the rate of eighteen percent (18%) per annum (1.5% per month) until paid in full. Failure to make payment in full constitutes a default under this Agreement. Assets may be liquidated to pay for such fees and/or charges, as outlined in the pertinent Custodial Account Agreement. Reasonable fees for services not listed above may be charged at the discretion of Administrator (e.g. "expedited processing fee"). Fees are not prorated. Credit card transactions will be assessed a 3.5% convenience charge. I understand and agree to this Fee Agreement and Schedule of Charges.

IRA PARTICIPANT'S SIGNATURE: ______________________________ **DATE:**____________

RealTrust IRA ALTERNATIVES, LLC

DISCLOSURE STATEMENT

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The Internal Revenue Code (Code) requires that Horizon Trust Company (Custodian) provide individuals establishing an Individual Retirement Account (IRA) with information which is contained in this Disclosure statement. You should read and complete the ROTH IRA Account Application (Application) which includes the Account Agreement provisions above along with the ROTH IRA Custodial Agreement, Disclosure Statement, and the Fee Schedule together as one which have been presented to the Account Owner prior to executing the Application.

RIGHT TO REVOKE YOUR ROTH IRA

You have the right to revoke your Roth IRA within seven days of the receipt of the disclosure statement. If revoked, you are entitled to a full return of the contribution you made to your Roth IRA. The amount returned to you would not include an adjustment for such items as sales commissions, administrative expenses, or fluctuation in market value. You may make this revocation only by mailing or delivering a written notice to the custodian at the address listed on the application or by other electronic means mutually agreed upon and allowed by law.

If you send your notice by first class mail, your revocation will be deemed mailed as of the postmark date. If notice is received by fax or other electronic means, your revocation will be deemed delivered as of the date submitted.

If you have any questions about the procedure for revoking your Roth IRA, please call the custodian at the telephone number listed on the application.

REQUIREMENTS OF A ROTH IRA

A. **Cash Contributions** – Your contribution must be in cash, unless it is a rollover or conversion contribution or a policy approved in-kind asset contribution.

B. **Maximum Contribution** – The total amount you may contribute to a Roth IRA for any taxable year cannot exceed the lesser of 100 percent of your compensation or $6,000 ($7,000 for taxpayers aged 50 or over at the end of the tax year, see below Section D) for 2019, with possible cost-of- living adjustments each year thereafter. If you also maintain a Traditional IRA (i.e., an IRA subject to the limits of Internal Revenue Code Sections (IRC Secs.) 408(a) or 408(b)), the maximum contribution to your Roth IRAs is reduced by any contributions you make to your Traditional IRAs. Your total annual contribution to all Roth IRAs and Traditional IRAs cannot exceed the lesser of the dollar amounts described above or 100 percent of your compensation.

Your Roth IRA contribution is further limited if your modified adjusted gross income (MAGI) equals or exceeds $189,000 (for 2018) or $193,000 (for 2019) if you are a married individual filing a joint income tax return, or equals or exceeds $120,000 (for 2018) or $122,000 (for 2019) if you are a single individual. Married individuals filing a joint income tax return with MAGI equaling or exceeding $199,000 (for 2018) or $203,000 (for 2019) may not fund a Roth IRA. Single individuals with MAGI equaling or exceeding $135,000 (for 2018) or $137,000 (for 2019) may not fund a Roth IRA. Married individuals filing a separate income tax return with MAGI equaling or exceeding $10,000 may not fund a Roth IRA. The MAGI limits described above are subject to cost-of-living increases for tax years beginning after 2019.

If you are married filing a joint income tax return and your MAGI is between the applicable MAGI phase-out range for the year, your maximum Roth IRA contribution is determined as follows. (1) Begin with the appropriate MAGI phase-out maximum for the applicable year and subtract your MAGI; (2) divide this total by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. For example, if you are age 30 with MAGI of $198,000, your maximum Roth IRA contribution for 2019 is $3,000 ([$203,000 minus $198,000] divided by $10,000 and multiplied by $6,000).

If you are single and your MAGI is between the applicable MAGI phase-out for the year, your maximum Roth IRA contribution is determined as follows. (1) Begin with the appropriate MAGI phase- out maximum for the applicable year and subtract your MAGI; (2) divide this total by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. For example, if you are age 30 with MAGI of $125,000, your maximum Roth IRA contribution for 2019 is $4,800 ([$137,000 minus $125,000] divided by $15,000 and multiplied by $6,000).

C. Contribution Eligibility – You are eligible to make a regular contribution to your Roth IRA, regardless of your age, if you have compensation and your MAGI is below the maximum threshold. Your Roth IRA contribution is not limited by your participation in an employer-sponsored retirement plan, other than a Traditional IRA.

D. Catch-Up Contributions – If you are age 50 or older by the close of the taxable year, you may make an additional contribution to your Roth IRA. The maximum additional contribution is $1,000 per year.

E. Nonforfeitability – Your interest in your Roth IRA is nonforfeitable.

F. Eligible Custodians – The custodian of your Roth IRA must be a bank, savings and loan association, credit union, or a person or entity approved by the Secretary of the Treasury.

G. Commingling Assets – The assets of your Roth IRA cannot be commingled with other property except in a common trust fund or common investment fund.

H. Life Insurance – No portion of your Roth IRA may be invested in life insurance contracts.

I. Collectibles – You may not invest the assets of your Roth IRA in collectibles (within the meaning of IRC Sec. 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or other tangible personal property specified by the Internal Revenue Service (IRS). However, specially minted United States gold and silver coins, and certain state-issued coins are permissible investments. Platinum coins and certain gold, silver, platinum, or palladium bullion (as described in IRC Sec. 408(m)(3)) are also permitted as Roth IRA investments.

J. Beneficiary Payouts – Your designated beneficiary is determined based on the beneficiaries designated as of the date of your death, who remain your beneficiaries as of September 30 of the year following the year of your death. The entire amount remaining in your account will, at the election of your designated beneficiaries, either:

1. be distributed by December 31 of the year containing the fifth anniversary of your death, or

2. be distributed over the remaining life expectancy of your designated beneficiaries.

If your spouse is your sole designated beneficiary, he or she must elect either option (1) or (2) by the earlier of December 31 of the year containing the fifth anniversary of your death, or December 31 of the year life expectancy payments would be required to begin. Your designated beneficiaries, other than a spouse who is the sole designated beneficiary, must elect either option (1) or (2) by December 31 of the year following the year of your death. If no election is made, distribution will be calculated in accordance with option (2). In the case of distributions under option (2), distributions must commence by December 31 of the year following the year of your death. Generally, if your spouse is the designated beneficiary, distributions need not commence until December 31 of the year you would have attained age 70½, if later. If a beneficiary other than a person or qualified trust as defined in the Treasury Regulations is named, you will be treated as having no designated beneficiary of your Roth IRA for purposes of determining the distribution period. If there is no designated beneficiary of your Roth IRA, the entire Roth IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

A spouse who is the sole designated beneficiary of your entire Roth IRA will be deemed to elect to treat your Roth IRA as his or her own by either (1) making contributions to your Roth IRA or (2) failing to timely remove a required minimum distribution from your Roth IRA. Regardless of whether or not the spouse is the sole designated beneficiary of your Roth IRA, a spouse beneficiary may roll over his or her share of the assets to his or her own Roth IRA.

If we so choose, for any reason (e.g., due to limitations of our charter or bylaws), we may require that a beneficiary of a deceased Roth IRA owner take total distribution of all Roth IRA assets by December 31 of the year following the year of death.

If your beneficiary fails to remove a required minimum distribution after your death, an additional penalty tax of 50 percent is imposed on the amount of the required minimum distribution that should have been taken but was not. Your beneficiary must file IRS Form 5329 along with his or her income tax return to report and remit any additional taxes to the IRS.

INCOME TAX CONSEQUENCES OF ESTABLISHING A ROTH IRA

A. Contributions Not Deducted – No deduction is allowed for Roth IRA contributions, including transfers, rollovers, and conversion contributions.

B. Contribution Deadline – The deadline for making a Roth IRA contribution is your tax return due date (not including extensions). You may designate a contribution as a contribution for the preceding taxable year in a manner acceptable to us. For example, if you are a calendar- year taxpayer and you make your Roth IRA contribution on or before your tax filing deadline, your contribution is considered to have been made for the previous tax year if you designate it as such.

If you are a member of the Armed Forces serving in a combat zone, hazardous duty area, or contingency operation, you may have an extended contribution deadline of 180 days after the last day served in the area. In addition, your contribution deadline for a particular tax year is also extended by the number of days that remained to file that year's tax return as of the date you entered the combat zone. This additional extension to make your Roth IRA contribution cannot exceed the number of days between January 1 and your tax filing deadline, not including extensions.

C. Tax Credit for Contributions – You may be eligible to receive a tax credit for your Roth IRA contributions. This credit may not exceed $1,000 in a given year. You may be eligible for this tax credit if you are:

age 18 or older as of the close of the taxable year,

not a dependent of another taxpayer, and

not a full-time student.

The credit is based upon your income (see chart below), and will range from 0 to 50 percent of eligible contributions. In order to determine the amount of your contributions, add all of the contributions made to your Roth IRA and reduce these contributions by any distributions that you have taken during the testing period. The testing period begins two years prior to the year for which the credit is sought and ends on the tax return due date (including extensions) for the year for which the credit is sought. In order to determine your tax credit, multiply the applicable percentage from the chart below by the amount of your contributions that do not exceed $2,000.

2019 Adjusted Gross Income*			
Joint Return	Head of Household	All Other Cases	Applicable Percentage
$1 - 38,500	$1 - 28,875	$1 - 19,250	50
$38,501 - 41,500	$28,876 - 31,125	$19,251 - 20,750	20
$41,501 - 64,000	$31,126 - 48,000	$20,751 - 32,000	10
Over $64,000	Over $48,000	Over $32,000	0

2020 Adjusted Gross Income*			
Joint Return	Head of Household	All Other Cases	Applicable Percentage
$1 - 39,000	$1 - 29,500	$1 - 19,500	50
$39,001 - 42,500	$29,250 - 31,875	$19,501 - 21,250	20
$42,501 - 65,000	$31,876 - 48,750	$21,251 - 32,500	10
Over $65,000	Over $48,750	Over $32,500	0

*Adjusted gross income (AGI) includes foreign earned income and income from Guam, America Samoa, North Mariana Islands, and Puerto Rico. AGI limits are subject to cost-of-living adjustments each year.

D. Excess Contributions – An excess contribution is any amount that is contributed to your Roth IRA that exceeds the amount that you are eligible to contribute. If the excess is not corrected timely, an additional penalty tax of six percent will be imposed upon the excess amount. The procedure for correcting an excess is determined by the timeliness of the correction as identified below:

1. Removal Before Your Tax Filing Deadline. An excess contribution may be corrected by withdrawing the excess amount, along with the earnings attributable to the excess, before your tax filing deadline, including extensions, for the year for which the excess contribution was made. An excess withdrawn under this method is not taxable to you, but you must include the earnings attributable to the excess in your taxable income in the year in which the contribution was made. The six percent excess contribution penalty tax will be avoided.

2. Removal After Your Tax Filing Deadline. If you are correcting an excess contribution after your tax filing deadline, including extensions, remove only the amount of the excess contribution. The six percent excess contribution penalty tax will

be imposed on the excess contribution for each year it remains in the Roth IRA. An excess withdrawal under this method is not taxable to you.

3. Carry Forward to a Subsequent Year. If you do not withdraw the excess contribution, you may carry forward the contribution for a subsequent tax year. To do so, you under-contribute for that tax year and carry the excess contribution amount forward to that year on your tax return. The six percent excess contribution penalty tax will be imposed on the excess amount for each year that it remains as an excess contribution at the end of the year. You must file IRS Form 5329 along with your income tax return to report and remit any additional taxes to the IRS.

E. **Tax-Deferred Earnings** – The investment earnings of your Roth IRA are not subject to federal income tax as they accumulate in your Roth IRA. In addition, distributions of your Roth IRA earnings will be free from federal income tax if you take a qualified distribution, as described below.

F. **Taxation of Distributions** – The taxation of Roth IRA distributions depends on whether the distribution is a qualified distribution or a nonqualified distribution.

1. **Qualified Distributions**. Qualified distributions from your Roth IRA (both the contributions and earnings) are not included in your income. A qualified distribution is a distribution that is made after the expiration of the five-year period beginning January 1 of the first year for which you made a contribution to any Roth IRA (including a conversion from a Traditional IRA), and is made on account of one of the following events:

   Attainment of age 59½

   Disability

   First-time homebuyer purchase

   Death

   For example, if you made a contribution to your Roth IRA for 2019, the five-year period for determining whether a distribution is a qualified distribution is satisfied as of January 1, 2024.

2. **Nonqualified Distributions**. If you do not meet the requirements for a qualified distribution, any earnings you withdraw from your Roth IRA will be included in your gross income and, if you are under age 59½, may be subject to an early distribution penalty tax. However, when you take a distribution, the amounts you contributed annually to any Roth IRA and any military death gratuity or Servicemembers' Group Life Insurance (SGLI) payments that you rolled over to a Roth IRA, will be deemed to be removed first, followed by conversion and employer-sponsored retirement plan rollover contributions made to any Roth IRA on a first-in, first-out basis. Therefore, your nonqualified distributions will not be taxable to you until your withdrawals exceed the amount of your annual contributions, rollovers of your military death gratuity or SGLI payments, and your conversions and employer- sponsored retirement plan rollovers.

G. **Income Tax Withholding** – Any nonqualified withdrawal of earnings from your Roth IRA may be subject to federal income tax withholding. You may, however, elect not to have withholding apply to your Roth IRA withdrawal. If withholding is applied to your withdrawal, not less than 10 percent of the amount withdrawn must be withheld.

H. **Early Distribution Penalty Tax** – If you are under age 59½ and receive a nonqualified Roth IRA distribution, an additional early distribution penalty tax of 10 percent generally will apply to the amount includible in income in the year of the distribution. If you are under age 59½ and receive a distribution of conversion amounts or employer- sponsored retirement plan rollover amounts within the five-year period beginning with the year in which the conversion or employer-sponsored retirement plan rollover occurred, an additional early distribution penalty tax of 10 percent generally will apply to the amount of the distribution. The additional early distribution penalty tax of 10 percent generally will not apply if one of the following exceptions apply. 1) **Death**. After your death, payments made to your beneficiary are not subject to the 10 percent early distribution penalty tax. 2) **Disability**. If you are disabled at the time of distribution, you are not subject to the additional 10 percent early distribution penalty tax. In order to be disabled, a physician must determine that your impairment can be expected to result in death or to be of long, continued, and indefinite duration. 3) **Substantially equal periodic payments**. You are not subject to the additional 10 percent early distribution penalty tax if you are taking a series of substantially equal periodic payments (at least annual payments) over your life expectancy or the joint life expectancy of you and your beneficiary. You must continue these payments for the longer of five years or until you reach age 59½. 4) **Unreimbursed medical expenses**. If you take payments to pay for unreimbursed medical expenses that exceed a specified percentage of your adjusted gross income, you will not be subject to the 10 percent early

distribution penalty tax. For further detailed information and effective dates you may obtain IRS Publication 590- B, Distributions from Individual Retirement Arrangements (IRAs), from the IRS. The medical expenses may be for you, your spouse, or any dependent listed on your tax return.
5) **Health insurance premiums**. If you are unemployed and have received unemployment compensation for 12 consecutive weeks under a federal or state program, you may take payments from your Roth IRA to pay for health insurance premiums without incurring the 10 percent early distribution penalty tax. 6) **Higher education expenses**. Payments taken for certain qualified higher education expenses for you, your spouse, or the children or grandchildren of you or your spouse, will not be subject to the 10 percent early distribution penalty tax. 7) **First-time homebuyer**. You may take payments from your Roth IRA to use toward qualified acquisition costs of buying or building a principle residence. The amount you may take for this reason may not exceed a lifetime maximum of $10,000. The payment must be used for qualified acquisition costs within 120 days of receiving the distribution. 8) **IRS levy**. Payments from your Roth IRA made to the U.S. government in response to a federal tax levy are not subject to the
10 percent early distribution penalty tax. 9) **Qualified reservist distributions**. If you are a qualified reservist member called to active duty for more than 179 days or an indefinite period, the payments you take from your Roth IRA during the active duty period are not subject to the 10 percent early distribution penalty tax. 10) **Qualified birth or adoption distributions.** Distributions are permitted from IRAs for distributions made after December 31, 2019. Distributions must be taken within one year of birth or adoption and are limited to adoption of anyone over 18 (other than an individual physically or mentally incapable of self-support) or the adoption of a spouse's child does not qualify. Distributions can later be rolled back into an IRA. It will be up to the IRA owner to substantiate to the tax authorities that the distributions are a qualified birth or adoption distribution. You must file IRS Form 5329 along with your income tax return to the IRS to report and remit any additional taxes or to claim a penalty tax exception.

I. Required Minimum Distributions – You are not required to take distributions from your Roth IRA at age 72 (as required for Traditional and savings incentive match plan for employees of small employers (SIMPLE) IRAs). However, your beneficiaries generally are required to take distributions from your Roth IRA after your death. See the section titled Beneficiary Payouts in this disclosure statement regarding beneficiaries' required minimum distributions.

J. Rollovers and Conversions – Your Roth IRA may be rolled over to another Roth IRA of yours, may receive rollover contributions, or may receive conversion contributions, provided that all of the applicable rollover or conversion rules are followed. Rollover is a term used to describe a movement of cash or other property to your Roth IRA from another Roth IRA, or from your employer's qualified retirement plan, 403(a) annuity, 403(b) tax- sheltered annuity, 457(b) eligible governmental deferred compensation plan, or federal Thrift Savings Plan. Conversion is a term used to describe the movement of Traditional IRA or SIMPLE IRA assets to a Roth IRA. A conversion generally is a taxable event. The general rollover and conversion rules are summarized below. These transactions are often complex. If you have any questions regarding a rollover or conversion, please see a competent tax advisor.

1. **Roth IRA-to-Roth IRA Rollovers**. Assets distributed from your Roth IRA may be rolled over to the same Roth IRA or another Roth IRA of yours if the requirements of IRC Sec. 408(d)(3) are met. A proper Roth IRA-to-Roth IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. In the case of a distribution for a first-time homebuyer where there was a delay or cancellation of the purchase, the 60-day rollover period may be extended to 120 days. Roth IRA assets may not be rolled over to other types of IRAs (e.g., Traditional IRA, SIMPLE IRA), or employer-sponsored retirement plans.

   You are permitted to roll over only one distribution from an IRA (Traditional, Roth, or SIMPLE) in a 12-month period, regardless of the number of IRAs you own. A distribution may be rolled over to the same IRA or to another IRA that is eligible to receive the rollover. For more information on rollover limitations, you may wish to obtain IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs), from the IRS or refer to the IRS website at www.irs.gov.

   Your rollover from one Roth IRA to another Roth IRA must consist of the same property; otherwise the distribution will be taxable as ordinary income. For example, you may not take cash distributions from your Roth IRA, purchase other assets with the cash, and then roll over those assets into a new (or the same) Roth IRA.

2. **Traditional IRA-to-Roth IRA Conversions**. If you convert to a Roth IRA, the amount of the conversion from your Traditional IRA to your Roth IRA will be treated as a distribution for income tax purposes, and is includible in your gross income (except for any nondeductible contributions).

Although the conversion amount generally is included in income, the 10 percent early distribution penalty tax will not apply to conversions from a Traditional IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent early distribution penalty tax. You must convert the same property you received from the Traditional IRA. If you are age 70½ or older, you must remove your required minimum distribution before converting your Traditional IRA.

3. **SIMPLE IRA-to-Roth IRA Conversions**. You are eligible to convert all or any portion of your existing SIMPLE IRA into your Roth IRA, provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. The amount of the conversion from your SIMPLE IRA to your Roth IRA will be treated as a distribution for income tax purposes and is includible in your gross income. Although the conversion amount generally is included in income, the 10 percent early distribution penalty tax will not apply to conversions from a SIMPLE IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent early distribution penalty tax. You must convert the same property you received from the SIMPLE IRA. If you are age 70½ or older you must remove your required minimum distribution before converting your SIMPLE IRA.

4. **Rollovers of Roth Elective Deferrals**. Roth elective deferrals distributed from a 401(k) cash or deferred arrangement, 403(b) tax-sheltered annuity, 457(b) eligible governmental deferred compensation plan, or federal Thrift Savings Plan, may be rolled into your Roth IRA.

5. **Employer-Sponsored Retirement Plan-to-Roth IRA Rollovers**. You may roll over, directly or indirectly, any eligible rollover distribution from an eligible employer- sponsored retirement plan to your Roth IRA. An eligible rollover distribution is defined generally as any distribution from a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, 457(b) eligible governmental deferred compensation plan, or federal Thrift Savings Plan unless it is a required minimum distribution, hardship distribution, part of a certain series of substantially equal periodic payments, corrective distributions of excess contributions, excess deferrals, excess annual additions and any income allocable to the excess, deemed loan distribution, dividends on employer securities, or the cost of life insurance coverage. If you are a spouse, nonspouse, or qualified trust beneficiary who has inherited a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan, you may be eligible to directly roll over the assets to an inherited Roth IRA. The inherited Roth IRA is subject to the beneficiary distribution requirements.

   If you are conducting an indirect rollover, your eligible rollover distribution generally must be rolled over to your Roth IRA not later than 60 days after you receive the distribution. In the case of a plan loan offset due to plan termination or severance from employment, the deadline for completing the rollover is your tax return due date (including extensions) for the year in which the offset occurs.

   Although the rollover amount generally is included in income, the 10 percent early distribution penalty tax will not apply to rollovers from eligible employer- sponsored retirement plans to a Roth IRA or inherited Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent early distribution penalty tax.

6. **Beneficiary Rollovers From 401(k), 403(b), or 457(b) Eligible Governmental Plans Containing Roth Elective Deferrals**. If you are a spouse, nonspouse, or qualified trust beneficiary of a deceased 401(k), 403(b), or 457(b) eligible governmental deferred compensation plan participant who had made Roth elective deferrals to the plan, you may directly roll over the Roth elective deferrals and their earnings to an inherited Roth IRA. The Roth IRA must be maintained as an inherited Roth IRA, subject to the beneficiary distribution requirements.

7. **Rollovers of Military Death Benefits**. If you receive or have received a military death gratuity or a payment from the SGLI program, you may be able to roll over the proceeds to your Roth IRA. The rollover contribution amount is limited to the sum of the death benefits or SGLI payment received, less any such amount that was rolled over to a Coverdell education savings account. Proceeds must be rolled over within one year of receipt of the gratuity or SGLI payment for deaths occurring on or after June 17, 2008. Any amount that is rolled over under this provision is considered nontaxable basis in your Roth IRA.

8. **Qualified HSA Funding Distribution**. If you are eligible to contribute to a health savings account (HSA), you may be eligible to take a one-time tax- free qualified HSA funding distribution from your Roth IRA and directly deposit it to your HSA. The amount of the qualified HSA funding distribution may not exceed the maximum HSA contribution limit in effect for the type of high deductible health plan coverage (i.e., single or family coverage) that you have at the time of the deposit, and counts toward your HSA contribution limit for that year. For further detailed information, may

wish to obtain IRS Publication 969, Health Savings Accounts and Other Tax- Favored Health Plans.

9. **Rollovers of Settlement Payments From Bankrupt Airlines**. If you are a qualified airline employee who has received a qualified airline settlement payment from a commercial airline carrier under the approval of an order of a federal bankruptcy court in a case filed after September 11, 2001, and before January 1, 2007, you are allowed to roll over any portion of the proceeds into your Roth IRA within 180 days after receipt of such amount, or by a later date if extended by federal law. For further detailed information and effective dates you may obtain IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs), from the IRS or refer to the IRS website at www.irs.gov.

10. **Rollovers of Exxon Valdez Settlement Payments**. If you receive a qualified settlement payment from Exxon Valdez litigation, you may roll over the amount of the settlement, up to $100,000, reduced by the amount of any qualified Exxon Valdez settlement income previously contributed to a Traditional or Roth IRA or eligible retirement plan in prior taxable years. You will have until your tax return due date (not including extensions) for the year in which the qualified settlement income is received to make the rollover contribution. To obtain more information on this type of rollover, you may wish to visit the IRS website at www.irs.gov.

11. **Rollover of IRS Levy**. If you receive a refund of eligible retirement plan assets that had been wrongfully levied, you may roll over the amount returned up until your tax return due date (not including extensions) for the year in which the money was returned.

12. **Written Election**. At the time you make a rollover or conversion to a Roth IRA, you must designate in writing to the custodian your election to treat that contribution as a rollover or conversion. Once made, the election is irrevocable

K. **Transfer Due to Divorce** – If all or any part of your Roth IRA is awarded to your spouse or former spouse in a divorce or legal separation proceeding, the amount so awarded will be treated as the spouse's Roth IRA (and may be transferred pursuant to a court- approved divorce decree or written legal separation agreement to another Roth IRA of your spouse), and will not be considered a taxable distribution to you. A transfer is a tax-free direct movement of cash and/or property from one Roth IRA to another.

L. **Recharacterizations** – If you make a contribution to a Traditional IRA and later recharacterize either all or a portion of the original contribution to a Roth IRA along with net income attributable, you may elect to treat the original contribution as having been made to the Roth IRA. The same methodology applies when recharacterizing a contribution from a Roth IRA to a Traditional IRA. For tax years beginning before January 1, 2018, if you have converted from a Traditional IRA to a Roth IRA, or rolled over an eligible employer- sponsored retirement plan to a Roth IRA, you may recharacterize the conversion or rollover along with the net income attributable to a Traditional IRA. The deadline for completing a recharacterization is your tax filing deadline (including any extensions) for the year for which the original contribution was made or conversion or rollover completed. However, effective for tax years beginning after December 31, 2017, you may not recharacterize a Roth IRA conversion or an employer- sponsored retirement plan rollover.

LIMITATIONS AND RESTRICTIONS

A. **Spousal Roth IRA** – If you are married and have compensation, you may contribute to a Roth IRA established for the benefit of your spouse, regardless of whether or not your spouse has compensation. You must file a joint income tax return for the year for which the contribution is made.

The amount you may contribute to your Roth IRA and your spouse's Roth IRA is the lesser of 100 percent of your combined eligible compensation or $11,000 (for 2018) or $12,000 (for 2019). This amount may be increased with cost-of-living adjustments each year. However, you may not contribute more than the individual contribution limit to each Roth IRA. Your contribution may be further limited if your MAGI falls within the minimum and maximum thresholds.

If your spouse is age 50 or older by the close of the taxable year, and is otherwise eligible, you may make an additional contribution to your spouse's Roth IRA. The maximum additional contribution is $1,000 per year.

B. **Gift Tax** – Transfers of your Roth IRA assets to a beneficiary made during your life and at your request may be subject to federal gift tax under IRC Sec. 2501.

C. **Special Tax Treatment** – Capital gains treatment and 10- year income averaging authorized by IRC Sec. 402 do not apply to Roth IRA distributions.

D. **Prohibited Transactions** – If you or your beneficiary engage in a prohibited transaction with your Roth IRA, as described in IRC Sec. 4975, your Roth IRA will lose its tax-deferred or tax-exempt status, and you generally must include the value of the earnings in your account in your gross income for that taxable year. The following transactions are examples of prohibited transactions with your Roth IRA. (1) Taking a loan from your Roth IRA
(2) Buying property for personal use (present or future) with Roth IRA assets (3) Receiving certain bonuses or premiums because of your Roth IRA.

E. **Pledging** – If you pledge any portion of your Roth IRA as collateral for a loan, the amount so pledged will be treated as a distribution and may be included in your gross income for that year.

OTHER

A. **IRS Plan Approval** – Articles I through VIII of the agreement used to establish this Roth IRA have been approved by the IRS. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.

B. **Additional Information** – For further information on Roth IRAs, you may wish to obtain IRS Publication 590- A, Contributions to Individual Retirement Arrangements (IRAs), or Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs), by calling 800-TAX- FORM, or by visiting www.irs.gov on the Internet.

C. **Important Information About Procedures for Opening a New Account**—To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial organizations to obtain, verify, and record information that identifies each person who opens an account. Therefore, when you open a Roth IRA, you are required to provide your name, residential address, date of birth, and identification number. We may require other information that will allow us to identify you.

D. **Qualified Reservist Distributions** – If you are an eligible qualified reservist who has taken penalty-free qualified reservist distributions from your Roth IRA or retirement plan, you may recontribute those amounts to a Roth IRA generally within a two-year period from your date of return.

E. **Qualified Charitable Distributions** – If you are age 70½ or older, you may take tax-free Roth IRA distributions of up to $100,000 per year and have these distributions paid directly to certain charitable organizations. If you have both IRA contributions and QCDs in the same year, the $100,000 is reduced if you are making deductible IRA contributions after age 70½. Special tax rules may apply. For further detailed information and effective dates you may obtain IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs), from the IRS or refer to the IRS website at www.irs.gov.

F. **Disaster Related Relief** – If you qualify (for example, you sustained an economic loss due to, or are otherwise considered affected by, certain IRS designated disasters), you may be eligible for favorable tax treatment on distributions, rollovers, and other transactions involving your Roth IRA. Qualified disaster relief may include penalty- tax free early distributions made during specified timeframes for each disaster, the ability to include distributions in your gross income ratably over multiple years, the ability to roll over distributions to an eligible retirement plan without regard to the 60- day rollover rule, and more. For additional information on specific disasters, including a complete listing of disaster areas, qualification requirements for relief, and allowable disaster-related Roth IRA transactions, you may wish to obtain IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs), from the IRS or refer to the IRS website at www.irs.gov.

FINANCIAL DISCLOSURE

The value of your Roth IRA will be dependent solely upon the performance of any investment instrument used to fund your Roth IRA. Therefore, no projection of the growth of your Roth IRA can reasonably be shown or guaranteed.

RealTrust
IRA ALTERNATIVES, LLC

DISCLOSURE STATEMENT

Real Choice. Real Control. Real Wealth.

INVESTMENT OPTIONS

You may direct the investment of your funds within this Roth IRA into any investment instrument offered by or through the custodian. The custodian will not exercise any investment discretion regarding your Roth IRA, as this is solely your responsibility.

FEES

There are certain fees and charges connected with your Roth IRA investments. These fees and charges may include the following:

Account Fees

Transaction Fees

Processing Fees

Miscellaneous Fees

To find out what fees may apply, refer to the Fee Schedule.

We reserve the right to change any of the above fees after notice to you, as provided in your Roth IRA agreement.

EARNINGS

The method for computing and allocating annual earnings (e.g., interest, dividends) on your Roth IRA will differ based on the nature and issuer of the investments chosen. Refer to the investment prospectus or contract for the methods used for computing and allocating annual earnings.