



# NEXT GENERATION TRUST COMPANY

*CONTROL YOUR FUTURE, TODAY*

**New Account Starter Kit**

# SIMPLE IRA

**Address:**

Next Generation Trust Company  
401 E. 8th Street, Suite 200H  
Sioux Falls, SD 57103

Next Generation Services, LLC  
75 Livingston Ave, Suite 304  
Roseland, NJ 07068

**Toll Free:** (888) 857-8058  
**Phone:** (973) 533-1880  
**Fax:** (973) 533-1088

**EMail:**

Accounts@NextGenerationTrust.com



**Get Started Today!**

**Visit us on the web:**

[www.nextgenerationtrust.com](http://www.nextgenerationtrust.com)

# Application Checklist

## Step One:

Fill Out Pages 1-3 on the Application

- Complete Page 1:* Don't forget to fill out your county, occupation, and please elect only one type of account to open. If you wish to open more than one account, please fill out a second application.
- Complete Page 2:* Don't forget to include the Social Security Number and birthday for any and all beneficiaries.
- Complete Page 3:* Please sign and date on the bottom line.

## Step Two:

Choose a Fee Option on the Fee Schedule

- Please elect the fee option you feel is best suited for your account.
- Elect an invoice option.
- Sign and Date on the bottom line.

## Step Three:

Client Release Form

- Fill out your name and the date.
- Bring this form to a notary. Have them witness your signature on the line requesting client signature, unless you are using Right Sign.
- Have a notary sign and stamp the bottom portion, unless you are using Right Sign.

## Step Four:

Fund Your Account via Transfer/Rollover/Contribution

(Note: One or more may apply)

- Transfer Form:* This form is for transferring funds from an existing Traditional IRA to a Traditional IRA with Next Generation. Please note that your current custodian may request a medallion stamp guarantee to process the transfer form. Please check your current custodian requirements and include an account statement.
- Rollover Form:* Please fill out our form for internal use only. Clients will be responsible for initiating rollovers from their current custodian. To avoid taxes, complete the rollover within 60 days of the distribution date.
- Contribution:* If contributing to your account, please make sure you make the check payable to Next Generation TC FBO Client Name IRA #####. Note the contribution year in the memo section.

## Step Five:

Make a Copy of Your Photo ID

- Make a copy of your non-expired, government issued photo identification.
- Please make sure the copy is clear and legible.
- If you have a different address than the one on your ID, please attach a current Tax bill, banking statement, utility bill, or Rental Agreement signifying proof of address.

## Step Six:

Fill out the Additional Optional Forms

- Fill out the Interested Party Designation form to allow another person, other than yourself, to obtain account information.
- Fill out the Limited Power of Attorney form to allow another person, other than yourself, to obtain account information and conduct transactions on behalf of the account.

## Final Step:

Pay Your Fees and Submit the Completed Packet

- Make a check out for the \$50 setup fee and the appropriate administration fee (based on your elected fee option) payable to: *Next Generation Trust Company* or
- Fill out a Credit Card Authorization Form (note: we do not accept American Express).
- Mail Original Documents to: *Next Generation Services  
75 Livingston Avenue, Suite 304  
Roseland, NJ 07068*

## Please Note:

Processing Times and Other Information

- Administration review will be between two and five business days depending on the complexity of the transaction and our volume in the transaction queue.
- Transactions are scheduled in the order in which they are received. Please expect transactions to be completed in two business days after receipt of original, correct documents AND cleared funding.
- Clearing times: Wire (24 hours), ACH/Money Order/Certified Check (2 business days), Check (5 business days)
- For help filling out these documents, please call the office. For investment documents, please visit the Client Forms section of our website.

# APPLICATION



NEXT GENERATION SERVICES, LLC, 75 LIVINGSTON AVE. STE. 304, ROSELAND, NJ 07068 | P: (973) 533-1880 \* F: (973) 533-1088

**PERSONAL INFORMATION**

**For Office Use Only: Account #**  
 \_\_\_\_\_

Legal Name (required) \_\_\_\_\_  
 Residential Address (required) \_\_\_\_\_  
 City, State, Zip \_\_\_\_\_  
 Mailing Address (optional) \_\_\_\_\_  
 City, State, Zip \_\_\_\_\_

Mr.  Mrs.  Ms.  Dr.  
 Single  
 Married  
 Widowed/Divorced

County (required) \_\_\_\_\_ Phone \_\_\_\_\_  
 Occupation (required) \_\_\_\_\_ Fax \_\_\_\_\_  
 Date of Birth (MM/DD/YYYY) \_\_\_\_\_ Cell \_\_\_\_\_  
 Social Security Number (Required) \_\_\_\_\_ Email \_\_\_\_\_  

Preferred Method of Contact:

**PLEASE TELL US HOW YOU HEARD ABOUT US:**

Web  Ad  Article  Event \_\_\_\_\_  Referred By \_\_\_\_\_  
 Promo Code \_\_\_\_\_  Other \_\_\_\_\_

**CHOOSE TYPE OF ACCOUNT:** Please check only one box.

Traditional IRA  Roth IRA  
 SEP IRA (Please attach 5305 SEP Form.)  
 Name of Business: \_\_\_\_\_  
 Simple IRA (Please attach 5305 Simple Form.)  
 Name of Business: \_\_\_\_\_  
 Beneficiary IRA (Please mail or hand deliver original, certified copy of death certificate.)  
 Name of Deceased: \_\_\_\_\_  
 Your Relationship to the Deceased: \_\_\_\_\_  
 IRA Type:  Traditional  Roth  SEP  Simple  
 Health Savings Account  
 Type:  Self-only Coverage  Family Coverage

# APPLICATION



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**PLEASE INDICATE FUNDING METHOD:** (Check all that apply.)

- |   |   |  |  |
|---|---|--|--|
| <input type="checkbox"/> <b>Annual Contribution</b><br>Tax year of Contribution: _____<br>Please attach deposit coupon. | <input type="checkbox"/> <b>Transfer</b><br>Transfer from existing IRA.<br>Please attach transfer form. | <input type="checkbox"/> <b>Indirect Rollover</b><br>Take receipt of the assets for up to 60 days before redepositing into a new retirement plan. Please attach rollover form. | <input type="checkbox"/> <b>Direct Rollover</b><br>Rollover from Employer Sponsored Plan. Please attach rollover form. |
|---|---|--|--|

**PLEASE INDICATE BENEFICIARIES:**

I, \_\_\_\_\_ (required to list name), designate the person(s) named below as the Primary and/or Contingent Beneficiaries of this account. A beneficiary shall be deemed to be a Primary Beneficiary if the Primary or Contingent box is not selected for said beneficiary. In the event of my demise, Primary Beneficiaries who survive me shall receive the assets of the account in equal shares (or in the specified shares, as designated). If all Primary Beneficiaries pre-decease me, Contingent Beneficiaries who survive me shall receive the assets of the account in equal shares (or in the specified shares, as designated). A Primary or Contingent beneficiary's interest and the interest of such beneficiary's heirs shall terminate completely, in the event that the aforementioned beneficiary does not survive me. In such cases, the share for any remaining Primary or Contingent Beneficiary shall be increased on a pro rata basis. In the event that there are no surviving Primary or Contingent Beneficiaries, remaining assets of the account shall be distributed to my estate in accordance with the plan provisions.

Primary     Contingent

Name \_\_\_\_\_ SSN \_\_\_\_\_  
 Address \_\_\_\_\_ Relationship \_\_\_\_\_  
 City, State, Zip \_\_\_\_\_ Date of Birth \_\_\_\_\_  
 Email \_\_\_\_\_ Phone \_\_\_\_\_ Share \_\_\_\_\_  
*If I named a Beneficiary which is a Trust, I understand I must supply a copy or abstract of the Trust.*

Primary     Contingent

Name \_\_\_\_\_ SSN \_\_\_\_\_  
 Address \_\_\_\_\_ Relationship \_\_\_\_\_  
 City, State, Zip \_\_\_\_\_ Date of Birth \_\_\_\_\_  
 Email \_\_\_\_\_ Phone \_\_\_\_\_ Share \_\_\_\_\_  
*If I named a Beneficiary which is a Trust, I understand I must supply a copy or abstract of the Trust.*

Primary     Contingent

Name \_\_\_\_\_ SSN \_\_\_\_\_  
 Address \_\_\_\_\_ Relationship \_\_\_\_\_  
 City, State, Zip \_\_\_\_\_ Date of Birth \_\_\_\_\_  
 Email \_\_\_\_\_ Phone \_\_\_\_\_ Share \_\_\_\_\_  
*If I named a Beneficiary which is a Trust, I understand I must supply a copy or abstract of the Trust.*

Primary     Contingent

Name \_\_\_\_\_ SSN \_\_\_\_\_  
 Address \_\_\_\_\_ Relationship \_\_\_\_\_  
 City, State, Zip \_\_\_\_\_ Date of Birth \_\_\_\_\_  
 Email \_\_\_\_\_ Phone \_\_\_\_\_ Share \_\_\_\_\_  
*If I named a Beneficiary which is a Trust, I understand I must supply a copy or abstract of the Trust.*

**ACCOUNT OWNER SIGNATURE:**

I understand that I may change or add beneficiaries at any time by completing the Change of Beneficiary form and submitting the original to the Administrator for Next Generation Trust Company. Next Generation Services is located at 75 Livingston Ave. Ste 304, Roseland, NJ 07068.  
 Signature of Participant \_\_\_\_\_ Date \_\_\_\_\_

**SPOUSAL CONSENT:** (Only required if your spouse is not the primary beneficiary—see note below.)

This section is to be completed if your legal residence is in a Community Property State and your spouse has not been designated as your Primary Beneficiary with 100% share.

I, \_\_\_\_\_ (name of spouse) hereby approve the above beneficiary designation.  
 Signature of Spouse \_\_\_\_\_ Date \_\_\_\_\_



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## APPOINTMENT OF CUSTODIAN, INVESTMENT DIRECTION AND IMPORTANT DISCLOSURES:

**Your signature is required. Please read before signing.** The account holder shown on the front of this application must read this agreement carefully and sign and date this part. By signing this application, you acknowledge the following:

### Appointment

I appoint Next Generation Trust Company as the Custodian of my Account ("Custodian"), and understand and acknowledge that the Custodial Plan Agreement and my Application are my agreement with the Custodian. Next Generation Services, LLC ("Administrator") is the Administrator to the Custodian. The Administrator may change the custodian to any institution permitted by law or as instructed by the undersigned. Written direction is understood to also include a facsimile signature. The account is established for the exclusive benefit of the Account holder or his/her beneficiaries.

### Adequate Information

I acknowledge that I have received a copy of the Custodial/Plan Agreement, Disclosure Statement and the Fee Disclosure. I understand that the terms and conditions that apply to this Account are contained in these documents. I agree to be bound by those terms and conditions. If this is an IRA, within 7 days from the date the account application is signed, it may be revoked without penalty by mailing or delivering a written notice to the Custodian/Administrator.

### Responsibility for Tax Consequences

I assume all responsibility for any taxes and/or penalties that may result from making contributions to, transactions within and distributions from my Account. I attest that I am authorized and I am of legal age to establish this Account and make investments permitted under the Custodial/Plan Agreement offered by the Custodian/Administrator.

I assume complete responsibility for:

- 1) Determining that I am eligible for a transaction that I direct the Custodian/Administrator to make on behalf of my account;
- 2) Ensuring that all contributions made are within the limits set by current tax laws; and,
- 3) The taxes of any contribution (including rollover contributions and distributions).

I attest under penalties of perjury:

- 1) That I have provided you with my correct Social Security or Tax I.D. Number; and,
- 2) That I am not subject to backup withholding because I am exempt from backup withholding; or, I have not been notified by the IRS that I am subject to backup withholding; or, the IRS has notified me that I am no longer subject to backup withholding.

**You must cross out #2 if you have been notified by the IRS that you are now subject to backup withholding because of under reporting interest or dividends on your tax return.**

Except as stated above, we will not release information about you to others unless you or someone you have authorized, in writing, have consented and/or instructed us to do so, or we are required by law or other regulatory authority.

The IRS does not require your consent to any provision of this document other than the certification required to avoid backup withholding.

Until I change or revoke this designation, I hereby instruct the Custodian/Administrator to follow the investment directions that I will provide in investing and reinvesting the principal and interest, as confirmed by directions in writing to the Administrator from the undersigned for this account or other custodial account for which the Administrator serves as record keeper. The Custodian is authorized to accept written and/or verbal direction that is confirmed in writing by the undersigned, authorized party, or by the Administrator. Written direction is understood to also include facsimile signature.

This account is established for the exclusive benefit of the Account holder or his/her beneficiaries. In taking action based on this authorization the Custodian/Administrator may act solely on the written instruction or representation of the Account holder or authorized party.

I expressly certify that I take complete responsibility for the type of investments which I choose to purchase within this account. I agree to release, indemnify, defend and hold the Custodian/Administrator harmless from any and all claims, including, but not limited to, actions, liabilities, losses, penalties, fines and/or third party claims, arising out of my account and/or in connection with any action taken on the reliance upon my written instructions and/or representations, or in the exercise of any right, power or duty of Custodian/Administrator, its agents and/or assigns. The Custodian/Administrator may deduct from the account any amounts they are entitled for reimbursement under the foregoing hold harmless provision. I acknowledge and understand that the Custodian/Administrator shall have no responsibility or fiduciary role whatsoever related to or in connection with this account in taking any action related to any purchase, sale or exchange instructed by the undersigned or the undersigned's authorized agents, including but not limited to suitability, compliance with any state or federal law or regulation, income or expense, or preservation of capital or income. For purposes of this paragraph, the terms Custodian and Administrator include Next Generation Trust Company/ Next Generation Services, LLC, its agents, assigns, joint venturers and/or business partners.

*I acknowledge receipt of a Fee Disclosure and receipt of the Custodial/Plan Agreement and Disclosure Statement and agree to abide by their terms as currently in effect or as they may be amended from time to time. I understand that failure to submit a signed Fee Disclosure will result in fees calculated "based on value of account" (See Fee Disclosure).*

*I declare that I have examined this document, including all accompanying information, and to the best of my knowledge and belief, it is true, correct and complete. I acknowledge I have read the Fee Disclosure, the Plan/Custodial Agreement and Account Disclosure Statement and agree to abide by their terms as currently in effect or as they may be amended from time to time. If you would like to give permission to another individual to access your account information (such as your spouse or other individual), you will need to complete the Limited Power of Attorney form or Interested Party Designation form.*

PLEASE PRINT, SIGN AND MAIL THIS FORM TO NEXT GENERATION SERVICES, 75 LIVINGSTON AVE. STE 304, ROSELAND, NJ 07068.

Signature of Account Owner \_\_\_\_\_ Date \_\_\_\_\_

# FEE SCHEDULE



NEXT GENERATION SERVICES, LLC, 75 LIVINGSTON AVE. STE. 304, ROSELAND, NJ 07068 | P: (973) 533-1880 \* F: (973) 533-1088

**ANNUAL ADMINISTRATION FEE: DETERMINE THE BEST FEE OPTION FOR YOU.**  
**ACCOUNT SET UP FEE: \$50 FOR PAPER APPLICATION \$25 FOR ELECTRONIC APPLICATION**  
**IN ADDITION TO MINIMUM ANNUAL FEE DUE, EITHER \$325 (OPTION 1) OR \$196 (OPTION 2)**

**Directions:** Please check only one box.

**OPTION ONE: FEE BASED ON NUMBER OF ASSETS**

Annual recordkeeping fee is \$325 per asset and/or liability per year. Each additional asset is paid at the time of acquisition. Minimum annual record keeping fee is \$325. Minimum fee will be applied to first asset purchased if acquired during first year. Account will be billed in the anniversary month of account opening. Please note that debt financing on an asset is charged as an additional investment. Precious metal asset is reduced to \$100/asset

**OPTION TWO: FEE BASED ON ACCOUNT VALUE**

Billed Quarterly based upon the month that your account is opened.

Account Value	Quarterly Rate	Account Value	Quarterly Rate
up to \$9,999	\$49	\$75,000-\$99,999	\$179
\$10,000-\$19,999	\$59	\$100,000-\$149,999	\$209
\$20,000-\$29,999	\$75	\$150,000-\$199,999	\$249
\$30,000-\$39,999	\$95	\$200,000-\$249,999	\$299
\$40,000-\$49,999	\$115	\$250,000-\$499,999	\$399
\$50,000-\$59,999	\$129	\$500,000+	\$499
\$60,000-\$74,999	\$149		

**TRANSACTION FEES:**

- Purchase, Sale, Exchange, or Re-registration of any domestic asset: \$100
- Purchase, Sale, Exchange, or Re-registration of any international asset: \$125
- Further Funding an existing asset: \$50
- Partial Redemption or Liquidation Request: \$50
- Transaction for a Real Estate Deposit: \$25
- Outgoing Checks: \$5 each
- Cashier's or other Official Bank Check: \$25
- Wire Transfers (Domestic): \$30
- Wire Transfers (International): \$50
- Outgoing ACH: \$30
- Rush fee for expedited transaction processing or review services within the same day or next day may apply. Discuss further with a representative.
- Partial Termination, transfers out to another custodian and/or non qualified distribution, \$100. Applicable transaction fees will apply for assets being transferred or distributed in-kind.
- Full Termination resulting in zero balance is \$250, but does not include normal distributions. This includes lump sum distributions and transfer outs, but does not include required minimum distributions. Applicable transaction fees will apply for assets being transferred or distributed in-kind. Annual recordkeeping fees are not prorated when an account closes.

Regardless of Fee Option, Solo 401k's are billed a plan document fee of \$300 annually.

**All accounts include at no additional charge:**

- Access to regular/education networking events
- Online Account Access
- Annual statements mailed
- Normal eligible distribution by check
- Annual tax reporting
- Quarterly statements emailed

**RELATED EXPENSES:**

- Medallion Guarantee \$25, Notary \$15 For non-NGTC forms.
- Returned items of any kind and stop payments: \$30 per item.
- Reprocessing of incomplete documents are charged \$25 per reprocessing, plus applicable fees. Discuss further with a representative.
- Special Services, such as research of closed assets or accounts, research for legal issues, or special handling of transactions: \$150 per hour.
- Express Mail: \$30 minimum, dependent on destination and speed.
- Invoice Reprocessing for late payments: \$25.
- If you wish to receive quarterly mailed statements please remit \$40 and initial here \_\_\_\_\_. This charge is incurred annually.

**BILLING OPTIONS:** Please check only one box.

Please check only one box. If no box is checked, fees will be automatically deducted from your undirected cash balance. All transaction fees are due at the time of transaction. Annual recordkeeping fees are billed as specified above. You may prepay fees at any time. If not paid by the due date, fees will be deducted from your uninvested balance. If there are insufficient funds in your account, we may liquidate other assets to pay for such fees in accordance with your Plan and Trust Disclosure.

- Please check if you would like to receive a printed invoice by mail for your administration fees.
- Please check if you would like to have fees charged to your credit card. Please attach credit card authorization form. No invoice will be mailed.

**SIGNATURE:**

In accordance with your plan and trust disclosure which you received as part of your application, custodial fees are part of the plan and trust disclosure. We will make our best effort to notify you of all changes to your fee schedule within a 30 day notice by posting the information on our website at [www.nextgenerationtrust.com](http://www.nextgenerationtrust.com).

*In accordance with your Account Application, this Fee Disclosure is part of your agreement with the Custodian/Administrator and must accompany your application.*

Printed Name \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

# CLIENT RELEASE FORM



NEXT GENERATION SERVICES, LLC, 75 LIVINGSTON AVE. STE. 304, ROSELAND, NJ 07068 | P: (973) 533-1880 \* F: (973) 533-1088

**CLIENT RELEASE:** This form is required when establishing an account. Mail form to Next Generation Services.

This Release, dated \_\_\_\_\_, is given

By the Releaser \_\_\_\_\_, referred to as "You,"

TO NEXT GENERATION TRUST COMPANY, 401 E. 8th Street, Suite 200H, Sioux Falls, SD 57103, referred to as "NGTC" and NEXT GENERATION SERVICES, LLC 75 Livingston Ave., Ste. 304, Roseland, NJ 07068, referred to as "NGS".

If more than one person signs this release, "You" shall mean each person who signs this Release.

- Disclosure.** You understand and agree that NGTC/NGS does not approve investments for your Retirement Plan. NGTC/NGS is strictly a neutral holder of your Retirement Plan's Assets. In addition, you have read Internal Revenue Service Regulation Title 26, Section 4975 and are familiar with the prohibited transactions listed and the penalties which will be assessed by the Internal Revenue Service in the event that you engage in prohibited transaction(s).
- Release.** Because NGTC/NGS has no control over the investments you direct NGTC/NGS to make on behalf of your self-directed retirement plan, and could not know if there is information you have not provided to NGTC/NGS which would make NGTC/NGS inform you that you may be engaging in a prohibited transaction, YOU RELEASE AND GIVE UP ANY AND ALL CLAIMS AND RIGHTS WHICH YOU MAY HAVE AGAINST NGTC/NGS SHOULD YOU ENGAGE IN, APPEAR TO ENGAGE IN, OR BE ACCUSED OF ENGAGING IN, A PROHIBITED TRANSACTION UNDER THE IRS CODE. THIS RELEASES ALL CLAIMS, INCLUDING THOSE OF WHICH YOU ARE NOT AWARE AND THOSE NOT MENTIONED IN THIS RELEASE. NGTC/NGS HAS NO OBLIGATION TO PROVIDE A DEFENSE OR OTHERWISE INDEMNIFY YOU AGAINST ANY CLAIM, FINE, PENALTY, JUDGMENT OR SETTLEMENT RESULTING FROM A CLAIM RAISED UNDER THE IRS CODE AGAINST YOU.
  - You understand and agree that NGTC/NGS does not review and approve the subscription agreement, operating agreement, by-laws, limited or general partnership agreement, or any other similar agreement regarding the purchase or operation of any entity or investment you want to invest in. You are solely responsible for making sure that the entity was not formed or will not operate in a way that does or may lead to a prohibited transaction under Internal Revenue Code Section 4975.
  - You understand and agree that you are also solely responsible for making sure that the Retirement Plan has adequate funds for any future mandatory capital calls, and you indemnify and hold harmless NGTC/NGS, its officers, directors, shareholders and employees against any liability associated with a loss or diminution in value of your Retirement Plan's investment in the entity because of a failure to meet a future mandatory capital call.
  - You understand and agree that NGTC/NGS has given you no tax advice regarding the possibility that your Retirement Plan may be subject to Unrelated Business Income Tax (UBIT) as a result of its investment in any entity or other investment. If your Retirement Plan owes UBIT on its investment in an entity, you agree to prepare or cause to be prepared IRS Form 990T for filing. You understand and agree that any UBIT owed must come from funds belonging to the Retirement Plan, and you indemnify and hold harmless NGTC/NGS, its officers, directors, shareholders and employees against any liability associated with a failure to prepare IRS Form 990T and pay any resulting UBIT due from funds belonging to the Retirement Plan. If UBIT is owed the IRA must get it's own EIN#.
  - You represent that you have done your own due diligence on any company you want to invest in, or any other investment you want to make.
  - You understand and agree that NGTC/NGS makes no attempt to evaluate any company you want to invest in. For example, NGTC/NGS makes no attempt to check the financial strength of the company, nor do we check with the Secretary of State to see if the company is in good standing, nor do we check with the Securities and Exchange Commission, the Better Business Bureau or any other governmental or non-governmental agency to see if any complaints have been filed against the company. You, as the Retirement Plan holder, are 100% responsible for evaluating any company and any investment.
  - You understand and agree that neither NGTC/NGS nor any of its officers, directors, shareholders or employees are associated in any way with any company you may want to invest in. Neither NGTC/NGS nor any of its officers, directors, shareholders or employees have given you any investment, legal or tax advice pertaining to any investment.
  - You agree to indemnify and hold harmless NGTC/NGS, its officers, directors, shareholders and employees against any liability associated with your Retirement Plan investment in any company, entity, or other investment.
- Consideration.** You acknowledge that unless you sign this release, NGTC/NGS will not accept you as a client, and you are free to seek the services of other firms. In consideration of you signing this release, NGTC/NGS will provide the services of our company and we will rely upon the promises in this release.
- Who is Bound.** You are bound by this Release. Anyone who succeeds to your rights and responsibilities, such as your heirs or the executor of your estate, is also bound. This Release is made for the benefit of NGTC/NGS and all who succeed to our rights and responsibilities.
- Signatures.** You understand and agree to the terms of this Release. If this Release is made by a corporation its proper corporate officers sign and its corporate seal is affixed.

This Release is given by: \_\_\_\_\_  
*Signature of Client*

\_\_\_\_\_  
*Account Number*

**NOTARY CERTIFICATION REQUIRED**

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

I CERTIFY that on \_\_\_\_\_, 20\_\_\_\_\_,

personally came before me and acknowledged under oath, to my satisfaction, that this person (or if more than one person):

a) is named in and personally signed this document; and b) signed, sealed and delivered this document as his or her act and deed.

\_\_\_\_\_  
*Signature of Notary*

(Seal Here)

**NEXT GENERATION TRUST COMPANY**  
401 E. 8TH STREET, SUITE 200H  
SIOUX FALLS, SOUTH DAKOTA 57103  
TOLL FREE: 888-857-8058

# CREDIT CARD AUTHORIZATION FORM



**NEXT GENERATION  
TRUST COMPANY**  
*CONTROL YOUR FUTURE, TODAY*

**NEXT GENERATION SERVICES, LLC, 75 LIVINGSTON AVE. STE. 304, ROSELAND, NJ 07068 | P: (973) 533-1880 \* F: (973) 533-1088**

## PERSONAL INFORMATION:

Account Holder Name \_\_\_\_\_ Next Generation Account # \_\_\_\_\_

Cardholder Name *(if different)* \_\_\_\_\_

Cardholder Billing Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Telephone Number \_\_\_\_\_ Email Address \_\_\_\_\_

## CREDIT CARD INFORMATION:

Card Type: *Please check ONLY ONE Option*

MasterCard     Discover     Visa    *Please Note: We cannot accept American Express. We apologize for any inconvenience this may cause.*

Credit Card Number: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Expiration Date: \_\_\_\_\_ / \_\_\_\_\_

CCV: \_\_\_\_\_  
*(Last three digits on back of card)*

Keep card on file for all fees (no invoice will be sent)

One time charge (Consists of one time set up fee plus first year's annual administration fee)

## SIGNATURE: *Please securely email, fax, or mail this form to Next Generation Services.*

*I, the undersigned, authorize that these charges will appear on my credit card statement under the name Next Generation Trust Company and I accept full financial responsibility for payment of this order. I further agree that this authorization will remain in effect until I revoke it in writing.*

Account Holder Signature: \_\_\_\_\_ Date: \_\_\_\_\_



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**PERSONAL INFORMATION:**

Account Holder Name: \_\_\_\_\_ Next Generation Account #: \_\_\_\_\_

**INTERESTED PARTY DESIGNATION:**

Please complete the information in this section to authorize a third party (spouse, broker, financial planner, attorney, etc) to receive information about your account. Please note that this section only authorizes a third party to have unlimited access to your account information, however they will not be permitted to make changes to your account. Please complete this section in full and submit to Next Generation Services by fax, mail, or secure email.

Name of Interested Party \_\_\_\_\_

Interested Party Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Contact Number \_\_\_\_\_ Fax Number \_\_\_\_\_

Email Address \_\_\_\_\_

Please check ONE or BOTH Options:  Please provide Interested Party online access  Please send duplicate statements

**SIGNATURE:**

*This Designation will remain in effect until Account Holder provides revocation in writing to Next Generation Trust Company (Custodian) or Next Generation Services (Administrator). I understand that neither the Custodian (Next Generation Trust Company) nor the Administrator (Next Generation Services) is a "fiduciary" for my account and/or my investment as such terms are defined in the IRC, ERISA and/or any applicable federal, state or local laws. I agree to release, indemnify, defend and hold the Custodian/Administrator harmless from any claims, including, but not limited to actions, liabilities, losses, penalties, fines, attorney's fees and/or third party claims arising out of and/or in connection with their reliance on this Designation. This indemnity and hold harmless provision shall survive any Termination of this Designation. In the event of claims by others related to my account and/or investment wherein Custodian and/or Administrator are named as a party, Custodian and/or Administrator shall have the full and unequivocal right at their sole discretion to select their own attorneys to represent them in such litigation and deduct from my account any amounts to pay for any costs and expenses, including, but not limited to, all attorney's fees and costs and internal costs (collectively "Litigation Costs") incurred by Custodian and/or Administrator. If there are insufficient funds in my account to cover the Litigation Costs incurred by Custodian and/or Administrator, on demand by Custodian and/or Administrator, I will promptly reimburse Custodian and/or Administrator the outstanding balance of the Litigation Costs. If I fail to promptly reimburse the Litigation Costs, Custodian and/or Administrator shall have the full and unequivocal right to freeze my assets, liquidate my assets, and/or initiate legal action in order to obtain full reimbursement of the Litigation Costs. I also understand and agree that the Custodian and/or Administrator will not be responsible to take any action should there be any default with regard to this investment. If any provision of this Designation is found to be illegal, invalid, void or unenforceable, such provision shall be severed and such illegality or invalidity shall not affect the remaining provisions, which shall remain in full force and effect.*

Account Holder Signature: \_\_\_\_\_ Date: \_\_\_\_\_

# LIMITED POWER OF ATTORNEY FORM



NEXT GENERATION SERVICES, LLC, 75 LIVINGSTON AVE. STE. 304, ROSELAND, NJ 07068 | P: (973) 533-1880 \* F: (973) 533-1088

## PERSONAL INFORMATION:

Account Holder Name: \_\_\_\_\_ Next Generation Account #: \_\_\_\_\_

## LIMITED POWER OF ATTORNEY:

Please complete the information in this section to authorize a third party to conduct all transactions (with the exceptions noted) in your account. **This designation may not be used to direct transfer or distributions, or to make changes to beneficiary designations.** This section applies **ONLY** to Next Generation TC forms and documents. Please complete this section in full and submit the notarized original to Next Generation Services at 75 Livingston Avenue, Suite 304, Roseland, NJ 07068.

Name of Attorney-In-Fact \_\_\_\_\_

Attorney-In-Fact Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Contact Number \_\_\_\_\_ Fax Number \_\_\_\_\_

Email Address \_\_\_\_\_

**Please check ONLY ONE Option:**  Please provide Attorney-In-Fact online access  Please send duplicate statements

Signature of Attorney-In-Fact: \_\_\_\_\_

## SIGNATURE: Please mail this form to Next Generation Services.

*This Designation will remain in effect until Account Holder provides revocation in writing to Next Generation Trust Company (Custodian) or Next Generation Services (Administrator). I understand that neither the Custodian (Next Generation Trust Company) nor the Administrator (Next Generation Services) is a "fiduciary" for my account and/or my investment as such terms are defined in the IRC, ERISA and/or any applicable federal, state or local laws. I agree to release, indemnify, defend and hold the Custodian/Administrator harmless from any claims, including, but not limited to actions, liabilities, losses, penalties, fines, attorney's fees and/or third party claims arising out of and/or in connection with their reliance on this Designation. This indemnity and hold harmless provision shall survive any Termination of this Designation. In the event of claims by others related to my account and/or investment wherein Custodian and/or Administrator are named as a party, Custodian and/or Administrator shall have the full and unequivocal right at their sole discretion to select their own attorneys to represent them in such litigation and deduct from my account any amounts to pay for any costs and expenses, including, but not limited to, all attorney's fees and costs and internal costs (collectively "Litigation Costs") incurred by Custodian and/or Administrator. If there are insufficient funds in my account to cover the Litigation Costs incurred by Custodian and/or Administrator, on demand by Custodian and/or Administrator, I will promptly reimburse Custodian and/or Administrator the outstanding balance of the Litigation Costs. If I fail to promptly reimburse the Litigation Costs, Custodian and/or Administrator shall have the full and unequivocal right to freeze my assets, liquidate my assets, and/or initiate legal action in order to obtain full reimbursement of the Litigation Costs. I also understand and agree that the Custodian and/or Administrator will not be responsible to take any action should there be any default with regard to this investment. If any provision of this Designation is found to be illegal, invalid, void or unenforceable, such provision shall be severed and such illegality or invalidity shall not affect the remaining provisions, which shall remain in full force and effect.*

Account Holder Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## NOTARY CERTIFICATION REQUIRED

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

I CERTIFY that on \_\_\_\_\_, 20\_\_\_\_\_,  
personally came before me and acknowledged under oath, to my satisfaction, that this person (or if more than one person):  
a) is named in and personally signed this document; and b) signed, sealed and delivered this document as his or her act and deed.

\_\_\_\_\_  
Signature of Notary

(Seal Here)

**NEXT GENERATION TRUST COMPANY**  
401 E. 8TH STREET, SUITE 200H  
SIOUX FALLS, SOUTH DAKOTA 57103  
TOLL FREE: 888-857-8058

**SAVINGS INCENTIVE MATCH  
PLAN FOR EMPLOYEES  
(SIMPLE)  
FOR USE WITH A NON-DFI  
IRS MODEL FORM 5304-SIMPLE**



**NEXT GENERATION**  
TRUST COMPANY  
*CONTROL YOUR FUTURE, TODAY*

NEXT GENERATION SERVICES, LLC, 75 LIVINGSTON AVE. STE. 304, ROSELAND, NJ 07068 | P: (973) 533-1880 \* F: (973) 533-1088

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Form **5304-SIMPLE**  
(Revised March 2012)  
Department of the Treasury  
Internal Revenue Service

**SAVINGS INCENTIVE MATCH PLAN FOR  
EMPLOYEES OF SMALL EMPLOYERS (SIMPLE)  
NOT FOR USE WITH A DESIGNATED FINANCIAL INSTITUTION**

The Employer establishes the following SIMPLE IRA plan under section 408(p) of the Internal Revenue Code and pursuant to the instructions contained in this form.

**Article I—Employee Eligibility Requirements**

- 1.01 **General Eligibility Requirements.** The Employer agrees to permit salary reduction contributions to be made in each calendar year to the SIMPLE IRA established by each employee who meets the requirements selected in the Adoption Agreement.
- 1.02 **Excludable Employees.** If elected in the Adoption Agreement, the Employer shall exclude employees covered under a collective bargaining agreement for which retirement benefits were the subject of good faith bargaining. If the Employer maintains a qualified plan covering only such employees, the Employer is deemed to select this provision.

**Article II—Salary Reduction Agreements**

- 2.01 **Salary Reduction Election.** An eligible employee may make an election to have his or her compensation for each pay period reduced. The total amount of the reduction in the employee's compensation for a calendar year cannot exceed the applicable amount for that year.
- 2.02 **Timing of Salary Reduction Elections.**
- (a) For a calendar year, an eligible employee may make or modify a salary reduction election during the 60-day period immediately preceding January 1 of that year. However, for the year in which the employee becomes eligible to make salary reduction contributions, the period during which the employee may make or modify the election is a 60-day period that includes either the date the employee becomes eligible or the day before.
  - (b) No salary reduction election may apply to compensation that an employee received, or had a right to immediately receive, before execution of the salary reduction election.
  - (c) An employee may terminate a salary reduction election at any time during the calendar year.

**Article III—Contributions**

- 3.01 **Salary Reduction Contributions.** The amount by which the employee agrees to reduce his or her compensation will be contributed by the Employer to the employee's SIMPLE IRA.
- 3.02 (a) **Matching Contributions.**
- (i) For each calendar year, the Employer will contribute a matching contribution to each eligible employee's SIMPLE IRA equal to the employee's salary reduction contributions up to a limit of 3% of the employee's compensation for the calendar year.
  - (ii) The Employer may reduce the 3% limit for the calendar year in (i) only if:
    - (A) The limit is not reduced below 1%;
    - (B) The limit is not reduced for more than 2 calendar years during the 5-year period ending with the calendar year the reduction is effective; and
    - (C) Each employee is notified of the reduced limit within a reasonable period of time before the employees' 60-day election period for the calendar year (described in Article II, section 2.02(a)).
- (b) **Nonelective Contributions**
- (i) For any calendar year, instead of making matching contributions, the Employer may make nonelective contributions equal to 2% of compensation for the calendar year to the SIMPLE IRA of each eligible employee who has at least the amount of compensation indicated in the Adoption Agreement, but not more than \$5,000, in compensation for the calendar year. No more than \$250,000\* in compensation can be taken into account in determining the nonelective contribution for each eligible employee.
  - (ii) For any calendar year, the Employer may make 2% nonelective contributions instead of matching contributions only if:
    - (A) Each eligible employee is notified that a 2% nonelective contribution will be made instead of a matching contribution; and
    - (B) This notification is provided within a reasonable period of time before the employees' 60-day election period for the calendar year (described in Article II, section 2.02(a)).
- 3.03 **Time and Manner of Contributions.**
- (a) The Employer will make the salary reduction contributions (described in section 2.02(a) above) for each eligible employee to the SIMPLE IRA established at the financial institution selected by that employee no later than 30 days after the end of the month in which the money is withheld from the employee's pay. See SIMPLE IRA Plan Disclosure.
  - (b) The Employer will make the matching or nonelective contributions (described in sections 3.02(a) and 3.02(b) above) for each eligible employee to the SIMPLE IRA established at the financial institution selected by that employee no later than the due date for filing the Employer's tax return, including extensions, for the taxable year that includes the last day of the calendar year for which the contributions are made.

\* This is the amount for 2012. For 2013 this amount was increased to \$255,000; for 2014 this amount was \$260,000 and for 2015 and 2016 this amount is \$265,000. For later years, the limit may be increased for cost-of-living adjustments. The IRS announces the increase, if any, in a news release, in the Internal Revenue Bulletin, and on the IRS's internet website at [www.irs.gov](http://www.irs.gov).

**SAVINGS INCENTIVE MATCH  
PLAN FOR EMPLOYEES  
(SIMPLE)  
FOR USE WITH A NON-DFI  
IRS MODEL FORM 5304-SIMPLE**



**Article IV—Other Requirements and Provisions**

- 4.01 **Contributions in General.** Prior to December 19, 2015, the Employer will make no contributions to the SIMPLE IRAs other than salary reduction contributions (described in Article III, section 3.01) and matching or nonelective contributions (described in Article III, sections 3.02(a) and 3.02(b)). Effective December 19, 2015, this SIMPLE Plan will accept rollover contributions as described in section 408(p)(1)(B) of the Code including any subsequent guidance provided by the IRS.
- 4.02 **Vesting Requirements.** All contributions made under this SIMPLE IRA plan are fully vested and nonforfeitable.
- 4.03 **No Withdrawal Restrictions.** The Employer may not require the employee to retain any portion of the contributions in his or her SIMPLE IRA or otherwise impose any withdrawal restrictions.
- 4.04 **Selection of IRA Trustee.** The employer must permit each eligible employee to select the financial institution that will serve as the trustee, custodian, or issuer of the SIMPLE IRA to which the employer will make all contributions on behalf of that employee.
- 4.05 **Amendments To This SIMPLE IRA Plan.** This SIMPLE IRA plan may not be amended except to modify the entries inserted in the blanks or boxes provided in the Adoption Agreement.
- 4.06 **Effects Of Withdrawals and Rollovers.**
- (a) An amount withdrawn from the SIMPLE IRA is generally includible in gross income. However, a SIMPLE IRA balance may be rolled over or transferred on a tax-free basis to another IRA designed solely to hold funds under a SIMPLE IRA plan. In addition, an individual may roll over or transfer his or her SIMPLE IRA balance to any IRA after a 2-year period has expired since the individual first participated in any SIMPLE IRA plan of the Employer. Any rollover or transfer must comply with the requirements under section 408.
  - (b) If an individual withdraws an amount from a SIMPLE IRA during the 2-year period beginning when the individual first participated in any SIMPLE IRA plan of the Employer and the amount is subject to the additional tax on early distributions under section 72(t), this additional tax is increased from 10% to 25%.

**Article V—Definitions**

- 5.01 **Compensation.**
- (a) **General Definition of Compensation.** Compensation means the sum of the wages, tips, and other compensation from the Employer subject to federal income tax withholding (as described in section 6051(a)(3)) the amounts paid for domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, and the employee's salary reduction contributions made under this Plan, and, if applicable, elective deferrals under a section 401(k) plan, a SARSEP, or a section 403(b) annuity contract and compensation deferred under a section 457 plan required to be reported by the Employer on Form W-2 (as described in section 6051(a)(8)).
  - (b) **Compensation for Self-Employed Individuals.** For self-employed individuals, compensation means the net earnings from self-employment determined under section 1402(a), without regard to section 1402(c)(6), prior to subtracting any contributions made pursuant to this plan on behalf of the individual.
- 5.02 **Employee.** Employee means a common-law employee of the Employer. The term employee also includes a self-employed individual and a leased employee described in section 414(n) but does not include a nonresident alien who received no earned income from the Employer that constitutes income from sources within the United States.
- 5.03 **Eligible Employee.** An eligible employee means an employee who satisfies the conditions in the Adoption Agreement and is not excluded under section 1.02.
- 5.04 **SIMPLE IRA.** A SIMPLE IRA is an individual retirement account described in section 408(a), or an individual retirement annuity described in section 408(b), to which the only contributions that can be made are contributions under a SIMPLE IRA plan and rollovers or transfers from another SIMPLE IRA. Effective December 19, 2015, this SIMPLE Plan will accept rollover contributions as described in section 408(p)(1)(B) of the Code including any subsequent guidance provided by the IRS.

**Article VI—Procedures for Withdrawal**

- 6.01 The Employer will provide each Employee with the procedures for withdrawals of contributions received by the financial institution selected by that Employee, and that financial institution's name and address by attaching that information to this Plan unless: (1) that financial institution's procedures are unavailable, or (2) that financial institution provides the procedures directly to the employee.

**Article VII—Undirected Cash Balances**

- 7.01 In the event that cash is received in my account from any source, including without limitation, contributions, transfers, rollovers or cash income from any investment in my account, for which the Custodian or Administrator have not received a written investment direction letter ("Undirected Cash"), you authorize the Custodian or Administrator to invest all Undirected Cash in non-interest bearing or interest bearing government guaranteed or insured investments or accounts, including Treasury securities and other government-guaranteed debt instruments and deposit accounts at banks insured by the Federal Deposit Insurance Corporation, including negotiable and non-negotiable time deposits, savings deposits and demand deposits. I acknowledge that government securities and negotiable time deposits may need to be liquidated in markets maintained by banks or registered broker-dealers at then-current market prices that may be less than the face amount of the instrument.



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## General Instructions

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

### Purpose of Form

Form 5304-SIMPLE is a model Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) plan document that an employer may use to establish a SIMPLE IRA plan described in section 408(p), under which each eligible employee is permitted to select the financial institution for his or her SIMPLE IRA.

These instructions are designed to assist in the establishment and administration of the SIMPLE IRA plan. They are not intended to supersede any provision in the SIMPLE IRA plan.

**Do not** file Form 5304-SIMPLE with the IRS. Instead, keep it with your records.

For more information, see **Pub. 560**, Retirement Plans for Small Business (SEP, SIMPLE, and Qualified Plans), and **Pub. 590**, Individual Retirement Arrangements (IRAs).

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# SIMPLE IRA PLAN DISCLOSURE

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## IN GENERAL

### Which Employers May Establish and Maintain a SIMPLE IRA Plan?

To establish and maintain a SIMPLE IRA plan, you must meet both of the following requirements:

1. Last calendar year, you had no more than 100 employees (including self-employed individuals) who earned \$5,000 or more in compensation from you during the year. If you have a SIMPLE IRA plan but later exceed this 100-employee limit, you will be treated as meeting the limit for the 2 years following the calendar year in which you last satisfied the limit.
2. You do not maintain during any part of the calendar year another qualified plan with respect to which contributions are made, or benefits are accrued, for service in the calendar year. For this purpose, a qualified plan (defined in section 219(g)(5)) includes a qualified pension plan, a profit-sharing plan, a stock bonus plan, a qualified annuity plan, a tax-sheltered annuity plan, and a simplified employee pension (SEP) plan.

A qualified plan that only covers employees covered under a collective bargaining agreement for which retirement benefits were the subject of good faith bargaining is disregarded if these employees are excluded from participating in the SIMPLE IRA plan.

If the failure to continue to satisfy the 100-employee limit or the one-plan rule described in 1 and 2 above is due to an acquisition or similar transaction involving your business, special rules apply. Consult your tax advisor to find out if you can still maintain the plan after the transaction.

Certain related employers (trades or businesses under common control) must be treated as a single employer for purposes of the SIMPLE IRA requirements. These are:

- (a) a controlled group of corporations under section 414(b);
- (b) a partnership or sole proprietorship under common control under section 414(c); or
- (c) an affiliated service group under section 414(m). In addition, if you have leased employees required to be treated as your own employees under the rules of section 414(n), then you must count all such leased employees for the requirements listed above.

### What is a SIMPLE IRA Plan?

A SIMPLE IRA plan is a written arrangement that provides you and your employees with an easy way to make contributions to provide retirement income for your employees. Under a SIMPLE IRA plan, employees may choose whether to make salary reduction contributions to the SIMPLE IRA plan rather than receiving these amounts as part of their regular compensation. In addition, you will contribute matching or nonelective contributions on behalf of eligible employees (see Employee Eligibility Requirements and Contributions below). All contributions under this plan will be deposited into a SIMPLE individual retirement account or annuity established for each eligible employee with the financial institution selected by him or her.

### When To Use Form 5304-SIMPLE

A SIMPLE IRA plan may be established by using this Model Form or any other document that satisfies the statutory requirements.

**Do not** use Form 5304-SIMPLE if:

1. You want to require that all SIMPLE IRA plan contributions initially go to a financial institution designated by you. That is, you do not want to permit each of your eligible employees to choose a financial institution that will initially receive contributions. Instead, use Form 5305-SIMPLE, Savings Incentive Match Plan for Employees of Small Employers (SIMPLE)—for Use With a Designated Financial Institution.
2. You want employees who are nonresident aliens receiving no earned income from you that constitutes income from sources within the United States to be eligible under this plan; or
3. You want to establish a SIMPLE 401(k) plan.

**SAVINGS INCENTIVE MATCH  
PLAN FOR EMPLOYEES  
(SIMPLE)  
FOR USE WITH A NON-DFI  
IRS MODEL FORM 5304-SIMPLE**



## Completing Form 5304-SIMPLE

The Form 5304-SIMPLE along with the Adoption Agreement contain the operative provisions of your SIMPLE IRA plan. This SIMPLE IRA plan is considered adopted when you have completed all applicable boxes and blanks in the Adoption Agreement and it has been executed by you.

The SIMPLE IRA plan is a legal document with important tax consequences for you and your employees. You may want to consult with your attorney or tax advisor before adopting this Plan.

## ANALYSIS OF PLAN ARTICLES

### Employee Eligibility Requirements (Article I)

Each year, for which this SIMPLE IRA plan is effective, you must permit salary reduction contributions to be made by all of your employees who are reasonably expected to receive at least \$5,000 in compensation from you during the year, and who received at least \$5,000 in compensation from you in any 2 preceding years. However, you can expand the group of employees who are eligible to participate in the SIMPLE IRA plan by completing the options provided in Item 5 of the Adoption Agreement. To choose full eligibility, check the box 5(a) in the Adoption Agreement. Alternatively, to choose limited eligibility, check the box 5(b) in the Adoption Agreement, and then complete the blank boxes in Item 5(b)(i) and (ii) as instructed on the Adoption Agreement.

In addition, you can exclude from participation those employees covered under a collective bargaining agreement for which retirement benefits were the subject of good faith bargaining. You may do this by checking the box in Item 6 of the Adoption Agreement. Under certain circumstances, these employees must be excluded. **See Which Employers May Establish and Maintain a SIMPLE IRA Plan?** above.

### Salary Reduction Agreements (Article II)

As indicated in Article II, section 2.01, a salary reduction agreement permits an eligible employee to make a salary reduction election to have his or her compensation for each pay period reduced by a percentage (expressed as a percentage or dollar amount). The total amount of the reduction in the employee's compensation cannot exceed the applicable amount for any calendar year. The applicable amount since 2002 is:

#### Applicable Annual Dollar Limitations

Tax Year	Contribution Limit
2002	\$7,000
2003	\$8,000
2004	\$9,000
2005 - 2006	\$10,000
2007 - 2008	\$10,500
2009 - 2012	\$11,500
2013 - 2014	\$12,000
2015 - 2016	\$12,500

In the case of an eligible employee who will be 50 or older before the end of the calendar year, the above limitation is increased by the following:

Tax Year	Catch-Up Limit
2002	\$500
2003	\$1,000
2004	\$1,500
2005	\$2,000
2006 - 2014	\$2,500
2015 - 2016	\$3,000

### Timing of Salary Reduction Elections

For any calendar year, an eligible employee may make or modify a salary reduction election during the 60-day period immediately preceding January 1 of that year. However, for the year in which the employee becomes eligible to make salary reduction contributions, the period during which the employee may make or modify the election is a 60-day period that includes either the date the employee becomes eligible or the day before.

You can extend the 60-day election periods to provide additional opportunities for eligible employees to make or modify salary reduction elections using the blank in Item 7 of the Adoption Agreement. For example, you can provide that eligible employees may make new salary reduction elections or modify prior elections for any calendar quarter during the 30 days before that quarter.

You may use the **Model Salary Reduction Agreement** to enable eligible employees to make or modify salary reduction elections.

Employees must be permitted to terminate their salary reduction elections at any time. They may resume salary reduction contributions for the year if permitted under the Adoption Agreement. However, by checking the box in Item 8 of the Adoption Agreement, you may prohibit an employee who terminates a salary reduction election outside the normal election cycle from resuming salary reduction contributions during the remainder of the calendar year.



### Contributions (Article III)

Only contributions described below may be made to this SIMPLE IRA plan. No additional contributions may be made.

#### Salary Reduction Contributions

As indicated in Article III, section 3.01, salary reduction contributions consist of the amount by which the employee agrees to reduce his or her compensation. You must contribute the salary reduction contributions to the financial institution selected by each eligible employee.

#### Matching Contributions

In general, you must contribute a matching contribution to each eligible employee's SIMPLE IRA equal to the employee's salary reduction contributions. This matching contribution cannot exceed 3% of the employee's compensation. See Definition of Compensation, below.

You may reduce this 3% limit to a lower percentage, but not lower than 1%. You cannot lower the 3% limit for more than 2 calendar years out of the 5-year period ending with the calendar year the reduction is effective.

**Note:** *If any year in the 5-year period described above is a year before you first established any SIMPLE IRA plan, you will be treated as making a 3% matching contribution for that year for purposes of determining when you may reduce the employer matching contribution.*

To elect this option, you must notify the employees of the reduced limit within a reasonable period of time before the applicable 60-day election periods for the year. See Timing of Salary Reduction Elections above.

#### Nonelective Contributions

Instead of making a matching contribution, you may, for any year, make a nonelective contribution equal to 2% of compensation for each eligible employee who has at least \$5,000 in compensation for the year. Nonelective contributions may not be based on more than \$260,000 for 2014 limit (\$265,000 for 2015 and 2016) of compensation. To elect to make nonelective contributions, you must notify employees within a reasonable period of time before the applicable 60-day election periods for such year. See Timing of Salary Reduction Elections above.

**Note:** *Insert "\$5,000" in Item 10 of the Adoption Agreement to impose the \$5,000 compensation requirement. You may expand the group of employees who are eligible for nonelective contributions by inserting a compensation amount lower than \$5,000.*

#### Rollover Contributions

Effective December 19, 2015, this SIMPLE Plan will accept rollover contributions from qualified plans under section 401(a); qualified annuities under 403(a); tax-sheltered annuities and custodial accounts under 403(b); governmental plans under section 457(b); and from traditional IRAs. Such rollovers are permitted after the SIMPLE IRA has been in existence for 2 years measured from the date of the initial contribution to the account.

#### Effective Date (Article VII)

Insert in Item 11 of the Adoption Agreement, the date you want the provisions of the SIMPLE IRA plan to become effective. You must insert January 1 of the applicable year unless this is the first year for which you are adopting any SIMPLE IRA plan. If this is the first year for which you are adopting a SIMPLE IRA plan, you may insert any date between January 1 and October 1, inclusive of the applicable year.

### ADDITIONAL INFORMATION

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#### Timing of Salary Reduction Contributions

The employer must make the salary reduction contributions to the financial institution selected by each eligible employee for his or her SIMPLE IRA no later than the 30th day of the month following the month in which the amounts would otherwise have been payable to the employee in cash.

The Department of Labor has indicated that most SIMPLE IRA plans are also subject to Title I of the Employee Retirement Income Security Act of 1974 (ERISA). Under Department of Labor regulations at 29 CFR 2510.3-102, salary reduction contributions must be made to each participant's SIMPLE IRA as of the earliest date on which those contributions can reasonably be segregated from the employer's general assets, but in no event later than the 30-day deadline described above.

These rules also apply in the case of self-employed individuals. Thus, the latest day for the deposit of salary reduction contributions made on behalf of a self-employed individual for a calendar year is 30 days after the end of such year, which is January 30th. In order to meet the "as soon as you can reasonably segregate" standard, the DOL regulations provide for a 7-business day deadline for depositing the employee's salary deferral into their account.

#### Definition of Compensation

"Compensation" means the amount described in section 6051(a)(3) (wages, tips, and other compensation from the employer subject to federal income tax withholding under section 3401(a), and, amounts paid for domestic service in a private home, local college club, or local chapter of a college fraternity or sorority. Usually, this is the amount shown in box 1 of Form W-2, Wage and Tax Statement. For further information, see Pub. 15, Circular E, Employer's Tax Guide. Compensation also includes the salary reduction contributions made under this plan, and, if applicable, compensation deferred under a section 457 plan. In determining an employee's compensation for prior years, the employee's elective deferrals under a section 401(k) plan, a SARSEP, or a section 403(b) annuity contract are also included in the employee's compensation.

For self-employed individuals, compensation means the net earnings from self-employment determined under section 1402(a), without regard to section 1402(c)(6), prior to subtracting any contributions made pursuant to this SIMPLE IRA plan on behalf of the individual.



**SAVINGS INCENTIVE MATCH  
PLAN FOR EMPLOYEES  
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IRS MODEL FORM 5304-SIMPLE**



### Employee Notification

You must notify each eligible employee prior to the employee's 60-day election period described above that he or she can make or change salary reduction elections and select the financial institution that will serve as the trustee, custodian, or issuer of the employee's SIMPLE IRA. In this notification, you must indicate whether you will provide:

1. A matching contribution equal to your employees' salary reduction contributions up to a limit of 3% of their compensation;
2. A matching contribution equal to your employees' salary reduction contributions subject to a percentage limit that is between 1 and 3% of their compensation; or
3. A nonelective contribution equal to 2% of your employees' compensation.

You can use the **Model Notification to Eligible Employees** to satisfy these employee notification requirements for this SIMPLE IRA plan.

A **Summary Description** must also be provided to eligible employees at this time. This summary description requirement may be satisfied by providing a completed copy of Form 5304-SIMPLE (including the information described in Article VI - Procedures for Withdrawal) and the executed Adoption Agreement.

If you fail to provide the employee notification (including the summary description) described above, you will be liable for a penalty of \$50 per day until the notification is provided. If you can show that the failure was due to reasonable cause, the penalty will not be imposed.

If the financial institution's name, address, or withdrawal procedures are not available at the time the employee must be given the summary description, you must provide the summary description without this information. In that case, you will have reasonable cause for not including this information in the summary description, but only if you ensure that it is provided to the employee as soon as administratively feasible.

### Reporting Requirements

You are not required to file any annual information returns for your SIMPLE IRA plan, such as Forms 5500 or 5500-EZ. However, you must report to the IRS which eligible employees are active participants in the SIMPLE IRA plan and the amount of your employees' salary reduction contributions to the SIMPLE IRA plan on Form W-2. These contributions are subject to social security, medicare, railroad retirement, and federal unemployment tax.

### Deducting Contributions

Contributions to this SIMPLE IRA plan are deductible in your tax year containing the end of the calendar year for which the contributions are made.

Contributions will be treated as made for a particular tax year if they are made for that year and are made by the due date (including extensions) of your income tax return for that year.

### Summary Description

Each year the SIMPLE IRA plan is in effect, the financial institution for the SIMPLE IRA of each eligible employee must provide the employer the information described in section 408(l)(2)(B). This requirement may be satisfied by providing the employer a current copy of Form 5304-SIMPLE (including instructions) together with the financial institution's procedures for withdrawals from SIMPLE IRAs established at that financial institution, including the financial institution's name and address. The summary description must be received by the employer in sufficient time to comply with the Employee Notification requirements above.

There is a penalty of \$50 per day imposed on the financial institution for each failure to provide the summary description described above. However, if the failure was due to reasonable cause, the penalty will not be imposed.

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(SIMPLE)  
FOR USE WITH A NON-DFI  
IRS MODEL FORM 5304-SIMPLE**



### SUMMARY DESCRIPTION

### PLAN INFORMATION

1. Name of Employer: \_\_\_\_\_  
Address of Employer: \_\_\_\_\_
2. Name of Trustee/Custodian: \_\_\_\_\_  
Address of Trustee/Custodian: \_\_\_\_\_

### ELIGIBILITY REQUIREMENTS

3. All Employees of the Employer shall be eligible to participate under the Plan except:
- a. Employees included in a unit of employees covered under a collective bargaining agreement described in Section 2.02(a) of the Plan.
  - b. Non-resident alien employees who did not receive US source income described in Section 2.02(b) of the Plan.
  - c. Employees who are not reasonably expected to earn \$\_\_\_\_\_ (not to exceed \$5,000) during the Plan Year for which the contribution is being made.
  - d. There are no eligibility requirements. All Employees are eligible to participate upon the later of the plan's effective date or the employee's date of hire.
4. Each Eligible Employee will be eligible to become a Participant after having worked for the Employer during any prior years (not to exceed 2) and received at least \$ in compensation (not to exceed \$5,000), during each of such prior years.

### WRITTEN ALLOCATION FORMULA

5. The Employer has agreed to provide contributions for the \_\_\_\_\_ Plan Year as follows (complete only one choice):
- a. Matching Contribution - The amount of the Participant's Elective Deferral not in excess of 3% of such Participant's Compensation.
  - b. Matching Contribution - The amount of the Participant's Elective Deferral not in excess of \_\_\_\_\_ % (not less than 1% nor more than 3%) of each Participant's Compensation.
  - c. Nonelective Employer Contribution - 2% of each Eligible Employee's Compensation, who receives at least \$5,000, or \_\_\_\_\_, if lesser, in Compensation from the Employer for the Plan Year.

### ADDITIONAL INFORMATION

The Employer has designated \_\_\_\_\_ (insert Name & title) to provide additional information to participants about the Employer's SIMPLE Plan.

### GENERAL DISCLOSURE INFORMATION

The following information explains what a Savings Incentive Match Plan for Employees ("SIMPLE") is how contributions are made, and how to treat these contributions for tax purposes. For more specific information, refer to the SIMPLE Retirement Plan document itself, the completed Adoption Agreement and the accompanying "Employer Disclosure".

For a calendar year, you may make or modify a salary reduction election during the 60-day period immediately preceding January 1 of that year. However, for the year in which you first become eligible to make salary reduction contributions, the period during which you may make or modify the election is a 60 day period that includes either the date you become eligible or the day before. If indicated on the Adoption Agreement, you may have additional opportunities during a calendar year to make or modify your salary reduction election.

### I. SIMPLE RETIREMENT PLAN AND SIMPLE IRA DEFINED

A SIMPLE Retirement Plan is a retirement income arrangement established by your employer. Under this SIMPLE Plan, you may choose to defer compensation to your own SIMPLE Individual Retirement Account or Annuity ("SIMPLE IRA"). You may base these "elective deferrals" on a salary reduction basis that, at your election, may be contributed to a SIMPLE IRA or received in cash. This type of plan is available only to an employer with 100 or fewer employees who earned at least \$5,000 during the prior calendar year.

A SIMPLE IRA is a separate IRA plan that you establish with an eligible financial institution for the purpose of receiving contributions under this SIMPLE Retirement Plan. Your employer must provide you with a copy of the SIMPLE agreement containing eligibility requirements and a description of the basis upon which contributions may be made. All amounts contributed to your SIMPLE IRA belong to you, even after you quit working for your employer.

### II. ELECTIVE DEFERRALS - NOT REQUIRED

You are not required to make elective deferrals under this SIMPLE Retirement Plan. However, if the Employer is matching your elective deferrals, no Employer contribution will be made on your behalf unless you elect to defer under the plan.

### III. ELECTIVE DEFERRALS - ANNUAL LIMITATION

The maximum amount that you may defer under this SIMPLE Plan for any calendar year is limited to the lesser of the percentage of your compensation indicated in the Deferral Form or "the applicable annual dollar limitation" described below:

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**Applicable Annual Dollar Limitations**

Tax Year	Contribution Limit
2002	\$7,000
2003	\$8,000
2004	\$9,000
2005 - 2006	\$10,000
2007 - 2008	\$10,500
2009 - 2012	\$11,500
2013 - 2014	\$12,000
2015 - 2016	\$12,500

The maximum amount will be adjusted for cost-of-living increases in multiples of \$500.

If you attain age 50 or over by the end of a calendar year, you can elect to have your compensation reduced by an additional "catch-up" amount listed below. The maximum additional amount will be adjusted for cost-of-living increases in multiples of \$500.

Tax Year	Catch-Up Limit
2002	\$500
2003	\$1,000
2004	\$1,500
2005	\$2,000
2006 - 2014	\$2,500
2015 - 2016	\$3,000

If you work for other employers (unrelated to this Employer) who also maintain a salary deferral plan, there is an overall limit on the maximum amount that you may defer in each calendar year to all elective SEPs, cash or deferred arrangements under section 401(k) of the Code, other SIMPLE plans and 403(b) plans regardless of how many employers you may have worked for during the year. This limitation is referred to as the section 402(g) limit. The section 402(g) limit on elective deferrals is listed below and is indexed according to the cost of living.

\$11,000 for 2002
\$12,000 for 2003
\$13,000 for 2004
\$14,000 for 2005
\$15,000 for 2006
\$15,500 for 2007 - 2008
\$16,500 for 2009 - 2011
\$17,000 for 2012
\$17,500 for 2013 - 2014
\$18,000 for 2015 - 2016

#### **IV. ELECTIVE DEFERRALS - TAX TREATMENT**

The amount that you may elect to contribute to your SIMPLE IRA is excludible from gross income, subject to the limitations discussed above, and is not includible as taxable wages on Form W-2. However, these amounts are subject to FICA taxes.

#### **V. ELECTIVE DEFERRALS - EXCESS AMOUNTS CONTRIBUTED**

When "excess elective deferrals" (i.e., amounts in excess of the SIMPLE elective deferral limit ("the applicable annual dollar limitation" described in Section III above) or the section 402(g) limit) are made, you are responsible for calculating whether you have exceeded these limits in the calendar year. The section 402(g) limit for contributions made to all elective deferral plans is listed in Section III above.

#### **VI. EXCESS ELECTIVE DEFERRALS - HOW TO AVOID ADVERSE TAX CONSEQUENCES**

Excess elective deferrals are includible in your gross income in the calendar year of deferral. Income on the excess elective deferrals is includible in your income in the year of withdrawal from the SIMPLE IRA. You should withdraw excess elective deferrals and any allocable income, from your SIMPLE IRA by April 15 following the year to which the deferrals relate. These amounts may not be transferred or rolled over tax-free to another SIMPLE IRA.

#### **VII. INCOME ALLOCABLE TO EXCESS AMOUNTS**

The rules for determining and allocating income attributable to excess elective deferrals and other excess SIMPLE contributions are the same as those governing regular IRA excess contributions. The trustee or custodian of your SIMPLE IRA will inform you of the income allocable to such excess amounts.

#### **VIII. AVAILABILITY OF REGULAR IRA CONTRIBUTION DEDUCTION**

In addition to any SIMPLE contribution, if you are under age 70 1/2 you may contribute to a separate Traditional IRA the lesser of 100% of compensation or the regular IRA contribution dollar limit to a Traditional IRA as a regular IRA contribution. However, the amount that you may deduct is subject to various limitations since you will be considered an "active participant" in an employer-sponsored plan. Instead of a Traditional IRA, you may be eligible to make a regular contribution to a Roth IRA. See Publications 590-A and 590-B, "Individual Retirement Arrangement", for more specific information.



## **IX. SIMPLE IRA AMOUNTS - ROLLOVER OR TRANSFER TO ANOTHER IRA**

You may not roll over or transfer from your SIMPLE IRA any SIMPLE contributions (or income on these contributions) made during the plan year to another IRA (other than a SIMPLE IRA) or to an employer plan until the 2 years following the date you first participated in the SIMPLE plan. Also, any distribution made before this time will be includible in your gross income and may also be subject to a 25% additional income tax for early withdrawal. You may, however, remove excess elective deferrals and income allocable to such excess amounts from your SIMPLE IRA before this time, but you may not roll over or transfer these amounts to another IRA.

If the Adoption Agreement indicates that all initial SIMPLE contributions will be made to a single designated Trustee or Custodian, you may transfer your SIMPLE IRA without cost or penalty to another SIMPLE IRA (if within the 2 year period) or thereafter to any other IRA.

After the 2-year restriction described above no longer applies, you may withdraw, or receive, funds from your SIMPLE IRA, and no more than 60 days later, place such funds in another IRA, SIMPLE IRA, qualified plan, 403(b) plan, or 457 plan. This is called a "rollover" and may not be done without penalty more frequently than at one-year intervals, if you are rolling to another SIMPLE IRA or IRA. However, there are no restrictions on the number of times that you may make "transfers" if you arrange to have such funds transferred between the trustees/custodians so that you never have possession of the funds. You may not, however, roll over or transfer excess elective deferrals and income allocable to such excess amounts from your SIMPLE IRA to another IRA. These excess amounts may be reduced only by a distribution to you.

## **X. SIMPLE IRA AMOUNTS - ROLLOVER CONTRIBUTIONS INTO THIS SIMPLE IRA**

Beginning December 19, 2015, you may roll over from a qualified plan, qualified annuity, 403(b) plan, governmental 457(b) Plan or from a traditional IRA into your SIMPLE IRA account. Such rollover may only be made after the 2 year period has expired measured from the date of the first contribution made to your SIMPLE IRA.

## **XI. FILING REQUIREMENTS**

You do not need to file any additional forms with the IRS because of your participation in your employer's SIMPLE Plan.

## **XII. EMPLOYER TO PROVIDE INFORMATION ON SIMPLE IRAS AND THE SIMPLE AGREEMENT**

Your employer must provide you with a copy of the executed SIMPLE agreement, this Summary Description, the form you should use to elect to defer amounts to the SIMPLE, and a statement for each taxable year showing any contribution to your SIMPLE IRA.

## **XIII. FINANCIAL INSTITUTION WHERE IRA IS ESTABLISHED TO PROVIDE INFORMATION**

The financial institution must provide you with a disclosure statement that contains the following items of information in plain nontechnical language.

1. The statutory requirements that relate to the SIMPLE IRA;
2. The tax consequences that follow the exercise of various options and what those options are;
3. Participation eligibility rules and rules on the deductibility and nondeductibility of retirement savings;
4. The circumstances and procedures under which you may revoke the SIMPLE IRA, including the name, address, and telephone number of the person designated to receive notice of revocation (this explanation must be prominently displayed at the beginning of the disclosure statement);
5. Explanations of when penalties may be assessed against you because of specified prohibited or penalized activities concerning the SIMPLE IRA; and
6. Financial disclosure information which:
  - a) Either projects value, growth, rates of the SIMPLE IRA under various contribution and retirement schedules, or describes the method of computing and allocating annual earnings and charges which may be assessed;
  - b) Describes whether, and for what period, the growth projections for the plan are guaranteed or a statement of earnings rate and terms on which these projections are based, and;
  - c) States the sales commission to be charged in each year expressed as a percentage of \$1,000.

See Publications 590-A and 590-B, "Individual Retirement Arrangements", which is available at most IRS offices, for a more complete explanation of the disclosure requirements. IRS Publication 560 also contains more information regarding SIMPLE IRA Plans.

In addition to the disclosure statement, the financial institution is required to provide you with a financial statement each year. It may be necessary to retain and refer to statements for more than one year in order to evaluate the investment performance of your SIMPLE IRA and in order that you will know how to report SIMPLE IRA distributions for tax purposes.

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NEXT GENERATION SERVICES, LLC, 75 LIVINGSTON AVE. STE. 304, ROSELAND, NJ 07068 | P: (973) 533-1880 \* F: (973) 533-1088

**MODEL SIMPLE IRA PLAN EMPLOYER'S ADOPTION AGREEMENT**

**EMPLOYEE INFORMATION**

1. Name: \_\_\_\_\_ Account No.: \_\_\_\_\_  
2. Address: \_\_\_\_\_  
3. EIN #: \_\_\_\_\_ 4. Phone: \_\_\_\_\_

**ELIGIBILITY REQUIREMENTS**

5. The Employer agrees to permit salary reduction contributions to be made in each calendar year to the SIMPLE IRA established by each employee who meets the following requirements (select either (a) or (b)):
- (a) **Full Eligibility.** All employees are eligible.
  - (b) **Limited Eligibility.** Eligibility is limited to employees who are described in both (i) and (ii) below:
    - (i) Current compensation. Employees who are reasonably expected to receive at least \$\_\_\_\_\_ in compensation (not to exceed \$5,000) for the calendar year.
    - (ii) Prior compensation. Employees who have received at least \$\_\_\_\_\_ in compensation (not to exceed \$5,000) during any calendar year(s) (insert 0, 1, or 2) preceding the calendar year.
6. The Employer shall not include employees covered under a collective bargaining agreement for which retirement benefits were the subject of good faith bargaining. (Note: "shall not" applies if the Employer maintains a qualified plan covering only such employees).

**SALARY REDUCTION AGREEMENTS**

7. In addition to the election periods in 2.02(a) of the Plan, eligible employees may make salary reduction elections or modify prior elections: \_\_\_\_\_. If the Employer chooses this option, insert a period or periods (e.g. semi-annually, quarterly, monthly, or daily) that will apply uniformly to all eligible employees.
8. An employee who terminates a salary reduction election in accordance with 2.02 of the Plan may not resume salary reduction contributions during the calendar year.

**EMPLOYER CONTRIBUTIONS**

*For each calendar year, the Employer will contribute under one of the following formulas to the accounts of all eligible employees:*

9. Matching Contributions: The Employer will contribute a matching contribution to each eligible employee's SIMPLE IRA equal to the employee's salary reduction contributions up to 3% subject to the limitations in section 3.02 of the Plan of the employee's compensation for the calendar year; or
10. Nonelective Contributions: The Employer will make Nonelective Contributions equal to 2% of the employee's compensation for the calendar year to the SIMPLE IRA of each eligible employee who has at least a designated amount of compensation (not more than \$5,000) for the calendar year.

**Note:** The actual notification of whether the Employer is making a Matching or Nonelective contribution and compensation requirements shall be made on the Summary Description which must be provided annually.

**EFFECTIVE DATE**

11. This SIMPLE IRA plan is effective \_\_\_\_\_. See SIMPLE IRA Plan Disclosure.

**SIGNATURES**

Employer Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Print name of Signer: \_\_\_\_\_ Title: \_\_\_\_\_

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**MODEL NOTIFICATION TO ELIGIBLE EMPLOYEES**

**SIMPLE IRA Plan Information**

Name of Employer: \_\_\_\_\_

Address of Employer: \_\_\_\_\_

Phone: \_\_\_\_\_ Plan Year: \_\_\_\_\_

**Opportunity to Participate in the SIMPLE IRA Plan**

You are eligible to make salary reduction contributions to the above referenced Employer's SIMPLE IRA plan. This notice and the attached summary description provide you with information that you should consider before you decide whether to start, continue, or change your salary reduction agreement.

**Employer Contribution Election**

For the calendar year, the employer elects to contribute to your SIMPLE IRA (employer must select either (1), (2), or (3)):

- (1) A matching contribution equal to your salary reduction contributions up to a limit of 3% of your compensation for the year;
- (2) A matching contribution equal to your salary reduction contributions up to a limit of \_\_\_\_\_ % (employer must insert a number from 1 to 3 and is subject to certain restrictions) of your compensation for the year; or
- (3) A nonelective contribution equal to 2% of your compensation for the year (limited to \$250,000\*) if you are an employee who makes at least \$ \_\_\_\_\_ (employer must insert an amount that is \$5,000 or less) in compensation for the year.

**Administrative Procedures**

To start or change your salary reduction contributions, you must complete the salary reduction agreement and return it to \_\_\_\_\_ (employer should designate a place or individual) by \_\_\_\_\_ (employer should insert a date that is not less than 60 days after notice is given).

**Employee Selection of Financial Institution**

You must select the financial institution that will serve as the trustee, custodian, or issuer of your SIMPLE IRA and notify your employer of your selection. You may indicate the financial institution on your Salary Reduction Agreement.

\* This is the amount for 2012. For 2013 this amount increased to \$255,000; for 2014 this amount was \$260,000; and for 2015 and 2016 this amount is \$265,000. For later years, the limit may be increased for cost-of-living adjustments. The IRS announces the increase, if any, in a news release, in the Internal Revenue Bulletin, and on the IRS web site at [www.irs.gov](http://www.irs.gov).

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**MODEL SALARY REDUCTION AGREEMENT**

**SIMPLE IRA Plan Information**

Name of Employer: \_\_\_\_\_

Plan Year: \_\_\_\_\_

**Salary Reduction Election**

Name of Employee: \_\_\_\_\_

Subject to the requirements of the SIMPLE IRA plan of the above named Employer.

- I authorize \_\_\_\_\_% or \$\_\_\_\_\_ (which equals \_\_\_\_\_% of my current rate of pay) to be withheld from my pay for each pay period and contributed to my SIMPLE IRA as a salary reduction contribution.
- I elect to terminate my salary reduction contributions.
- I elect not to participate in my Employer's SIMPLE Plan with respect to salary reduction contributions.

**Maximum Salary Reduction**

I understand that the total amount of my salary reduction contributions in any calendar year cannot exceed the applicable amount for that year. (See SIMPLE IRA Plan Disclosure)

**Date Salary Reduction Begins**

I understand that my salary reduction contributions will start as soon as permitted under the SIMPLE IRA plan and as soon as administratively feasible or, if later: \_\_\_\_\_ (Fill in the date you want the salary reduction contributions to begin. The date must be after you sign this agreement.)

**Employee Selection of Financial Institution**

I select the following financial institution to serve as the trustee, custodian, or issuer of my SIMPLE IRA.

Name of financial institution: \_\_\_\_\_

Address of financial institution: \_\_\_\_\_

SIMPLE IRA account name and number: \_\_\_\_\_ Phone: \_\_\_\_\_

I understand that I must establish a SIMPLE IRA to receive any contributions made on my behalf under this SIMPLE IRA plan. If the information regarding my SIMPLE IRA is incomplete when I first submit my salary reduction agreement, I realize that it must be completed by the date contributions must be made under the SIMPLE IRA plan. If I fail to update my agreement to provide this information by that date, I understand that my employer may select a financial institution for my SIMPLE IRA.

**Duration of Election**

This salary reduction agreement replaces any earlier agreement and will remain in effect as long as I remain an eligible employee under the SIMPLE IRA plan or until I provide my employer with a request to end my salary reduction contributions or provide a new salary reduction agreement as permitted under this SIMPLE IRA plan.

Signature of Employee: \_\_\_\_\_ Date: \_\_\_\_\_



## New Account Reminders

### Acceptable forms of Identification

#### Acceptable Forms of Photo Identification Include:

Driver's License  
Passport  
Permanent Resident Card

### Right of Recision Period

#### Right of Recision:

All clients have a seven day right of recision period from the date on their application. After this period is up and there are cleared funds in the account, a client is eligible to make an self-directed investment with their IRA at Next Generation.

### Disclaimer

#### Disclaimer:

Next Generation Trust Company/Next Generation Services (NGTC/NGS) does not review the merits or legitimacy of any investment. NGTC/NGS does not endorse or recommend any companies, products, services, or investments. NGTC/NGS does not provide any financial, legal or investment advice.

If the services of NGTC/NGS were recommended by any third party, such persons or entities are not in any way affiliated with NGTC/NGS. NGTC/NGS is not a "fiduciary" as defined in the IRC, ERISA, and/or any applicable federal, state or local laws. All information provided is for educational purposes only. All parties are encouraged to consult with their professional advisors prior to making any investments.

### Next Step: Making A Self-Directed Investment

- After your account has been opened, the right of recision period is over, AND you have cleared funds in your account, you will be ready to make an investment.
- Clearing times:** Wire (24 hours), ACH/Money Order/Certified Check (2 business days), Check (5 business days).
- All applicable forms are located on our website under the tab, "Client Forms."
- Since accounts are purely self-directed, please contact our office to discuss your investment, to get tips on avoiding prohibited transactions (§4975), and to ensure you complete the appropriate investment documents.
- For help filling out your investment documents, please call the office.