

IRA Plan Establishment

Establishing an IRA

1. Identify the customer – Refer to internal customer identification program procedures
2. Determine IRA type – Traditional IRA, Roth IRA, SIMPLE IRA
3. Complete and return documents as outlined in the box below
 - Plan agreement
 - Disclosure statement
 - Financial disclosure
 - Beneficiary designation – obtain spousal consent, if applicable
4. File and distribute documents according to internal procedures

Document	Description	Distribution/Retention	Penalty for Failure
Plan Agreement	Controlling language/ contract – terms of the agreement.	IRA owner must receive a copy. Trustee/ custodian must either retain a copy, or obtain and retain proof that the IRA owner received a copy.	\$50 for each failure
Disclosure Statement	Nontechnical explanation of the IRA rules.	Must provide to the IRA owner on or before the IRA is established. Trustee/ custodian must retain a signed and dated copy or an acknowledgement in writing that a copy was received.	\$50 for each failure
Financial Disclosure	Disclosure of projected growth of IRA (or investment information for those investments where growth cannot be projected) as well as applicable any penalties or fees that may be charged.	The financial disclosure is completed once, and provided to the IRA owner, but need not be filed/retained as long as a signed acknowledgement by the IRA owner stating receipt has been obtained and retained.	\$50 for each failure
Plan Agreement Requirements: IRC Sec 408(a)			
Disclosure Statement and Financial Disclosure Requirements: Treas. Reg. Sec. 1.408-6			

