



# Roth IRA Application



## 1 Account Owner (Grantor): Mr. Mrs./Ms. Dr.

First Name M.I. Last Name

Date of Birth (MM-DD-YYYY): --  
 Social Security Number: --

Physical / Street Address (required):  Single  Married  Widowed

City State Zip

Mailing Address (optional):

City State Zip

Daytime Telephone: (  ) -  
 Evening Telephone: (  ) -

**IRA Type:**  
 New Roth IRA  
 Roth Conversion IRA  
 Direct Transfer (include Transfer Form on Page 19)

**Rollover from:**  
 Existing IRA (60 day)

**Note:** For Saturna Brokerage Accounts, a separate, additional application is required. Please see the Saturna Brokerage brochure for more details.

Email:

*Make sure to complete all **6** steps or your application cannot be processed. Incomplete applications will be returned.*

*Be sure to read the prospectus of any mutual fund you select.*

## 2 Primary Beneficiary: Mr. Mrs./Ms. Dr.

First Name M.I. Last Name

Date of Birth (MM-DD-YYYY): --  
 Social Security Number: --

Street Address:

City State Zip

Relationship:

*You may have some limits on choosing beneficiaries other than your spouse. If you live in one of the community property states, your spouse may have rights related to your IRA regardless of whether he or she is named as the primary beneficiary.*

Initial Contribution for tax year 20 \_\_\_\_\_.

## 3 Initial Investment Selection (\$100 Minimum Per Fund):

<input type="checkbox"/> Amana Income	\$ <input type="text"/>
<input type="checkbox"/> Amana Growth	\$ <input type="text"/>
<input type="checkbox"/> Amana Developing World	\$ <input type="text"/>
<input type="checkbox"/> Sextant Growth	\$ <input type="text"/>
<input type="checkbox"/> Sextant International	\$ <input type="text"/>
<input type="checkbox"/> Sextant Core	\$ <input type="text"/>
<input type="checkbox"/> Sextant Short-Term Bond	\$ <input type="text"/>
<input type="checkbox"/> Sextant Bond Income	\$ <input type="text"/>

**Please send separate checks payable to each fund selected.**

Begin automatic investing (voided check attached): \$25 Minimum Per Fund after initial contribution.

<input type="checkbox"/> Amana Income	\$ <input type="text"/>
<input type="checkbox"/> Amana Growth	\$ <input type="text"/>
<input type="checkbox"/> Amana Developing World	\$ <input type="text"/>
<input type="checkbox"/> Sextant Growth	\$ <input type="text"/>
<input type="checkbox"/> Sextant International	\$ <input type="text"/>
<input type="checkbox"/> Sextant Core	\$ <input type="text"/>
<input type="checkbox"/> Sextant Short-Term Bond	\$ <input type="text"/>
<input type="checkbox"/> Sextant Bond Income	\$ <input type="text"/>

every  (Specify period & date: i.e. "month on 15th")

**4 Identification.** Attach a legible photocopy of the Grantor's driver's license, passport or other government-issued identity document.

**5 Complete IRS Form 5305-R on the next page.** Please be sure to sign page 2. Application is incomplete if not included.

## 6 Signature

I have full right, power, and authority and legal capacity to establish an Individual Retirement Account and to make the investments selected. I understand and agree to all terms and conditions set forth in this Saturna Capital IRA Application. I have created the IRA by completing IRS Form 5305-R, which is attached to this Application. I acknowledge that I have read and received the current prospectus(es) of any Fund(s) being purchased. I understand no share certificates will be issued. I certify, under penalties of perjury, that I am not subject to backup withholding under the provisions of section 3406(a)(1)(C) of the Internal Revenue Code.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Saturna Use Only Accepted by: \_\_\_\_\_ Date: \_\_\_\_\_

Mail completed forms and contributions to: Saturna Capital, P.O. Box N, Bellingham, WA 98227-0596

# Roth Individual Retirement Trust Account

**(Under Section 408A of the Internal Revenue Code)**

**Do not file  
with the Internal  
Revenue Service**

→ Name of grantor →	Date of birth of grantor →	Social security number : : : :
→ Address of grantor →		Check if amendment <input type="checkbox"/>
Name of trustee <b>Saturna Trust Company</b>	Address or principal place of business of trustee <b>1300 N. State Street, Bellingham, WA 98225</b>	

The grantor named above is establishing a Roth individual retirement account (Roth IRA) under section 408A to provide for his or her retirement and for the support of his or her beneficiaries after death.

The trustee named above has given the grantor the disclosure statement required by Regulations section 1.408-6.

The grantor has assigned the trust \$ .....

The grantor and the trustee make the following agreement:

### Article I

Except in the case of a rollover contribution described in section 408A(e), a recharacterized contribution described in section 408A(d)(6), or an IRA Conversion Contribution, the trustee will accept only cash contributions up to \$3,000 per year for tax years 2002 through 2004. That contribution limit is increased to \$4,000 for tax years 2005 through 2007 and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$3,500 per year for tax years 2002 through 2004, \$4,500 for 2005, \$5,000 for 2006 and 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

### Article II

1. The annual contribution limit described in Article I is gradually reduced to \$0 for higher income levels. For a single grantor, the annual contribution is phased out between adjusted gross income (AGI) of \$95,000 and \$110,000; for a married grantor filing jointly, between AGI of \$150,000 and \$160,000; and for a married grantor filing separately, between AGI of \$0 and \$10,000. In the case of a conversion, the trustee will not accept IRA Conversion Contributions in a tax year if the grantor's AGI for the tax year the funds were distributed from the other IRA exceeds \$100,000 or if the grantor is married and files a separate return. Adjusted gross income is defined in section 408A(c)(3) and does not include IRA Conversion Contributions.

2. In the case of a joint return, the AGI limits in the preceding paragraph apply to the combined AGI of the grantor and his or her spouse.

### Article III

The grantor's interest in the balance in the trust account is nonforfeitable.

### Article IV

1. No part of the trust account funds may be invested in life insurance contracts, nor may the assets of the trust account be commingled with other property except in a common trust fund or common investment fund (within the meaning of section 408(a)(5)).

2. No part of the trust account funds may be invested in collectibles (within the meaning of section 408(m)) except as otherwise permitted by section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins, coins issued under the laws of any state, and certain bullion.

### Article V

1. If the grantor dies before his or her entire interest is distributed to him or her and the grantor's surviving spouse is not the designated beneficiary, the remaining interest will be distributed in accordance with (a) below or, if elected or there is no designated beneficiary, in accordance with (b) below:

(a) The remaining interest will be distributed, starting by the end of the calendar year following the year of the grantor's death, over the designated beneficiary's remaining life expectancy as determined in the year following the death of the grantor.

(b) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the grantor's death.

2. The minimum amount that must be distributed each year under paragraph 1(a) above is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the designated beneficiary using the attained age of the beneficiary in the year following the year of the grantor's death and subtracting 1 from the divisor for each subsequent year.

3. If the grantor's surviving spouse is the designated beneficiary, such spouse will then be treated as the grantor.

### Article VI

1. The grantor agrees to provide the trustee with all information necessary to prepare any reports required by sections 408(i) and 408A(d)(3)(E), Regulations sections 1.408-5 and 1.408-6, or other guidance published by the Internal Revenue Service (IRS).

2. The trustee agrees to submit to the IRS and grantor the reports prescribed by the IRS.

**Article VII**

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through IV and this sentence will be controlling. Any additional articles inconsistent with section 408A, the related regulations, and other published guidance will be invalid.

**Article VIII**

The Custodian or Trustee may amend this Agreement in any respect (including retroactively) so that the Agreement may conform with applicable provisions of the Internal Revenue Code ("Code"), or with any other applicable law as in effect from time to time, or to make such other changes to this Agreement as the Custodian or Trustee deems advisable. Any amendment made to comply with the Code, or applicable law, does not require the grantor's consent. The grantor will be deemed to have consented to any other amendment unless, within 30 days from the date the Custodian or Trustee mails the amendment, the grantor notifies the Custodian or Trustee in writing that the grantor does not consent and that the Account should be distributed or transferred to another Trustee or Custodian.

**Article IX**

The Trustee or Custodian may be removed or may resign at any time. As a condition of resignation or removal, a successor Trustee or Custodian shall be appointed, provided that any such successor shall satisfy the requirements of the Code. Upon the successor's acceptance of appointment, the assets of the Account(s) shall be transferred to the successor, provided, however, a portion of the Account(s) may be reserved for payment of any liabilities that may constitute a charge against the Account(s). Upon acceptance of appointment, the successor shall be vested with all power of the Custodian or Trustee pursuant to this Agreement. The Custodian or Trustee shall not be liable for the acts or omissions of any predecessor or successor to it. In the event that no successor accepts an appointment, the custodial or trustee Account(s) shall be terminated, and the assets of the Account(s), reduced by the amount of any unpaid fees, liabilities or expenses, will be distributed to the grantor (or following the death of the grantor, the beneficiary).

→ Grantor's signature ..... → Date .....

Trustee's signature ..... Date .....

Witness' signature ..... Date .....

(Use only if signature of the grantor or the trustee is required to be witnessed.)

**General Instructions**

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

**Purpose of Form**

Form 5305-R is a model trust account agreement that meets the requirements of section 408A and has been pre-approved by the IRS. A Roth individual retirement account (Roth IRA) is established after the form is fully executed by both the individual (grantor) and the trustee. This account must be created in the United States for the exclusive benefit of the grantor and his or her beneficiaries.

**Do not** file Form 5305-R with the IRS. Instead, keep it with your records.

Unlike contributions to traditional individual retirement arrangements, contributions to a Roth IRA are not deductible from the grantor's gross income; and distributions after 5 years that are made when the grantor is 59½ years of age or older or on account of death, disability, or the purchase of a home by a first-time homebuyer (limited to \$10,000), are not includible in gross income. For more information on Roth IRAs, including the required disclosures the trustee must give the grantor, see **Pub. 590**, Individual Retirement Arrangements (IRAs).

**Definitions**

**IRA Conversion Contributions.** IRA Conversion Contributions are amounts rolled over, transferred, or considered transferred from a nonRoth IRA to a Roth IRA. A nonRoth IRA is an individual retirement account or annuity described in section 408(a) or 408(b), other than a Roth IRA.

**Trustee.** The trustee must be a bank or savings and loan association, as defined in section 408(n), or any person who has the approval of the IRS to act as trustee.

**Grantor.** The grantor is the person who establishes the trust account.

**Specific Instructions**

**Article I.** The grantor may be subject to a 6% tax on excess contributions if **(1)** contributions to other individual retirement arrangements of the grantor have been made for the same tax year, **(2)** the grantor's adjusted gross income exceeds the applicable limits in Article II for the tax year, or **(3)** the grantor's and spouse's compensation is less than the amount contributed by or on behalf of them for the tax year. The grantor should see the disclosure statement or Pub. 590 for more information.

**Article V.** This article describes how distributions will be made from the Roth IRA after the grantor's death. Elections made pursuant to this article should be reviewed periodically to ensure they correspond to the grantor's intent. Under paragraph 3 of Article V, the grantor's spouse is treated as the owner of the Roth IRA upon the death of the grantor, rather than as the beneficiary. If the spouse is to be treated as the beneficiary, and not the owner, an overriding provision should be added to Article IX.

**Article IX.** Article IX and any that follow it may incorporate additional provisions that are agreed to by the grantor and trustee to complete the agreement. They may include, for example, definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of the trustee, trustee's fees, state law requirements, beginning date of distributions, accepting only cash, treatment of excess contributions, prohibited transactions with the grantor, etc. Attach additional pages if necessary.