

72(t) Early Withdrawal IRA Supplemental Application Form



Note: This application provides information to be used to comply with the rules set out in Internal Revenue Code Sec. 72(t)(2)(A)(iv), which state that the 10 percent penalty on early distributions prior to age 59 ½ from an IRA will not apply to a distribution which is part of a series of substantially equal periodic payments. However, if your IRA is a traditional type, you will owe taxes on each year's total payments, based on your tax rate in effect at that time (*Roth 72(t) payments are non-taxable*). These taxes may require the filing of interim estimated tax returns.

Account Number	Soc Sec No _____ - _____ - _____
Name on Account	Date of Birth

Type of IRA For the 72(t): Traditional Roth SIMPLE Estimated, Total Amount of 72(t) funds: \$ _____

Select one of the following payment calculation methods:

- Use IRS calculation method which maximizes my 72(t) payments.
- Use IRS calculation method which minimizes my 72(t) payments.

Check Here If Converting All The Funds Of an Existing AE-Trust IRA to a 72(t)

Select one of the following choices:

- I do want to see an illustration of my payment amounts.
- I do not need to see an illustration of my payment amounts.

I Wish To Receive 72(t) Payments At The Following Frequency:

- Monthly Quarterly Annually

I want the payments to begin on this date: ____/____/_____

Federal Tax Withholding Disclosure

With this application, I elect NOT to have Federal and state income tax withheld from my 72(t) payments. I understand that if my IRA is a Traditional IRA then I am liable for payment of Federal and state income tax on the annual amounts I receive. I understand that I may be required to make tax estimate payments before my annual tax return. I also understand that I may be subject to income tax penalties under estimated tax payment rules in the event that my tax payment estimates are insufficient.

Signature

Agreement:

Separate from this supplemental 72(t) early withdrawal IRA application form, I am submitting or have submitted an application to establish a new IRA with uDirectIRA and American Estate and Trust, LC , hereafter "AET", based on funds from either a trustee-to-trustee transfer or a rollover from an existing employer retirement plan or existing IRA account, or, I am converting all the funds of an existing uDirect and AET IRA to a 72(t). I hereby direct AET to create (or convert) that IRA for me as a 72(t) IRA, according to the rules and regulations of Federal tax laws. I hereby direct AET to calculate the 72(t) payment amounts for me, based on the information submitted above and on Federal tax rules and regulations.

I understand that Federal tax rules and regulations state that the 72(t) IRA must pay out a series of annual (or quarterly, monthly) payments until I reach age 59-1/2 or for five years, which ever comes later. I understand that the entire 72(t) IRA account value will be used to calculate my 72(t) payments, and that I may not add funds to or remove funds from the 72(t) IRA until the 72(t) time period ends (though I may have other funds in other IRA accounts). I understand that I cannot change or stop any aspect of the 72(t) plan once it is started, including the payment amounts or payment frequency, and that payments must continue until my 72(t) time period ends. I understand that I must maintain the appropriate amount of liquidity in my account to support the payments and that any investments that I make in the IRA need to support the liquidity requirements of the 72(t) payment stream. I understand that if I violate any of these rules, then the entire 72(t) IRA may become immediately taxable to me. All decisions regarding this 72(t) early withdrawal plan are my own. I expressly assume the responsibility for any consequences of a proper 72(t) which I later may deem to be adverse to me or for any change of mind that I may have, and I agree that AET will in no way be held responsible or liable for any such adverse consequences or change of mind.

Unless I am converting all of an existing uDirect/AET IRA to the 72(t) IRA, this supplemental 72(t) early withdrawal IRA application and Agreement is attached to and made part of an order for an IRA account from AET which I am ordering for and hereby designating as a 72(t) IRA.

(Signature Is Required Here)

(Date)