

Premiere Select® IRA Application Instructions

Premiere Select® IRA Application Instructions

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

To help the government fight the funding of terrorism and money-laundering activities, Federal law and contractual obligations to National Financial Services LLC (“NFS”) require that your Broker/Dealer verify your identity by obtaining your name, date of birth, address, and a government-issued identification number before opening your account. In certain circumstances, your Broker/Dealer may obtain and verify this information with respect to any person(s) authorized to effect transactions in an account. For certain entities, such as trusts, estates, corporations, partnerships, or other organizations, identifying documentation is also required. Your account may be restricted and/or closed if your Broker/Dealer and/or NFS cannot verify this information. Neither your Broker/Dealer nor NFS will be responsible for any losses or damages (including but not limited to lost opportunities) resulting from any failure to provide this information, or from any restriction placed upon, or closing of, your account.

Your Broker/Dealer will provide the **IRA Account Number**.

Section 1 • Account Registration/IRA Type

Choose the **IRA type** you wish to establish. Be sure to indicate only one IRA type (Traditional, Roth, Rollover, SEP-IRA, IRA Beneficiary Distribution Account (IRA-BDA), or Roth IRA Beneficiary Distribution Account (Roth IRA-BDA)). The Premiere Select Traditional, Rollover, SEP-IRA and IRA-BDA terms and conditions are included in the **Premiere Select IRA Custodial Agreement and Disclosure Statement, IRA Application and Customer Agreement**. The Premiere Select Roth IRA and Roth IRA-BDA terms and conditions are included in the **Premiere Select Roth IRA Custodial Agreement and Disclosure Statement, IRA Application and Customer Agreement**. Be sure to read the applicable documents carefully before signing the Application.

— If you are establishing a Premiere Select IRA for a minor, check the box to indicate that the account owner is a minor.

— **Non-Spouse Beneficiaries.** If you are directly rolling over inherited assets from an employer-sponsored retirement plan to an IRA-BDA for the benefit of a qualified Trust, check the appropriate box to certify that you are the Trustee of the Trust and the Trust is a qualifying non-spouse beneficiary for the purpose of Section 402(c) of the Internal Revenue Code and is therefore eligible to directly roll assets from an employer-sponsored retirement plan to an IRA-BDA. Consult your tax advisor with any questions regarding this election.

Note

- If you are **transferring** an existing IRA from another institution to a Premiere Select IRA (Trustee-to-Trustee transfer) choose the same IRA type as the existing IRA. You must choose “Transfer of Assets” as the Type of Contribution in Section 7 of the Application. Please see the instructions for Section 7 below for more information on a **Transfer of Assets**.
- If you are transferring or rolling over an existing Roth IRA to a Premiere Select Roth IRA, you need to keep track of your **Five-Year Aging Date**. In general, the **Five-Year Aging Date** is January 1 of the year for which your first Roth IRA contribution is made or, if earlier, January 1 of the year in which your first conversion contribution is made. Each conversion contribution receives its own Five-Year Aging Date for purposes of determining if distributions are tax-free and penalty-free. The Five-Year Aging Date determines the holding period for tax-free distributions.
- If you are **converting** an IRA (other than a Roth IRA) from another institution to a Premiere Select Roth IRA, you must first transfer the IRA assets to the same type of Premiere Select IRA (Trustee-to-Trustee transfer), and then convert the Premiere Select IRA assets to a Premiere Select Roth IRA. However, in this case, you will only need to complete one **Premiere Select IRA Application** to establish both IRAs. You must choose “Roth IRA” as the IRA Type and “Roth Conversion” as the Type of Contribution in Section 7 of the Application. Please see the instructions for Section 7 below for more information.
- Choose **“Rollover”** as the IRA type on the **Premiere Select IRA Application** if you wish to segregate IRA assets that are eligible to be rolled into an employer-sponsored retirement plan from other IRA assets that you have. You should not choose “Rollover” as the IRA type if your IRA contains any assets, including non-deductible annual contributions,

that are not eligible to be rolled into an employer-sponsored plan in the future.

Section 2 • General Information: Account Holder/Estate/Trustee/Authorized Individual

Complete this entire section by providing your Personal Information and your Employer Information and Affiliations. If any information is missing from this section of the Application, the IRA **cannot** be established. Please print your date of birth neatly in block numbers, using four digits to indicate your year of birth (e.g., “1960” if you were born in 1960).

If you are establishing an IRA-BDA or Roth IRA-BDA (together with IRA-BDA hereafter referred to as “IRA-BDA”), please provide information for the beneficiary who has inherited the IRA and also complete Section 3.

If the account owner is a minor:

- Please provide the minor’s name and write the word “Minor” after his or her name.
- Provide the minor’s Social Security number, date of birth, and address information.
- In Section 4, you must provide the required information for the UGMA/UTMA Custodian authorized to act on behalf of the minor.

Section 3 • IRA Beneficiary Distribution Account Information

Complete this section **ONLY** if you are establishing an IRA/Roth IRA Beneficiary Distribution Account (IRA-BDA). Please provide the Original Depositor Information and indicate how the IRA-BDA is being funded. You must also indicate the type of IRA-BDA registration that is being established. If the IRA-BDA is being established for an entity or a trust, please provide the entity and trust information in the space provided. **Please note the additional paperwork requirements listed in this section of the application for each type of IRA-BDA being established. Consult your investment representative if you have any questions.**

Section 4 • Custodian or Additional Authorized Individual/Trustee Information

Complete this section to provide information for the Custodian of a minor named in Section 2 **OR** to provide Authorized Individual/Trustee information for an IRA-BDA that is in addition to an Authorized Individual/Trustee named in Section 2. If there are more than two Authorized Individuals/Trustees, attach a separate piece of paper with their names and required information along with a signature for each.

Section 5 • Suitability

The financial information you provide in this section will help your investment representative to determine the suitability of the investment(s) you wish to make. Please complete all sections.

Section 6 • Account Characteristics

- Please indicate how you would like the dividends, interest, and capital gains earnings on your IRA to be handled.
- Please indicate the name and applicable symbol of the core account investment vehicle you have selected to hold assets of your IRA pending other investment instructions. Consult with your Broker/Dealer for a list of available core account investment vehicles and their symbols.
- Please ensure that you have read the mutual fund prospectus and FDIC-Insured Bank Deposit Sweep Program disclosure document before making a decision on the appropriate core account investment vehicle. If you do not select a core account investment vehicle, you are authorizing your Broker/Dealer, in its sole discretion, to invest your cash balances in the FDIC-Insured Bank Deposit Sweep Program. Different core account investment vehicles may have different rates of return and different terms and conditions, such as FDIC insurance or SIPC protection. If you do not select a core account investment vehicle, your Broker/Dealer may not consider these differences when selecting a default core account investment vehicle for you.
- Please indicate if you would like to purchase options for your Premiere Select IRA. Before your account can be approved for options trading, you must submit an Options Application, which is available from your investment representative. Please note that Premiere Select IRA

Premiere Select[®] IRA Application Instructions

accounts are only eligible for certain options trading. For more information, please consult your investment representative.

Section 7 • IRA Contribution Information — not applicable to IRA-BDAs

Please indicate the type of contribution you are making to your IRA. For more information on contribution limits, please refer to the **Premiere Select IRA Contribution Guide** included in this kit.

Annual — Check this box if you are making a current year or prior year annual contribution to your IRA. You must specify the contribution amount and the tax year of the contribution. (You should also indicate the tax year of the contribution on your investment check.) If you are making a contribution for more than one tax year, please indicate both years and specify the contribution amount applicable to each year. If no tax year is provided, your contribution will be processed as a current-year contribution. Please make your annual contribution check payable to **National Financial Services LLC** and be sure to include your Social Security number on your check.

Note: Contributions for the prior tax year must be postmarked no later than the tax filing deadline (generally April 15) for the year for which the contribution relates, excluding extensions.

SEP Employer Contribution — Check this box if you are establishing this IRA to receive employer SEP-IRA contributions. The IRA type that you choose in Section 1 of the Application must also be “SEP-IRA.”

Note: Your employer must establish a Simplified Employee Pension (SEP) Plan prior to submitting employer contributions to your Premiere Select SEP-IRA. It is the responsibility of your employer to provide you with a completed and signed copy of the SEP Plan document and any future amendments to the plan.

If you are an employer and you wish to establish a SEP Plan by adopting the IRS Model Form 5305 SEP, your investment representative can provide you with a Premiere Select SEP Kit, which includes the Form.

Rollover — Check this box if:

- You are rolling assets over from an employer-sponsored retirement plan to your Premiere Select IRA (either via a **Direct Rollover¹** or a **60-day Rollover²**). — **OR** —
- You received a distribution from an IRA and wish to roll over all or part of it to your Premiere Select IRA (**60-day Rollover²**).

¹**Direct Rollover** — A direct rollover occurs when a distribution from an employer-sponsored retirement plan is made payable directly to NFS as agent for Fidelity Management Trust Company (“FMTC”), the Custodian of your Premiere Select IRA. Please be sure to provide your employer with your Premiere Select IRA account number (provided to you by your Broker/Dealer) and instruct your employer to make the eligible rollover distribution payable to **National Financial Services LLC**. Please also instruct your employer to include your account number and your Social Security number on the check.

²**60-Day Rollover** — If you received a distribution from an employer-sponsored retirement plan or an IRA that was paid directly to you, you generally have 60 days from the date you receive the distribution to roll over the proceeds. Please make your rollover contribution check payable to **National Financial Services LLC** and be sure to include your account number and your Social Security number on the check. You may only make one 60-day rollover per IRA per 12-month period.

Note

- A distribution from a Roth IRA can only be rolled over to another Roth IRA.
- Eligible rollover distributions from employer-sponsored retirement plans can generally be rolled back into another employer-sponsored retirement plan in the future. If you roll over ineligible assets to an IRA from an employer-sponsored retirement plan and/or you subsequently make non-deductible annual IRA contributions to the same account, you may irrevocably forfeit your right to roll over any of the IRA assets to an employer-sponsored retirement plan in the future. It is your responsibility to keep track of which assets are eligible for rollover.
- Any amount of a distribution from an employer-sponsored retirement plan or an IRA that is not rolled into another employer-sponsored retirement plan or IRA within 60 days of receipt of the distribution is treated as a taxable distribution in the year distributed and may be subject to the 10% early withdrawal penalty in addition to ordinary income taxes.
- For a direct rollover from an employer sponsored retirement plan to a Roth IRA, see Direct Roth Conversion from Eligible Employer Sponsored Retirement Plan below

Transfer of Assets — Check this box if you are transferring assets directly from an existing IRA with another institution to your Premiere Select IRA

(Trustee-to-Trustee transfer). The Premiere Select IRA type that you choose in Section 1 of the Application must be the same IRA type that you are transferring. You must also complete the **Transfer of Assets Form**, which can be obtained from your investment representative. This form authorizes NFS to request the transfer directly from your current IRA Trustee/Custodian. (Do not check this box if the transfer is being processed to facilitate a conversion from a non-Roth IRA at another institution to a Premiere Select Roth IRA — you must check the Roth Conversion box as explained below.) Please make sure to instruct the financial institution to make the check payable to **National Financial Services LLC** and to include your Social Security number and new Premiere Select IRA account number on the check.

Roth Conversion — Check this box if you are converting assets (either directly or within 60 days of receiving a distribution) from an existing Traditional IRA, Rollover IRA, SEP-IRA, or SIMPLE IRA* to a Premiere Select Roth IRA. (*SIMPLE IRA assets may only be converted after the expiration of the two-year period beginning on the first day on which contributions were made to the SIMPLE IRA by the participant’s employer.)

• If you are **converting an existing Premiere Select IRA**, you must provide the **account number** for the existing Premiere Select IRA that you are converting and you must also complete the **Premiere Select Roth IRA Conversion Form** included in this kit.

• If you are **converting an IRA held at another institution**, you must first initiate a Trustee-to-Trustee transfer to a Premiere Select IRA (registered as the same IRA type currently held). Your Broker/Dealer will provide the **converting account number** of the Premiere Select IRA that will be established to facilitate the Trustee-to-Trustee transfer.

You will also need to complete the following forms and submit them with this Application to your investment representative:

- **Transfer of Assets Form**, which can be obtained from your investment representative.
- **Premiere Select Roth IRA Conversion Form**, included in this kit.
- **Direct Roth Conversion from an Eligible Employer Sponsored Retirement Plan** - Check this box if you are converting assets directly from an eligible employer-sponsored retirement plan to your Premiere Select Roth IRA.

Effective 2008, distributions from eligible employer-sponsored retirement plans, including 403(b) plans and governmental 457(b) plans, may be rolled over directly to a Roth IRA, subject to the same conversion rules that apply to rollovers from a Traditional IRA to a Roth IRA. A direct rollover occurs when a distribution from an eligible employer-sponsored retirement plan is made payable directly to NFS as agent for FMTC, the Custodian of your Premiere Select Roth IRA. Please be sure to provide your employer with your Premiere Select Roth IRA account number (provided to you by your Broker/Dealer) and instruct your employer to make the eligible rollover distribution payable to **National Financial Services LLC**. Please also instruct your employer to include your Premiere Select Roth IRA account number and your Social Security number on the check.

Future Contributions

- Annual IRA contributions can be made by check. Checks must be made payable to **National Financial Services LLC**. Be sure to include your Social Security number, Premiere Select IRA account number, and the applicable tax year on your check.
- You may complete a **Premiere Select IRA Contributions by Electronic Funds Transfer (EFT) Form** to have annual IRA contributions made periodically from your bank account to either your Premiere Select Traditional IRA or Premiere Select Roth IRA. **EFT can be used for current year IRA contributions only; prior year IRA contributions can only be made by check. EFT is not available for SEP contributions.**
- You can also make annual current year IRA contributions by exchanging cash from your NFS non-retirement account to your Premiere Select Traditional IRA or Premiere Select Roth IRA. Annual contributions can only be made in cash and **cannot** be done in-kind (through the exchange of securities).

Note: Brokerage Commissions are deducted from your IRA contribution and cannot be paid separately (an IRS requirement). Annual maintenance fees may be paid by separate check or may be deducted from your account. Termination fees cannot be paid by separate check. Please see the Customer Agreement for a complete listing of fees.

Section 8 • IRA Beneficiary/Successor Beneficiary Designation — not applicable to IRAs for minors

You (except minors) may designate one or more beneficiaries to receive the value of your account upon your death. If you choose to designate a beneficiary, please complete this section. If you do not designate a beneficiary, and if you are establishing a Premiere Select Traditional, Roth,

Premiere Select® IRA Application Instructions

Rollover, or SEP IRA, and you are not a minor, then your beneficiary will be your surviving spouse or, if you do not have a surviving spouse, your estate. If you do not designate a beneficiary and you are establishing an IRA-BDA or you are a minor, your beneficiary will be your estate.

You (except minors) may also designate (or change) a beneficiary in the future by completing a Premiere Select IRA Beneficiary Designation Form.

IMPORTANT NOTE: The designation of a beneficiary on an IRA can have important financial and tax consequences. Please consult your investment representative and/or tax advisor to discuss which beneficiary option is best for your personal situation.

Important information regarding complex/customized beneficiary designations:

Subject to the requirements outlined below, if you wish to make a beneficiary designation for your IRAs that is more complex than what can be provided on the Application or on a Premiere Select IRA Beneficiary or Successor Beneficiary Designation Form, you may attach a customized beneficiary designation to the Application. Consult with your attorney and/or tax advisor for assistance in determining a customized beneficiary designation that is appropriate for you. To be eligible to make a customized beneficiary designation, you must have at least \$100,000 in assets at NFS (includes retirement and non-retirement brokerage and mutual fund assets at NFS). When considering eligibility, your accounts and your spouse's accounts can be combined for the purpose of meeting the minimum balance requirement.

- The beneficiary designation must clearly reference your Premiere Select IRAs, including your account number and your Social Security number, and must be signed by you.
- The beneficiary designation must clearly state the name, birth date, Social Security number, and relationship of the beneficiary(ies). In addition, the designation must clearly state the percentage (or amount) of the assets the beneficiary is entitled to receive upon your death.
- If the designation is not specific as to the identity of any beneficiary or the percentage (or amount) each beneficiary is entitled to receive, the designation must clearly state who/what entity will provide the Custodian with written directions as to the identity of, and/or the percentage (or amounts) of, assets the beneficiary is entitled to upon your death.
- The beneficiary designation must contain language indemnifying and holding harmless FMTC and NFS (and their affiliates, successors and employees) from any loss or liability arising from the distribution of assets pursuant to the designation.
- If you request and receive approval for a customized beneficiary designation, you are responsible for calculating your Required Minimum Distributions (RMD) each year if the RMD calculation is based on joint life expectancy.

Section 9 • Signatures

Before signing the Application, please carefully read the **Premiere Select Traditional IRA Custodial Agreement and Disclosure Statement or Premiere Select Roth IRA Custodial Agreement and Disclosure Statement**, as applicable, as well as all sections of the **Premiere Select IRA Application**, including the **Customer Agreement**. This Application is part of a legal agreement between you, your Broker/Dealer, and NFS, and by signing Section 9, you are agreeing to be bound by the terms and conditions contained in the above mentioned documents. Please also print the current date neatly in block letters in the space provided.

If the account owner is a minor and for certain IRA-BDAs, the UGMA/UTMA Custodian in Section 4 or the Trustee(s)/Authorized Individual(s) named in Section 2 and 4 of the Application must sign in his/her capacity on the signature line.

Your Broker/Dealer must also sign in this section.

Premiere Select Retirement Account Customer Agreement

Please read the **Customer Agreement** carefully. By signing the **Premiere Select IRA Application**, you are agreeing to and are bound by the terms and conditions specified in the **Customer Agreement**. The Customer Agreement is for your records; please detach it from the rest of the Application prior to submitting the Application to your investment representative.