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AUTOMATIC ROLLOVER ROTH IRA DISCLOSURE STATEMENT

Information on Federal Tax Law for IRAs

This Disclosure Statement is a summary of the requirements for the Millennium Trust Company, LLC Automatic Rollover Roth Individual Retirement Account (hereinafter "Custodial Account or Account"), pursuant to Internal Revenue Service ("IRS") Regulations which require that the information contained herein be given to individuals for whom an individual retirement account is established. This Disclosure Statement is provided to all Custodial Account Owners for whom an Account is established by a plan sponsor/plan administrator ("plan sponsor") in accordance with the disclosure requirements under Section 408 of the Internal Revenue Code of 1986, as amended ("Code").

Pursuant to the distribution rules of Section 401(a)(31)(B) of the Code, an automatic rollover Account was established by the plan sponsor in your name and on your behalf because you did not elect to have such distribution paid directly to an eligible retirement plan in a direct rollover or to receive the distribution directly in accordance with the terms of the plan. The plan sponsor established the Account in your name and on your behalf and deposited the full amount of your distribution from the plan into the Account. You are the owner of the Account (hereinafter "Account Owner").

The information regarding the Account Owner (hereinafter "Account Owner Information") was received from the plan sponsor and the employer based upon their most recent records. Pursuant to the automatic rollover rules of Section 401(a)(31)(B) of the Code and/or Title 29 of the Code of Federal Regulations Sections 404a-2 and 404a-3, as applicable, because the Account was established by the plan sponsor, Millennium Trust Company, LLC, as Account custodian, (hereinafter "Custodian") has necessarily relied upon the information provided by the plan sponsor about you. As Account Owner, you are responsible for carefully reviewing this information and making any necessary corrections, signing the IRA Form and submitting it along with correct and updated information to the Custodian. If you fail to provide the Custodian with accurate information, the payment of the Account proceeds to you may be delayed or, if the Custodian is unable to locate you, may be forfeited under state abandoned property laws.

You have the right and responsibility to direct the investment of the Account. You may appoint an authorized agent to oversee these investments by completing and submitting a Third Party Authorization Form. The plan sponsor acting in your name and on your behalf has previously directed the Custodian with respect to the initial investment ("Initial Investment") of your Account. If you do not give investment directions to the Custodian, you will be deemed to have directed the Custodian that the Account proceeds remain invested in the Initial Investment directed by the plan sponsor.

The Initial Investment may or may not be consistent with your investment goals. You are advised to consult your tax and investment advisors, make investment decisions and direct the Custodian as to the investment of your Account to ensure that your Account's assets are invested in a manner that is consistent with your investment goals. You may direct the Custodian to invest funds in your Account from additional contributions, qualified transfers or rollovers, or withdrawals from the Initial Investment in traditional assets. As described in the Automatic Rollover Roth IRA Custodial Agreement ("Agreement"), the Custodian assumes no responsibility for the investment of the Account.

As owner of the Account, you may designate one or more beneficiaries to the Account in the event of your death by completing the appropriate section on the IRA Form. If the Custodian does not have a proper designation on file at the time of your death, the Account will be paid as described in the Article titled, "Designation of Beneficiaries" of the Agreement. Such payment may or may not be consistent with your overall estate plan. You are advised to consult your tax and legal advisors, make beneficiary decisions, designate beneficiaries in the IRA Form and submit the completed and signed IRA Form to the Custodian to ensure your Account proceeds are paid to the beneficiary of your choice at your death.

Your signed IRA Form represents your acknowledgement of receipt of this Disclosure Statement. However, if you do not sign and submit the IRA Form, the Custodian will rely on the information in the IRA Form as if you submitted and certified the information yourself by signing the IRA Form and you will be deemed to have received this Disclosure Statement.

Terms defined in the Automatic Rollover Roth IRA Custodial Agreement have the same meaning in this Disclosure Statement.

Item I – The Right to Revoke the Account

You have the right to revoke this Account within seven days of the date of notification that this Account was established. If you exercise this right you are entitled to a return of the amount contributed to the Account without penalty, service charge or administrative expense. If you do not exercise this right within seven days of the date of notification it is assumed that you will have accepted the terms and conditions of the Account the plan sponsor has established in your name and on your behalf. To revoke this Account simply notify the Custodian in writing. Written notices must be sent by first class mail and will be accepted as the date such notice is postmarked.

Item II – Roth IRA Contributions

Subject to income eligibility, you can make annual contributions of up to \$5,500 for 2018 and \$6,000 for 2019. Thereafter, the limits will be indexed for inflation annually. Annual contributions can be made regardless of your age, even after age 70½.

If you are age 50 or older you may make special catch-up contributions to your IRA for that year. From 2006 on, the maximum catch-up contribution is \$1,000 per year. If you are over 50 by the end of a year, your catch up contribution is added to your annual contribution limit for that year.

If you and your spouse file a joint federal tax return and your spouse has an earned income for the year that is less than yours, you may make contributions to a Roth IRA established for the benefit of your spouse. The amount you may contribute to your Roth IRA and to a separate Roth IRA in your spouse's name ("Spousal Roth IRA") is the lesser of 100 percent of your combined modified adjusted gross income ("MAGI") or twice the annual contribution limit. However, you may not contribute more than the annual contribution limit to either Roth IRA for any year, and the total annual contribution to all IRAs (both Traditional and Roth) may not exceed the annual contribution limit. If you establish a Spousal Roth IRA, the rules concerning Roth IRAs described in the Disclosure Statement apply equally to your spouse.

If your income is below the MAGI limits, you may be eligible for a tax credit for making a contribution to a Roth IRA. The credit applies to the first \$2,000 in contributions. The amount of the credit is based on your MAGI.

Item III – Excess Contributions

If you contribute more than your allowable amount in any one year, you can take care of the excess amount in one of two ways:

- (1) You can apply the excess amount to contributions for a later year. This option is only available for annual Roth contributions. If you apply the amount of the excess contribution to a later year, you will be required to pay a 6 percent penalty tax on the amount of the excess contribution for the year in which the excess contribution was made. If you decide to apply the excess contribution over several years, you will pay the 6 percent penalty tax on the amount of the excess contribution that remains after each year.
- (2) You can remove the excess amount. If you remove the excess amount, the timing of the removal and the amount of the excess contribution determine how you are taxed. You can avoid the 6 percent penalty tax if you remove the excess plus any other income earned on the excess amount before the due date for filing the tax return for the year. You will have

to pay a 10 percent penalty tax on any gains or earnings earned on the excess, unless you are older than age 59½ or are permanently disabled. If you decide to remove the excess contribution, any interest or other income earned on the excess will be taxable to you for the year in which the excess contribution was made. If you remove the excess after the due date for filing your taxes of the following year, you will have to pay a 6 percent penalty tax on the entire excess amount. Any earnings on the excess amount will remain in the IRA. In addition, the following rules generally apply:

- (a) If your total IRA contribution was less than your maximum contribution amount, you do not owe the 10 percent penalty tax if you remove the excess. The amount removed will not be considered taxable income.
- (b) If your total IRA contribution was more than your maximum contribution amount, you will owe the 10 percent penalty tax, unless you are age 59½ or older or permanently and totally disabled.

Item IV – Roth IRA Distributions

You can take money out of your Account at any time. However, your withdrawal is subject to a tax penalty if you take a distribution from your Account before (a) age 59½ (unless you are disabled or meet the qualified first-time homebuyer exception) and (b) the end of the five-year holding period. Regardless of when you take out your money, you do not pay income tax on the amount of any Roth IRA contribution that you withdraw because Roth contributions are after-tax contributions. You may be taxed, however, when you remove any gains earned on your contributions. If you become disabled you must provide the Custodian written notification of your disability. If you request a distribution and you are disabled, your distributions shall begin 45 days after receipt of the written notification of your disability.

A withdrawal of contributions and earnings will be tax-free if the following applies at the time of the withdrawal: (a) you are age 59½ or older and (b) you have met the five-year holding rule or you are permanently and totally disabled. The five-year holding rule means that your Roth IRA must be established for at least five (5) years prior to your withdrawal. The five-year requirement only needs to be satisfied one time and applies to all of your Roth IRAs. Distributions which are funded from the PGF may or may not be subject to a four percent (4%) withdrawal charge imposed under the Contract.

If you are under 59½ a 10 percent penalty tax may apply to any withdrawal (in addition to income tax), unless at least one of the following applies: (1) you are permanently and totally disabled; (2) the amount is rolled over within 60 days to another Roth IRA; (3) you remove the money in one of a scheduled series of substantially equal payments over your life expectancy or the joint life expectancies of you and your beneficiary; (4) you use the money to pay medical expenses that are in excess of 7.5 percent of your MAGI; (5) you qualify for medical insurance cost exceptions; (6) you remove money (up to \$10,000 total during your lifetime) for the purchase of a primary residence for yourself, your parents, your grandparents, spouse, child or grandchild and the purchaser has not owned a primary residence for two years and home buying funds must be used within 120 days for such expenses as settlement charges, financing fees and closing costs; (7) you re-characterize a contribution; or (8) you remove money for higher education (college and beyond) qualified expenses

including tuition, fees, books, supplies, equipment and room and board.

Item V – Rollover IRA Rules

A rollover is the distribution of cash or other assets from your retirement plan or IRA to you, which you subsequently roll over to another retirement plan or IRA. The amount you roll over maintains its tax-deferred status until it is distributed to you. You may take a distribution from all or part of the assets from one Roth IRA and move them to another Roth IRA. The rollover must be completed by the 60th day after the day you receive the assets from the first Roth IRA. Generally, Roth IRA assets may be rolled over between Roth IRAs only once within a 12 month period. This rule applies to each Roth IRA plan you have established. The same property distributed from one Roth IRA (other than cash) must be rolled over into the new Roth IRA. No tax is paid if the rollover is completed on time; however, rollovers between Roth IRAs are required to be reported on your federal tax return.

Rollovers of distributions from designated Roth accounts (such as your Roth 401(k) account) can be made to your Roth IRA. Once the designated Roth account is rolled into a Roth IRA, the Roth IRA rules apply. For example, the five-year holding period for making qualified distributions is determined independently from the rules under a Roth 401(k) plan, and the special Roth ordering rules determine the taxation of those distributions. Roth IRA distributions can never be rolled into a designated Roth account.

The Pension Protection Act of 2006 provides that distributions from qualified plans can be rolled over directly to a Roth IRA, subject to rules that apply to rollovers from a traditional IRA into a Roth IRA. For example, a rollover from a qualified plan into a Roth IRA is includible in gross income (except to the extent it represents a return of after-tax contributions), and the 10 percent penalty tax does not apply. You should contact your tax advisor with any questions.

You can convert amounts from a Traditional IRA (including SEP and SIMPLE IRA) to a Roth IRA. You can withdraw all or part of your Traditional IRA and roll it over into a Roth IRA within 60 days of receipt. You will owe taxes on the portion of the conversion that represents the earnings and contributions distributed from the Traditional IRA that were not previously taxed. Prior to 2018, certain Roth IRA conversions were eligible to be recharacterized. A Roth IRA conversion made after January 1, 2018 may not be recharacterized. The amount you convert will be taxable in the year the distribution is made. The 10 percent penalty tax does not apply to amount converted.

Item VI – Prohibited Transactions

If you or your beneficiary engage in a prohibited transaction with the Account, as described in IRC Section 4975, the Account (or the portion of the Account engaged in the prohibited transaction) will lose its exemption from tax and then you must include the fair market value of the amount involved in the prohibited transaction in your gross income for the year during which the prohibited transaction occurred in addition to any regular income tax that may be payable. It is your responsibility to determine if a transaction constitutes a prohibited transaction. The Custodian is not responsible for determining if a transaction constitutes a prohibited transaction. The Custodian reserves the right to request certification from you that the direction provided by you does not create a prohibited transaction. If such certification is not forthcoming, the Custodian reserves the right to take

whatever action it deems within its discretion to be appropriate, including but not limited to resigning from the Account and/or distributing the assets. Not requesting such a certification regarding a transaction is not a determination that a prohibited transaction does not exist.

Item VII – Beneficiaries

You can name one or more beneficiaries to whom the balance of your Account will be paid when you die. To do so, just fill out the designation of beneficiary form provided by the Custodian. Your designation of beneficiaries will not be effective until received and accepted by the Custodian.

You should review your designation periodically, especially if there is a change in your family status such as marriage, divorce, death of a family member or birth or adoption of children. You may change your beneficiary at any time by filling out a new form and sending it to us. You can use a new designation to revoke your prior designation in whole or in part.

If the Account continues after your death, your beneficiary has the same right to name beneficiaries as you had before your death. If you do not name beneficiaries, or if all your beneficiaries die before you or disclaim, the Custodian will pay your Account to your spouse first, if he/she survives you. If you have no spouse who survives you, then the money will go to your children who survive you in equal shares. If you have no children who survive you, the assets in your Account will be paid to your estate.

Item VIII – Self-Direction Requirements

Under the Millennium Trust Company, LLC Automatic Rollover Traditional IRA Custodial Agreement, you are required to direct the Custodian with respect to the investment of funds in your Account. In the absence of direction from you or your authorized agent, the Account will remain invested in the Initial Investment or as otherwise provided in the Article titled, "General Powers and Duties of the Custodian and Limits Thereon" of the Agreement, and the Custodian will not make or dispose of any investments or distribute any funds held in the Account, except Custodian may liquidate assets, chosen at the Custodian's sole discretion, to pay fees and expenses, including the Custodian's fees and expenses. The Custodian has no power or duty to question or investigate any investment direction, purchase or sale from you or your authorized agent, as to a specific investment or the Account's overall portfolio, to review any investments held in the account or to make any suggestions to you with respect to the investment, retention, or disposition of any asset in the account. The Custodian will not be liable for any loss of any kind which may result by reason of any action taken by it in accordance with direction from you or your designated agent, or by reason of any failure to act because of the absence of any directions. The Custodian may resign rather than execute an investment direction if it determines in its discretion that the investment would not be administratively feasible.

Except as provided in the Article titled, "General Powers and Duties of the Custodian and Limits Thereon" of the Agreement, the assets in your Account will be invested only in accordance with directions received from you or your authorized agent. Millennium Trust Company, LLC offers no investment management, recommendations, or investment advice as to which investments might be best for your Account. As a Custodian, Millennium Trust Company, LLC accepts custody of a wide range of different types of assets. The fact that Millennium Trust Company, LLC accepts custody of an asset does not

constitute an endorsement of that asset or the entity or principals which/who sell or manage such assets. You alone are responsible to do the appropriate investigation of the investment, entity and principals involved before you invest. Likewise, you alone are responsible for continuing oversight for all your investments. Growth in value of the individual retirement account is neither guaranteed nor projected, and depends entirely on the success of your investment strategy. The profits and/or losses of each individual account are allocated to that account. Your fees are for custodial and administrative services. The Initial Investment for your Account was directed by the plan sponsor. The Custodian did not advise on the selection nor sell or market the Initial Investment.

Item IX – Approved Form

The Millennium Trust Company, LLC Automatic Rollover Roth IRA Custodial is treated as approved, as to the form, by the IRS since it utilizes precise language of Form 5305-RA, currently provided by the IRS, plus additional language permitted by such form. The IRS approval is a determination only as to the form of the account, and does not represent a determination of the merits of the Account.

The provisions of the Agreement and this Disclosure Statement shall be construed and interpreted under the laws of the State of Illinois.

Item X – No Tax Advice

This Disclosure Statement together with the Agreement should answer most questions concerning the Account. However, the fact that IRA state tax laws vary should be noted by you. If you have additional questions regarding IRAs, you should consult your tax advisor or attorney. Also, you may obtain additional information regarding IRAs from any District Office of the IRS. See in particular IRS Publication 590 (Individual Retirement Arrangements). Millennium Trust Company, LLC does not render tax or legal advice.

Item XI – Fee Disclosure

In connection with the Account, you agree to pay the fees set forth on the IRA Fee Schedule.

The services and administration fees on the IRA Fee Schedule can be changed or additional fees added from time to time without notice to you

Item XII – Privacy Disclosure

The mission of the Custodian is to meet the desires of our customers. As a financial services professional entrusted with sensitive financial information, the Custodian respects the privacy of customers and is committed to treating customer information responsibly. Millennium's Privacy Policy, as posted on our website, serves as standards for all employees for the collection, use, retention, and security of individual customer information.

Item XIII – Information the Custodian Collects About You

The Custodian collects non-public information about you from information the Custodian receives from you on applications or other forms and information about your transactions with the Custodian, our affiliates, or others.

Item XIV – No Disclosures Outside of Exceptions

The Custodian does not reveal specific information about your Account or other personally identifiable data to outside parties for their independent use unless: 1) the information is provided to help complete a transaction initiated by you; 2) the information is provided to a reputable credit bureau or similar information reporting agency; (3) the information goes to agents, vendors, and service suppliers in connection with the services they supply to the Account; 4) you request or authorize disclosure; or 5) the disclosure otherwise is lawfully permitted or required. The Custodian does not provide account or personal information to outside companies for the purpose of independent telemarketing or direct mail marketing of any non-financial products or services of those companies.

Item XV – Confidentiality and Security

The Custodian restricts access to non-public personal information about you and the Account to those employees, vendors and agents who need to know that information to provide products or services to the Account. Custodian maintains physical, electronic, and procedural safeguards that comply with federal standards to guard your non-public personal information.

Item XVI – 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 institutions to obtain, verify, and record information that identifies each person who opens an account or upon contact, the person for whom an IRA has been opened by a plan sponsor.

What this means for you is that when Custodian makes contact with you, you will be asked for your name, address, date of birth and other information that will allow the Custodian to identify you. The Custodian will also require a clear copy of your unexpired government issued identification card.

Item XVII – Acknowledgement

By signing the Automatic Rollover IRA Form, you acknowledge the opening of the account and agree to be bound by the terms of the Agreement including this Disclosure Statement. You agree to read and abide by the Agreement, this Disclosure Statement, and the Privacy Policy. Although not a part of the IRA application process, you authorize the Custodian to make inquiries from any consumer reporting agency or other personal information agency or service, including a check protection service, in connection with this Account, if deemed necessary at a future time.