

GEBA/GEMBA

Summary Plan Description

GEMBA Individual Retirement Account (IRA) Plan

GEMBA Group Annuity Plan

Disclosure Statement for the GEMBA IRA Plan

October 1, 2021

Main / Postal Address

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Purpose

This document is intended to serve as the Summary Plan Description for the GEMBA Individual Retirement Account (IRA and Roth) Plan and the GEMBA Group Annuity Plan. It presents general information about the Plans in a simple, non-technical manner. Because GEMBA sponsors these Plans for the purpose of enabling Members to supplement their federal pensions, we sometimes informally refer to the Plans collectively as the GEMBA Supplemental Retirement Plan, although each is a separate plan. We have combined the respective Summary Plan Descriptions into a single document for your convenience. Throughout this booklet, we relate our understanding of the U.S. Internal Revenue Code and Treasury Regulations. GEMBA, however, is not a tax advisor, and should your participation in the GEMBA Supplemental Retirement Plans raise tax questions for you, we recommend that you consult your own tax advisor.

The words “we,” “us,” or “our” when used in this document refer to GEMBA. As you know, GEMBA shares offices, phone numbers, etc. with our sister organization GEBA.

Please note that in addition to the general description of the IRA plan contained in this Summary Plan Description, in accordance with federal regulations there is also attached to this document a separate Disclosure Statement containing further explanations and charts pertaining exclusively to the IRA Plan.

In addition to carefully reviewing this Summary Plan Description, it is required that you confirm your receipt and agreement to the plan documents by signing and returning a copy of the Form 5305. The signed Form 5305 may be returned to us at the address listed in the General Information section below.

General Information

1. The full name of the IRA Plan (Plan #002) is the GEMBA Individual Retirement Account (IRA) Plan; this includes both Traditional and Roth IRAs. The full name of the Group Annuity Plan is the GEMBA Group Annuity Plan. Its plan number is #003.
2. The Plan Sponsor and Plan Administrator for each Plan is the Government Employees' Mutual Benefit Association, Inc. ("GEMBA"), whose address is 1362 Mellon Rd. #100 Hanover, MD 21076, (410) 657-8060, and whose employer identification number is 52-1235644.
4. The Custodian of the Plans are TI Trust Bank, Inc., Quincy, IL and sub custodian, Charles Schwab.
5. Legal Process: Agent for Service of Legal Process: National Registered Agents, Inc, 1015 15th Street, NW. Suite 1000 Washington, D.C. 20005. Legal Process may also be served on GEBA's Executive Director, at the address listed above (see “Plan Sponsor”).
6. Plan Year: The Plan Year ends on December 31 of each year. The records of the Plans are kept on a calendar year basis.
7. Types of Plans: The IRA Plan is an individual retirement account under Section 408(c) of the Internal Revenue Code to which Members may make tax-deductible or non-deductible contributions (non-deductible contributions require record keeping by the Participant), and a Roth individual retirement account under Section 408A(c) of the Internal Revenue Code to which Members may make non-deductible contributions. The Group Annuity Plan is a

program under which Members are entitled to make non-tax-deductible contributions for the purchase of group annuity contracts which provide for the deferral of taxes on the earnings under the contracts until amounts are distributed.

8. Funding the Plans: The Plans will be funded solely by contributions by Participants. Dollars contributed are initially transferred to the Custodian for safekeeping. The Custodian, at the Participant's election, then invests the contributions in the Stable Value Account ("SVA"). Dollars contributed to the GEBA MAX Fixed Annuity or the Variable Annuity (MetLife) are made directly to Jackson National Life Insurance Company or MetLife Life Insurance Company respectively and are not transferred to the Custodian.

9. Type of Administration: The Plans are administered by GEMBA under the terms of its articles of incorporation and by-laws. We are responsible for the operation of the Plan in a uniform and non-discriminatory manner; shall have full responsibility for compliance with the reporting and disclosure rules under the Act with respect to the Agreement; have the right to make rules and decisions about the operation of the Plan; is designated to receive all legal papers concerning the Plan; and shall have the authority to engage the services of agents to assist us in the administration of the Plan and the expenses for such agents shall be paid from the Fund unless paid directly by the Association.

10. Pension Benefit Guaranty Corporation: Funds under the Plans are not insured by the government agency known as the Pension Benefit Guaranty Corporation (PBGC). Benefits are not insured because under Title IV of the Employee Retirement Income Security Act of 1974, Section 4021, the Plans are specifically exempt from coverage or any guarantees by the PBGC.

Definitions

For the purpose of this Summary Plan Description, the following words used shall be defined as set forth below:

Account- the separate account(s) which the Advisory Committee shall maintain for a Participant under the Plan

Act - the Employee Retirement Income Security Act of 1974, as amended.

Advisory Committee- the Board of Directors of the Association as from time to time constituted. The Advisory Committee shall have full and exclusive authority and discretion to determine all questions of eligibility, methods of providing or arranging for benefits and all other related matters. They shall have full power and discretion to construe disputed or ambiguous terms in this Plan or in any other rules or regulations adopted pursuant to this Plan. Any such determination and any such construction adopted by the Advisory Committee in good faith shall be binding upon all parties hereto and the Beneficiaries hereof. A list of the current Advisory Committee members is available upon request.

Association - The Government Employees' Mutual Benefit Association, Inc.

Beneficiary - is a person designated by a Participant who is or may become entitled to a benefit under the Plans. A Beneficiary shall remain a Beneficiary under the Plans until the Custodian has fully distributed the benefits. A Beneficiary's right to (and the Plan Administrator's, the Advisory Committee's or the Custodian's duty to provide

to the Beneficiary) information or data concerning the Plans shall not arise until he/she first becomes entitled to receive a benefit under the Plans.

Code - the Internal Revenue Code of 1986, as amended.

Compensation - wages, salaries, professional fees, or other amounts derived from or received for personal services actually rendered (including, but not limited to, commissions paid salespeople, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips and bonuses) and includes earned income, as defined in Section 401(c)(2) of the Code (reduced by the deduction a self-employed individual takes for contributions made to a self-employed retirement plan). For purposes of this definition, Section 401(c)(2) of the Code shall be applied as if the term trade or business for purposes of Section 1402 of the Code included service described in Section 401(c)(6). Compensation does not include income amounts derived from or received as earnings or profits from property (including, but not limited to, interest and dividends) or amounts not includable in gross income. Compensation also does not include any amount received as a pension or as deferred compensation. The term "compensation" shall include any amount includable in the individual's gross income under Section 71 of the Code with respect to the divorce or separation instrument described in subparagraph (A) of Section 71(b)(2) of the Code.

Custodian - any entity meeting the requirements of Section 408(a)(2) of the Code which in writing accepts the position of Custodian. With respect to the Group Annuity Plan, the Custodian shall accept the responsibilities of a trustee under Title I, Section 403 of the Act, consistent with the terms of the Plan.

Domestic Partner- an individual, who has a close and personal relationship with a Member, has completed our Declaration of Domestic Partnership Form available at www.geba.com, under Resource Center- Forms, and has been determined by us to be a Domestic Partner of a Member.

Effective Date - January 1, 1984, as amended and restated effective October 1, 2021.

Fiduciary - those persons who exercise any discretionary authority or control respecting management of the Plans. The Fiduciaries of the Plans shall include the Plan Administrator, any designated Investment Manager, the Custodian, and the Advisory Committee.

Fixed Annuity – a low risk investment issued by an Insurer. Assets invested in a Fixed Annuity are backed by the financial strength of the issuing Insurer, regardless of the amount. For example, The GEBA MAX is a flexible premium deferred Fixed Annuity, available through GEMBA is offered by Jackson National Insurance Company.

Fund - all property of any kind held or acquired by the Custodian under the Plans.

Guaranteed Investment Contract (GIC) - an annuity contract with an Insurer under which a specified rate of return is provided for the term of the contract. 100% of the benefits in the GIC are guaranteed by the insurer's assets, and not federally insured. Synthetic GICs shall not be recognized as GICs under the Group Annuity Plan.

Group Annuity Contract - the group annuity contract then in force under the Plan by which the Plan provides for the investment of Participant Accounts and the purchase of annuities for election Participants. A Group Annuity Contract shall also mean a portfolio of Guaranteed Investment Contracts or Stable Value fund selected and managed by an Investment Manager.

Group Annuity Plan - the GEMBA Group Annuity Plan established by GEMBA through which Participants may contribute to the purchase of annuity contracts taxable in accordance with Section 72 of the Code.

Inherited Annuity – An annuity that you inherit as a Beneficiary. A Beneficiary can be any person or entity the owner chooses to receive the benefits of the annuity. Beneficiaries of an annuity must include any taxable distributions they receive.

- (Spouse Only) Treat it as your own by rolling it over into your annuity
- Complete a 1035 exchange to an annuity contract who is willing to accept a Beneficiary 1035 exchange.

Inherited IRA- An individual retirement account that is left to a Beneficiary after the owner's death. If the owner has already begun receiving Required Minimum Distributions (RMDs) at the time of his or her death, the Beneficiary must continue to receive the distributions as already calculated or submit a new schedule based on his or her life expectancy. A Beneficiary can be any person or entity the owner chooses to receive the benefits of the IRA after he/she dies. Beneficiaries of a Traditional IRA must include any taxable distributions they receive. Under the GEMBA Supplemental Retirement Program beneficiaries may elect to:

- (Spouse Only) Treat it as your own by rolling it over into your IRA, or to the extent it is taxable, into a:
 - Qualified employer plan,
 - Qualified employee annuity plan (section 403(a) plan),
 - Tax-sheltered annuity plan (section 403(b) plan),
 - Deferred compensation plan of a state or local government (section 457 plan), or

Inherited Roth IRA - A Roth IRA that you inherit as a Beneficiary. A Beneficiary can be any person or entity the owner chooses to receive the benefits of the Roth IRA after he/she dies. Beneficiaries of a Roth IRA must include any taxable distributions they receive. Under the GEMBA Supplemental Retirement Program beneficiaries may elect to:

- (Spouse Only) Treat it as your own by rolling it over into your Roth IRA.
- Treat themselves as the beneficiary, whereby an Inherited Roth IRA will be created
- Complete a Trustee to Trustee Transfer to an like named account

Insurer - any legal reserve life insurance company which issues a contract under the Plans. Also referred to as a Carrier.

IRS – Internal Revenue Service, www.irs.gov

Member - any active or retired civilian employee of the United States Government, any active or retired U.S. military personnel, or a spouse of any of the foregoing.

Non-forfeitable - a Participant's or Beneficiary's unconditional claim, legally enforceable against the Plans, to the Participant's Account.

Participant - a Member who contributes to the Plans. A Member who becomes a Participant shall remain a Participant under the Plans until the Custodian has fully distributed the benefits to such Member.

Plans - refers collectively to the IRA Plans and Group Annuity Plan.

Plan Administrator - the Association.

Plan Year - the fiscal year of the Plans, ending on December 31.

Retirement - retirement from U.S. civilian employment or any U.S. military branch.

Roth IRA- the Individual Retirement Account (IRA) Plan established by GEMBA in accordance with Section 408A(c) of the Code to which members may make non-deductible contributions which allows for tax free withdrawals.

Stable Value Account (SVA) – investment that operates like a bond fund investing in relatively low risk, fixed income securities of varying maturities, but with preservation of principal plus accrued interest.

Stable Value Annuity Account- portfolio that may invest in a diversification of a money market account, portfolio of GICs from multiple Insurers with varying maturities, Stable Value fund, high quality Wrapped Bonds, and separately managed accounts.

Stable Value IRA Account- portfolio that may invest in a diversification of a money market account, portfolio of GICs from multiple Insurers with varying maturities, Stable Value Fund, high quality Wrapped Bonds, separately managed accounts, and may invest in Synthetic GICs (Synthetic GICs not available in the Group Annuity Plan).

Stable Value Fund- a general ledger fund where an underlying company seeks to create a fund of fixed investments which provides a competitive interest rate,

Supplemental Retirement Plan – means the GEMBA IRA Plan and GEMBA Group Annuity Plan

Synthetic Guaranteed Investment Contract (Synthetic GIC) - a pool of fixed income investments wrapped by a book-value investment contract issued by a bank or Insurer, where the purchaser owns the assets underlying the Synthetic GIC. No assets of the Group Annuity Plan may be invested in Synthetic GICs, or portfolios including Synthetic GICs.

Traditional IRA - the Individual Retirement Account (IRA) Plan established by GEMBA in accordance with Section 408(c) of the Code to which members may make tax-deductible or non-deductible contributions (Non-deductible contributions require Participant to record and track contributions).

Variable Annuity Contract (VAC) - an annuity contract with an Insurer where the rate of return is not fixed, but is tied to investment options offered through the Insurer. Benefits are not guaranteed.

Wrapped Bond- an insured fixed income security; it is a diversified portfolio of fixed income securities (bonds) protected against fluctuations in market value by a wrap contract from an insurance company or a bank. Participants transact at book value (principal + accrued interest) regardless of changes in market value of the underlying assets.

OUR INVESTMENT OPTIONS:

1. The SVA is similar to a bond fund, investing in a combination of diversified portfolios of relatively low risk, fixed income securities of varying maturities and/or a Stable Value Fund with liquid characteristics. SVAs are designed to reduce the loss of principal value providing a competitive return with lower risk and volatility through the use of fixed investments issued by banks or Insurers. This investment can be used to fund a Traditional IRA, Roth IRA or non-qualified annuity. SVAs are not federally insured. Assets are backed by the underlying Insurers in which funds are invested.
2. An alternative fixed rate investment option is the GEBA MAX, a flexible deferred Fixed Annuity offered by Jackson National Life Insurance Company. The GEBA MAX provides stable growth and minimal market risk. This investment can be used to fund a Traditional IRA, Roth IRA or non-qualified annuity. Each contribution will be credited with the current interest rate as declared by Jackson National Life[®] at the time of receipt. The initial interest rate is declared in advance and guaranteed for your choice of one year, three years or five years (not all interest rate guarantee periods are available at all times). After the expiration of the interest rate guarantee, the contract will continue to be credited with a competitive interest rate as declared by Jackson National Life for a period of not less than 12 months. As of 1/1/2019, new contracts in the GEBA Max have an interest rate floor of 1%. All guarantees are based on the claims paying ability of Jackson National Life Insurance Company.
3. The VAC is an annuity contract with an Insurer (currently, Metropolitan Life Insurance Company) where the rate of return is tied to investment options offered through the Insurer and chosen by the Participant. A Participant in the MetLife VAC self directs their contributions into investment options available under the plan. The rate of return is subject to market fluctuations as they affect the investment options in which the Participant has chosen to invest. Because of the exposure to the Market, the MetLife VAC has more investment risk associated with it than the SVA or GEBA MAX Fixed Annuity. The benefits are not guaranteed nor federally insured.

Part One - Traditional IRAs

1. What is the GEMBA Supplemental Retirement Plan?

The GEMBA Supplemental Retirement Plan is the name informally given to the IRA Plan and Group Annuity Plan.

2. What are the annual income limits for a Tax Deduction?

If you are not an active Participant in an employer-sponsored plan, the entire contribution to your Traditional IRA is deductible. If you are an active Participant in an employer-sponsored plan, your Traditional IRA contribution may still be completely or partly deductible on your tax return, depending on the amount of your Modified Adjusted Gross Income (MAGI) (see chart below). If your MAGI is below the phase-out range, your IRA contributions are fully deductible. If your MAGI is above the phase-out range, you may not deduct your IRA contributions. If your MAGI falls within the phase-out range, you may only take a partial deduction. For taxable years beginning in 2021, an individual who is not personally an active employee Participant in another plan, but whose spouse is an active employee Participant, the deduction limit phases out as MAGI moves from \$198,000 to 208,000.

No deduction is allowed in any event for any Traditional IRA contribution which is made during the taxable year in which the individual reaches the age of 72. No deduction is allowed for a rollover contribution because it is not treated as income to the individual.

Joint Returns- with a spouse who is covered by a plan at work	
Taxable Years Beginning In	MAGI Phase-out Range
2020	\$104,000-\$124,000
2021	\$105,000-\$125,000

Future year Phase out ranges can be found at <https://www.irs.gov/retirement-plans/ira-deduction-limits>.

Single & Head of Household- If you are covered by a retirement plan at work	
Taxable Years Beginning In	MAGI Phase-out Range
2020	\$65,000-\$75,000
2021	\$66,000-\$76,000

Future year Phase out ranges can be found at <https://www.irs.gov/retirement-plans/ira-deduction-limits>.

3. What are the contribution eligibility requirements for a Traditional IRA?

You are eligible to establish and contribute to an IRA if you:

- Received compensation (or earned income if you are self employed) during the year for services you rendered AND
- You did not reach age 72 during the year.

4. Who may participate?

You are eligible to establish and contribute to the Plan if you are:

- Active or retired civilian employee of the federal government,
- Military personnel or any former U.S. military personnel who retired,
- A spouse or domestic partner of any of the above.

5. How are contributions deposited to the plan?

To contribute, complete and sign a contribution form available at the GEBA office or www.gebawealth.com and submit it along with a check, Agency Payroll Allotment form, or Automatic Debit form. Note: Payroll allotment is available ONLY for NSA/DIA employees. Call or visit the GEBA office for additional assistance in establishing a Supplemental Retirement Plan account. To establish a Traditional IRA account, you must sign and return to GEMBA the Form 5305-A.

Contributions will be invested each week and withdrawals will be processed daily. The Custodian will forward the money to the Insurer within a maximum of 5 working days following receipt of your contributions. Contributions to the GEBA MAX and the Variable annuity (MetLife) are made payable to the carrier directly and do not go through the Custodian. They will be forwarded to the carrier for investment promptly upon receipt by GEBA.

6. How much may I contribute to the IRA Plan?

Annual contributions may be made by the Member in an amount not to exceed the lesser of 100% of the Member’s Compensation or the appropriate amount set forth in items 1 through 4 below. All such contributions must be made no later than the due date (not including any extensions) for filing the Member’s Federal Income Tax Return for the year.

1. Maximum Permissible Amount. Except in the case of a rollover contribution (as permitted by the Code Sections 402(c), 402(e)(6), 403(a)(4), 403(b)(8), 403(b)(10), 408(d)(3) and 457(d)(16)) the total contributions shall not exceed (adjustments will be made by the Secretary of Treasury according to the cost-of-living increase under Section 219(b)(5)(D) in multiples of \$500):

Year	Contribution Maximum
2020	\$6,000
2021	\$6,000

Future year contribution limits can be found at <https://www.irs.gov/retirement-plans/ira-deduction-limits>.

2. Catch Up Contributions. In the case of an individual who is age 50 or older, the annual contribution limits are:

Year	Contribution Maximum
2020	\$7,000
2021	\$7,000

Future year contribution limits can be found at <https://www.irs.gov/retirement-plans/ira-deduction-limits>

3. Qualified Reservist Distribution Repayment. In addition to the amounts described above, an individual may make a repayment of a qualified reservist distribution described in Code Section 72(t)(2)(G) during the 2-year period beginning on the day after the end of active duty period or by August 15 or the first business day following; if later.
4. Special reporting for US Armed forces in designated combat zones. A Participant who is serving in or in support of the Armed Forces in a designated combat zone or qualified hazardous duty area has an additional period after the normal contribution due date of April 15 to make IRA contributions for a prior year. The period is the time the Participant was in the designated zone or area plus at least 180 days. The Participant must designate the IRA contribution for a prior year to claim it as a deduction on the income tax return.

Under section 219(f), combat zone compensation that is excluded from gross income under section 112 is treated as includible compensation for purposes of determining IRA contributions.

A qualifying Participant is:

1. Serving, or has served in a combat zone,
2. Serving, or has served in a qualifying hazardous duty area, or
3. Serving, or has served in an active direct support area.

7. May I make contributions after retirement?

Yes, as long as you still meet the earned income contribution eligibility requirements as stated above in Question 3.

8. Are contributions to a Traditional IRA tax deductible?

The deductibility of your contribution depends upon whether you are an active Participant in an employer-sponsored retirement plan [e.g. TSP or 401(k)]. If you are not an active Participant, the entire contribution to your Traditional IRA is deductible.

If you are an active Participant in an employer-sponsored plan, your Traditional IRA contribution may be completely or partly deductible on your tax return, depending on the amount of your adjusted gross income (see Question #2 for more details). Depending upon your circumstances, you may wish to make nondeductible contributions to a Traditional IRA Plan. Nondeductible contributions to a Traditional IRA as well as distributions from an account containing nondeductible contributions must be reported to the IRS on IRS form 8606. Specific instructions regarding contributions and distributions from IRAs containing nondeductible contributions may be obtained directly from the IRS. It is the responsibility of the Participant to maintain tax records concerning the deductibility of any contributions and to consult a tax professional with any questions concerning tax consequences of contributions and distributions.

9. Am I allowed to make a Traditional IRA contribution in a subsequent Plan Year and consider it tax deductible for the preceding Plan Year?

Yes, you may contribute to the IRA as late as the filing date of your federal tax return (not including extensions) in a subsequent Plan Year and, if so designated, it will be considered tax deductible for the prior Plan Year. Even if you are not eligible for a tax-deductible Traditional IRA, you may still make an IRA contribution as late as the filing date of your federal tax return for the prior Plan Year. Agency payroll allotments are posted only to the IRA account for the current Plan Year. Contributions must be postmarked by the filing date of the return (not including extensions).

10. What are my investment alternatives?

You will be able to direct the investment of the entire interest in your Account. The Custodian will provide you with information on the investment choices available to you, the procedures for making investment elections, the frequency with which you can change your investment choices and other important information.

The first investment is the Stable Value Account (“SVA”), a low risk, high quality investment providing a stable rate of return and preservation of principal. The second investment option is an equity and/or fixed income based variable rate annuity in the form of a Variable Annuity Contract (VAC)- currently offered by MetLife. The third option is the GEBA MAX, a flexible deferred Fixed Annuity, offered by Jackson National Life Insurance Company.

The Plans are intended to comply with Section 404(c) of the Act by allowing you to direct the investment of your Account into a diverse range of investments. If the Plan complies with Section 404(c), then the fiduciaries of the Plan, including the Advisory Committee and the Custodian, will be relieved of any legal liability for any losses which are the direct and necessary result of the investment directions that you give.

You need to follow the procedures for making investment elections and you should carefully review the information provided to you before you give investment directions. If you do not direct the investment of your applicable Plan accounts or if you allow your investment balance to fall below the \$2,000 minimum balance for that investment for more than sixty days, then your accounts may be invested in accordance with the default investment alternatives established under the Plan. These default investments will be made in accordance with specific rules under which the fiduciaries of the Plan, including the GEMBA Advisory Committee and the Custodian follow. The Custodian has or will provide you with a separate notice which details these default investments and your right to switch out of the default investment if you so desire. If the Plan complies with

these default investment requirements, the fiduciaries of the Plan, including the GEMBA Advisory Committee and the Custodian, will be relieved of any legal liability for any losses resulting from the default investments. GEMBA reserves the right to process a full withdrawal and send a lump sum check to the member for the proceeds if a Stable Value Accounts' value falls under \$200 and is not being contributed to as these accounts will be considered "orphaned."

11. What is the investment return?

Your rate of return will depend on your election between the SVA, the MetLife VAC or the GEBA MAX. The Stable Value Account (SVA) provides returns similar to bond funds, but with reduced volatility across market cycles. Interest is credited to the Participant's account daily.

The MetLife VAC provides a variable rate of return tied to investment options offered by the Insurer and the Participant's investment choices. In general, no specific Contract Period is applicable to the MetLife VAC and no specific rate of return is established. Rather the prior rate of return will vary upon the performance of the investment portfolio on which the Participant's MetLife VAC account is based.

The GEBA MAX Flexible Deferred Fixed Annuity was designed to provide a competitive interest rate. Each premium payment into the GEBA MAX will be credited with the current interest rate as declared by Jackson National Life at the time of receipt. The initial interest rate is declared in advance and guaranteed for 1 year, 3 years, or 5 years as available depending on your selection (note: not all guarantee periods will always be available). After the expiration of the interest rate guarantee, you will continue to be credited with a competitive interest rate as declared by JNL for a period of not less than 12 months. As of November 1, 2019, your GEBA MAX interest rate is guaranteed never to drop below 1%.

12. May I move my SVA funds to another Plan?

We allow you to transfer IRA funds via a trustee to trustee transfer; however, if you transfer funds from the SVA within the first five years after the Account is established, you will be subject to a 5% withdrawal penalty and a \$20 processing fee, unless an exception applies (see Question #50).

A tax-free rollover is where an actual distribution is made to you; and you subsequently make a contribution to another plan in the same amount within 60 days. A tax-free rollover is permitted only one time annually without penalty from the IRS. To qualify for this exception, you must make the rollover contribution by the 60th day after the day you receive the distribution from your traditional IRA or your employer's plan. Plan withdrawal penalties and processing fees are assessed in the same manner as trustee-to-trustee transfers above.

One-time transfers from a Traditional IRA or a Roth IRA to a Health Savings Account (HSA): The Tax Relief and Health Care Act of 2006 (TRHCA) allows eligible taxpayers to make one-time transfers from a Traditional IRA or a Roth IRA to an HSA. These distributions are generally excluded from gross income and are not subject to early

withdrawal penalty. The amount contributed to the HSA through a qualified HSA funding distribution is not allowed as a deduction and counts against the taxpayer's maximum annual HSA contribution for the tax year of the distribution. A qualified HSA funding distribution from the Traditional IRA or Roth IRA must be less than or equal to the Traditional IRA or Roth IRA account owner's maximum annual HSA contribution for the year in which the owner decides to make the one-time distribution. The maximum annual HSA contribution is based on both age and type of High Deductible Health Plan (HDHP) coverage.

Additionally, an individual who has self-only HDHP coverage and later, within the tax year, changes to family HDHP coverage, may take a second qualified HSA funding distribution in that tax year. A qualified HSA funding distribution from the Traditional IRA or Roth IRA must be less than or equal to the Traditional IRA or Roth IRA account owner's maximum annual HSA contribution for the year in which the owner decides to make the one-time distribution. For further detail on this issue, see Section 408(d)(9) of the Code and IRS Notice 2008-51.

13. What are the tax consequences of withdrawals from a Traditional IRA?

Unless "rolled over" into another IRA within 60 days of receipt, the amounts distributed are taxable except to the extent those amounts include nondeductible contributions to the IRA. If you withdraw an amount from the IRA, and you previously had made both deductible and nondeductible IRA contributions over the years, you must maintain detailed records that will enable you to prorate your distribution between taxable and nontaxable withdrawals. We will only report the total withdrawal made. Specific instructions regarding reporting of contributions to and withdrawals from IRAs containing nondeductible contributions may be obtained directly from the IRS.

Withdrawals from a Traditional IRA before you reach age 59 ½ are subject to an IRS penalty of 10% on the amount included in gross income unless:

- A. The withdrawal is a result of your death or disability.
- B. The purpose of the withdrawal is to pay certain higher education expenses for you or your spouse, child, or grandchild. Qualifying expenses include tuition, fees, books, supplies and equipment. Room and board expenses may qualify if the student is attending at least part-time; however, expenses that are paid for with a scholarship or other educational assistance payments are not eligible expenses.
- C. The withdrawal was issued to pay eligible first-time homebuyer expenses. These are the costs of purchasing, building or rebuilding a principal residence. The purchaser may be you, your spouse, a child, grandchild, parent or grandparent of you or your spouse. An individual is considered a "first-time homebuyer" if the individual did not have (or, if married, neither spouse had) an ownership interest in a principal residence during the two-year period immediately preceding the acquisition in question. The withdrawal must be used for eligible expenses within 120 days after

the withdrawal. There is a lifetime limit on eligible first-time homebuyer expenses of \$10,000 per individual.

- D. The withdrawal is one of a scheduled series of substantially equal periodic payments for your life or life expectancy (or the joint lives or life expectancies of you and your Beneficiary). If there is an adjustment to the scheduled series of payments, the 10% penalty tax may apply. The 10% penalty will not apply if you make no change in the series of payments until the end of five consecutive years or until you reach age 59 ½, whichever is earlier.
- E. The withdrawal does not exceed the amount you paid for health insurance coverage for yourself, your spouse and dependents. This exception applies only if you have been unemployed and received federal or state unemployment compensation payments for a least 12 weeks; this exception applies to withdrawals during the year in which you received the unemployment compensation and during the following year, but not to any withdrawals received after you have been re-employed for at least 60 days.
- F. The withdrawal is made pursuant to an IRS levy to pay overdue taxes.
- G. You have unreimbursed medical expenses that exceed 7.5% of your adjusted gross income.
- H. The distribution is a qualified reservist distribution.

14. May I withdraw or transfer funds from one investment to another?

You may withdraw or transfer funds from one GEMBA investment to another without a plan withdrawal penalty or processing fee, under the following conditions:

- A. Withdrawal from the SVA may be transfer to the GEBA MAX, or the MetLife VAC.
- B. Withdrawals from the MetLife VAC may transfer to the SVA or GEBA MAX. Transferred funds from the SVA to the MetLife VAC must remain in the MetLife VAC for at least 90 calendar days. You may transfer funds back to the SVA without penalty or fee after this period. Transfers to the GEBAMAX are subject to a 6-year surrender period-see the GEBA MAX Brochure for details.

Except as provided in Question #50, all other withdrawals and transfers are subject to the plan withdrawal penalty and processing fees.

15. Will distributions be deferred beyond retirement?

Yes; however, you cannot keep funds in a traditional IRA indefinitely. Eventually they must be distributed. If you are the owner of a traditional IRA, you must start receiving distributions from your IRA by April 1 of the year following the year in which you reach age 72. This is referred to as the Required Minimum Distribution beginning date. If there are no distributions, or if the distributions are not large enough, you may have to pay a 50% excise tax on the amount not distributed as required. We will ensure that RMD calculations are completed each year and you are informed for the SVA/VAC/GEBA Max; however, required minimum distributions will NOT be

processed without the proper written authorization by the IRA owner. Note: RMD information may be produced by the carrier directly. It is the Participant's responsibility to take these withdrawals.

16. How will my Account be distributed at my death?

Your Account will be distributed in accordance with your most current listed beneficiaries on file with us at the date of your death. You may choose (or change) your beneficiaries at any time as long as you follow the rules set forth in Question #54. If you do not choose a Beneficiary or your beneficiaries predecease you, your beneficiaries will be determined by us in accordance with Question #54.

Upon your death and after proper documentation has been provided to us, a Beneficiary may receive the proceeds of this/these account(s) in the following ways (Each Beneficiary may choose a payment option):

- Immediate Payment. A check will be mailed to the listed Beneficiary (ies) and proper reporting will be done to the IRS
- Payment by Dec. 31st of the 10th year following the owner's death or at Maturity. The proceeds of the deceased Accounts will be deposited into a newly created Inherited IRA(s) whereby the new Account owner (Beneficiary) may hold this (these) Account(s) until a five-year time period has lapsed.

A deceased Member may have more than one itemized account. These accounts will be deposited pro-rata and in-kind (meaning the Beneficiary will have the same number of accounts as the deceased) basis. Fees and Expenses will not change upon the creation or funding of an Inherited IRA. See Annual Disclosure for details.

Part Two - Roth IRAs

17. What is the GEMBA Supplemental Retirement Plan?

The GEMBA Supplemental Retirement Plan is the name informally given to the IRA Plan and Group Annuity Plan.

18. What are the contribution eligibility requirements for a Roth IRA?

You are eligible to establish and contribute to a Roth IRA if you received Compensation (or earned income if you are self employed) during the year for personal services you rendered. There is no age limit for Roth IRA contributions; however, there are income limits.

See IRS Publications 590A to calculate reduced amounts.

Filing Status	Modified AGI	Contribution Limit
Married Filing Jointly or Qualifying Widow(er)	2020-Less than \$196,000 2021- Less than \$198,000	Maximum Limit
	2020-More than \$196,000, but less than \$206,000 2021- More than \$198,000 but less than \$208,000	Reduced Amount
	2020- \$206,000 or more 2021- \$208,000 or more	No Contributions Allowed

Married Filing Separately and you lived with your spouse at any time during the year.	Zero (\$0.00)	Maximum Limit
	More than zero, but less than \$10,000	Reduced Amount
	\$10,000 or more	No Contributions Allowed
Single, Head of Household or Married Filing Separately and you did NOT live with your spouse at any time during the year.	2020- Less than \$124,000 2021- Less than \$125,000	Maximum Limit
	2020- More than \$124,000 but less than \$139,000 2021- More than \$125,000, but less than \$140,000	Reduced Amount

19. Who may participate?

You are eligible to establish and contribute to the Plan if you are:

- An active or retired civilian employee of the federal government,
- U.S. Military personnel or any former military personnel who retired,
- A spouse or domestic partner of any of the above.

20. How are contributions deposited to the plan?

Complete and sign a contribution form available at our office or www.gebawealth.com/forms/investment-forms and submit it along with a check or automatic debit form. Note: Payroll allotment is available ONLY for NSA/DIA employees. Call or visit our office for additional assistance in establishing a Supplemental Retirement Plan account. To establish a Roth IRA account, you must sign and return to GEMBA the Form 5305-RA.

All contributions will be forwarded to the Custodian and invested weekly. Contributions to the GEBA MAX are made payable to the carrier directly and do not go through the Custodian. They will be forwarded to Jackson for investment promptly upon receipt by GEBA.

21. How much may I contribute to a Roth IRA?

Annual contributions may be made by the Member in an amount not to exceed the lesser of 100% of the Member’s Compensation or the appropriate amount set forth in items 1, 2, 3 and 4 below. All such contributions must be made no later than the due date (not including any extensions) for filing the Member’s Federal Income Tax Return for the year.

Annual contributions may be made by the Member in an amount not to exceed the lesser of 100% of the Member’s Compensation or the appropriate amount set forth in items 1 through 4 below. All such contributions must be made no later than the due date (not including any extensions) for filing the Member’s Federal Income Tax Return for the year.

- 1. Maximum Permissible Amount. Except in the case of a rollover contribution (as permitted by the Code Sections 402(c), 402(e)(6), 403(a)(4), 403(b)(8), 403(b)(10), 408(d)(3) and 457(d)(16)) the total contributions shall not exceed (adjustments will be made by the Secretary of Treasury according to the cost-of-living increase under Section 219(b)(5)(D) in multiples of \$500):

Year	Contribution Maximum
2020	\$6,000
2021	\$6,000

Future year contribution limits can be found in IRS Publication 590.

- 2. Catch Up Contributions. In the case of an individual who is age 50 or older, the annual contribution limits are:

Year	Contribution Maximum
2020	\$7,000
2021	\$7,000

Future year contribution limits can be found in IRS Publication 590.

3. Qualified Reservist Distribution Repayment. In addition to the amounts described above, an individual may make a repayment of a qualified reservist distribution described in Code Section 72(t)(2)(G) during the 2-year period beginning on the day after the end of active duty period or by August 17, 2008, if later.
4. Qualified rollover Contributions
 - a. Recipients of military death gratuities and Service member Group Life Insurance (SGLI) payments may contribute amounts received to a Roth IRA, up to the amount of the gratuity or SGLI payment less any amounts contributed to Coverdell ESAs
 - b. Qualified airline employees may contribute the amounts received (money or other property) with respect to the employee's interest in a bankruptcy claim against the airline carrier, to a Roth IRA as a rollover contribution.

It is the responsibility of the Participant to adhere to these limitations. The IRA Plan cannot accept contributions in excess of the individual limits above. Accordingly, we will not remit contributions in excess of the limits to the IRA Plan. Contributions received by us that are in excess of the limits will be remitted and credited to the Group Annuity Plan. (See other limitations set forth in the IRA Disclosure Statement of this booklet).

22. May I make contributions after retirement?

Yes, as long as you still meet the contribution eligibility requirements as stated above in Question 18.

23. Are contributions to a Roth IRA tax deductible?

No, contributions to a Roth IRA are not tax deductible. The advantage of the Roth IRA is tax-free withdrawals (see Question 30).

24. Am I allowed to make a Roth IRA contribution in a subsequent Plan Year for the preceding Plan Year?

Yes, you may contribute to the Roth IRA as late as the filing date of your federal tax return (not including extensions) in a subsequent Plan Year. Automatic Debit and Payroll contributions are posted only to the Roth IRA account for the current Plan Year. Contributions must be postmarked by the filing date of the return (not including extensions).

25. What are my investment alternatives?

You will be able to direct the investment of the entire interest in your Account. The Custodian will provide you with information on the investment choices available to you, the procedures for making investment elections, the frequency with which you can change your investment choices and other important information.

The first investment option is the Stable Value Account (“SVA”), a low risk, high quality investment providing a stable rate of return and preservation of principal. The second investment option is an equity and/or fixed income based variable rate annuity in the form of a Variable Annuity Contract (VAC)- currently offered by MetLife. The third option is the GEBA MAX, a flexible deferred Fixed Annuity, offered by Jackson National Life Insurance Company.

The Plans are intended to comply with Section 404(c) of the Act by allowing you to direct the investment of your Account into a diverse range of investments. If the Plan complies with Section 404(c), then the fiduciaries of the Plan, including the Advisory Committee and the Custodian, will be relieved of any legal liability for any losses which are the direct and necessary result of the investment directions that you give.

You need to follow the procedures for making investment elections and you should carefully review the information provided to you before you give investment directions. If you do not direct the investment of your applicable Plan accounts or if you allow your investment balance to fall below the \$2,000 minimum balance specified for that investment for more than sixty days, then your accounts may be invested in accordance with the default investment alternatives established under the Plan. These default investments will be made in accordance with specific rules under which the fiduciaries of the Plan follow, including the GEMBA Advisory Committee and the Custodian. The Custodian has or will provide you with a separate notice which details these default investments and your right to switch out of the default investment if you so desire. If the Plan complies with these default investment requirements, the fiduciaries of the Plan, including the GEMBA Advisory Committee and the Custodian, will be relieved of any legal liability for any losses resulting from the default investments.

GEMBA reserves the right to process a full withdrawal and send a lump sum check to the member for the proceeds if a Stable Value Accounts’ value falls under \$200 and is not being contributed to as these accounts will be considered “orphaned.”

26. What is the investment return?

The Stable Value Account (SVA), provides returns similar to bond funds, but with reduced volatility across market cycles. Interest is credited to the Participants account daily in conjunction with weekly contribution and daily requested withdrawals.

The GEBA MAX Flexible Deferred Fixed Annuity was designed to provide a competitive interest rate. Each premium payment into the GEBA MAX will be credited with the current interest rate as declared by Jackson National Life at the time of receipt. The initial interest rate is declared in advance and guaranteed for 1 year, 3 years, or 5 years as available depending on your selection (there will be times when specified periods may not be available). After the expiration of the interest rate guarantee, you will continue to be credited with a competitive interest rate as declared by JNL for a period of not less than 12 months. Your GEBA MAX interest rate on new contributions is guaranteed never to drop below 1%.

27. May I move my funds to another Plan?

We allow you to transfer Roth IRA funds via a trustee transfer; however, if you transfer funds from the SVA within the first five years after the account is established you will be subject to a 5% withdrawal penalty and a \$20 processing fee, unless an exception applies (see Question #50).

A tax-free rollover is where an actual distribution is made to you; and you subsequently make a contribution to another Roth IRA plan in the same amount within 60 days. A tax-free rollover is permitted only one time annually without penalty from the IRS. To qualify for this exception, you must make the rollover contribution by the 60th day after the day you receive the distribution from your Roth IRA. Plan withdrawal penalties and processing fees are assessed in the same manner as trustee-to-trustee transfers above.

One-time transfers from a Traditional IRA or a Roth IRA to a Health Savings Account (HSA): The Tax Relief and Health Care Act of 2006 (TRHCA) allows eligible taxpayers to make one-time transfers from a Traditional IRA or a Roth IRA to a HSA. These distributions are generally excluded from gross income and are not subject to early withdrawal penalty. The amount contributed to the HSA through a qualified HSA funding distribution is not allowed as a deduction and counts against the taxpayer's maximum annual HSA contribution for the tax year of the distribution. A qualified HSA funding distribution from the Traditional IRA or Roth IRA must be less than or equal to the Traditional IRA or Roth IRA account owner's maximum annual HSA contribution for the year in which the owner decides to make the one-time distribution. The maximum annual HSA contribution is based on both age and type of High Deductible Health Plan (HDHP) coverage.

Additionally, an individual who has self-only HDHP coverage and later, within the tax year, changes to family HDHP coverage, may take a second qualified HSA funding distribution in that tax year. A qualified HSA funding distribution from the Traditional IRA or Roth IRA must be less than or equal to the Traditional IRA or Roth IRA account owner's maximum annual HSA contribution for the year in which the owner decides to make the one-time distribution. For further detail on this issue, see Section 408(d)(9) of the Code and IRS Notice 2008-51.

28. Can distributions from an Employer's Retirement Plan be converted to a Roth IRA?

Yes.

29. Can I convert my existing Traditional IRA to a Roth IRA?

Yes.

30. What are the tax consequences of withdrawals from a Roth IRA?

There are two types of withdrawals. Non-Qualified and Qualified. There are two categories of qualified withdrawals:

1. Regular Roth IRA Participant contributions. Withdrawals are taken without taxes or penalties provided the total contribution remains less than the Total of withdrawals.

2. Taxable conversion and rollover amounts. Withdrawals are taken without taxes or penalties provided the total contribution remains less than the Total of withdrawals AND the converted assets have been held for more than 5 years or the exceptions listed in A-I are met. If the distribution does not satisfy these exceptions, the Participant may be subject to a 10% penalty.

Qualified withdrawals (resulting from earnings and distributed AFTER contributions) from a Roth IRA are tax-free and penalty-free provided they:

- A. Are made after the end of the five-taxable-year period beginning with the first taxable year for which you made the initial contribution, AND
- B. The payment or distribution is:
 1. Made on or after the date you reach age 59 ½,
 2. Made because you are disabled,
 3. Made to a Beneficiary or to your estate after your death, or
 4. One that meets the requirements listed under First home under Exceptions in Chapter 1 of IRS Publication 590.

If you receive a distribution that is not a qualified distribution, you will have to pay the 10% additional tax on distributions unless one of the following exceptions applies:

- A. You have reached age 59 ½.
- B. The withdrawal is a result of your death or disability.
- C. You use the distribution to pay certain qualified first-time homebuyer amounts.
- D. The distributions are part of a series of substantially equal payments.
- E. You have significant unreimbursed medical expenses.
- F. You are paying medical insurance premiums after losing your job.
- G. The distributions are not more than your qualified education expenses.
- H. The distribution is due to an IRS levy of the qualified plan.
- I. The distribution is a qualified reservist distribution

Distributions from the Roth IRA follow a specific ordering. Regular contributions are distributed first, followed by conversion contributions on a first-in-first-out basis, and lastly the earnings are distributed.

31. Can distributions be deferred for a Roth IRA beyond retirement?

Yes. You are not required to take distributions from your Roth IRA at any age. The minimum distribution rules that apply to Traditional IRAs do not apply to Roth IRAs while the owner is still alive. However, after the death of the Roth IRA owner, certain minimum distribution rules that apply to Traditional IRAs also apply to Roth IRAs as explained in IRS Publication 590.

32. How will my account be distributed at my death?

Your account will be distributed in accordance with your current listed beneficiaries at the date of your death. You may choose (or change) your beneficiaries at any time as long as you follow the rules set forth in Question #54. If you do not choose a Beneficiary or your beneficiaries predecease you, your beneficiaries will be determined by us in accordance with Question #54.

Upon your death and after proper documentation has been provided to us, a Beneficiary may receive the proceeds of this account in the following ways (Each Beneficiary may choose an option):

- Immediately. A check will be mailed to the listed Beneficiary (ies) and proper reporting will be done to the IRS
- By December 31st of the 10th year following the owners death or at Maturity, the proceeds of the deceased's accounts will be deposited into a newly created Inherited Roth IRA whereby the new account owner (Beneficiary) may hold this account until a 5 year time period has lapsed.

A deceased Member may have more than one itemized account. These accounts will be deposited pro-rata and in-kind (meaning the Beneficiary will have the same number of accounts as the deceased) basis. Fees and Expenses will not change upon the creation or funding on an Inherited IRA. See Annual Disclosure for details.

Part Three - Group Annuity

33. What is the GEMBA Supplemental Retirement Plan?

The GEMBA Supplemental Retirement Plan is the name informally given to the IRA Plan and Group Annuity Plan.

34. Who may participate?

You are eligible to establish and contribute to the Plan if you are:

- An active or retired civilian employee of the federal government,
- U.S. military personnel or any former military personnel who retired,
- A spouse or domestic partner of any of the above.

35. How are contributions deposited to the plan?

Complete and sign a Contribution Form available at our office or www.gebawealth.com/forms/investment-forms and submit it along with a check, or automatic debit form. Note: Payroll allotment is available ONLY for NSA/DIA employees. Call or visit our office for additional assistance in establishing a Supplemental Retirement Plan account.

All contributions will be invested according to a weekly contributions and daily requested withdrawals schedule. The Custodian will forward the money to the Stable Value Fund within a maximum of 5 working days following receipt of your contributions. Contributions to the GEBA MAX and the Variable annuity (MetLife) are made payable to the carrier directly and do not go through the Custodian. They will be forwarded to the carrier for investment promptly upon receipt by GEBA.

36. How much may I contribute to the Group Annuity Plan?

There is no annual limit on the amount which you may contribute to the Group Annuity Plan; however, this amount will not be tax-deductible. Earnings will be tax deferred until withdrawn from the Plan.

37. May I make contributions after retirement?

Yes, you may make contributions after retirement.

38. What are my investment alternatives?

You will be able to direct the investment of the entire interest in your Account. The Custodian will provide you with information on the investment choices available to you, the procedures for making investment elections, the frequency with which you can change your investment choices and other important information.

The first is the Stable Value Account (“SVA”), a low risk, high quality investment providing a stable rate of return and preservation of principal. The second investment option is an equity and/or fixed income based variable rate annuity in the form of a Variable Annuity Contract (VAC)- currently offered by MetLife. The third option is the GEBA MAX, a flexible deferred Fixed Annuity, offered by Jackson National Life Insurance Company.

The Plans are intended to comply with Section 404(c) of the Act by allowing you to direct the investment of your Account into a diverse range of investments. If the Plan complies with Section 404(c), then the fiduciaries of the Plan, including the Advisory Committee and the Custodian, will be relieved of any legal liability for any losses which are the direct and necessary result of the investment directions that you give.

You need to follow the procedures for making investment elections and you should carefully review the information provided to you before you give investment directions. If you do not direct the investment of your applicable Plan accounts or if you allow your investment balance to fall below the \$2,000 minimum balance specified for that investment for more than sixty days, then your accounts may be invested in accordance with the default investment alternatives established under the Plan. These default investments will be made in accordance with specific rules under which the fiduciaries of the Plan, including the GEMBA Advisory Committee and the Custodian, will comply. The Custodian has or will provide you with a separate notice which details these default investments and your right to switch out of the default investment if you so desire. If the Plan complies with these default investment requirements, the fiduciaries of the Plan, including the GEMBA Advisory Committee and the Custodian, will be relieved of any legal liability for any losses resulting from the default investments.

GEMBA reserves the right to process a full withdrawal and send a lump sum check to the member for the proceeds if a Stable Value Accounts’ value falls under \$200 and is not being contributed to as these accounts will be considered “orphaned.”

39. What is the investment return?

Your rate of return will depend on your election between the SVA, the MetLife VAC or the GEBA MAX. The Stable Value Account (SVA) provides returns similar to bond funds, but with reduced volatility across market cycles. Interest is credited to the Participants account daily.

The MetLife VAC provides a variable rate of return tied to investment options offered by the Insurer and the Participant's investment choices. In general, no specific Contract Period is applicable to the MetLife VAC and no specific rate of return is established. Rather, the prior rate of return will vary based on the performance of the investment portfolio on which the Participant's MetLife VAC account is based.

The GEBA MAX Flexible Deferred Fixed Annuity was designed to provide a competitive interest rate. Each premium payment into the GEBA MAX will be credited with the current interest rate as declared by Jackson National Life at the time of receipt. The initial interest rate is declared in advance and guaranteed for 1 year, 3 years, or 5 years as available depending on your selection (note: not all guarantee periods will always be available). After the expiration of the interest rate guarantee, you will continue to be credited with a competitive interest rate as declared by JNL for a period of not less than 12 months. Your GEBA MAX interest rate on new withdrawals is guaranteed never to drop below 1%.

40. May I move my funds to another Plan?

We allow you to transfer annuity funds via a Code Section 1035 exchange. However, if you transfer the funds from the SVA within the first five years after the account is established, you will be subject to a 5% withdrawal penalty and a \$20 processing fee (see Question #50 for exceptions). If you transfer your MetLife VAC funds to another institution, you will be charged a \$20 processing fee.

41. What are the tax consequences of withdrawals from the Group Annuity Plan?

Because your contributions to the Group Annuity Plan are not tax-deductible, only the earnings are taxed as ordinary income when distributed. In most cases the Code requires that withdrawals be from earnings first. Withdrawals from the Group Annuity Plan before you reach age 59 ½ are subject to an IRS penalty of 10% of the amount includable in income unless:

- A. The distribution was a result of your death or disability.
- B. The distribution is one of a scheduled series of substantially equal periodic payments for your life or life expectancy (or the joint lives or life expectancies of you and your Beneficiary). If there is an adjustment to the scheduled series of payments, the 10% penalty tax may apply. The 10% penalty will not apply if you make no change in the series of payments until the end of five consecutive years or until you reach age 59 ½, whichever is later.

42. May I withdraw or transfer funds from one investment to another?

You may withdraw or transfer funds from one GEMBA investment to another without a plan withdrawal penalty or processing fee. Withdrawals from the MetLife VAC to the SVA may be transferred immediately. Transfers from the SVA to the MetLife VAC must remain in the MetLife VAC for at least 90 calendar days. You may transfer funds back to the SVA without penalty or fee after this period.

Except as provided in Question #50, all other withdrawals and transfers are subject to the plan withdrawal penalty and processing fees.

43. May distributions be deferred beyond retirement?

Yes. You are not required to take distributions from your Group Annuity Account at any age. The minimum distribution rules that apply to the Traditional IRA do not apply to your Group Annuity.

44. Can I elect to convert my deferred group annuity to an individual immediate payout annuity?

Yes. Contact us for details on electing this option. Married account owners may not select a life only annuity.

45. How is my Group Annuity Account distributed upon my death?

Married Participant. If you are married at the time of your death, your spouse will be the beneficiary of the full value of your Group Annuity Account unless an election is made to change the beneficiary. IF YOU WISH TO DESIGNATE A BENEFICIARY OTHER THAN YOUR SPOUSE, YOUR SPOUSE MUST IRREVOCABLY CONSENT TO WAIVE ANY RIGHT TO THIS DEATH BENEFIT. YOUR SPOUSE'S CONSENT MUST BE IN WRITING, BE WITNESSED BY A NOTARY OR A PLAN REPRESENTATIVE AND ACKNOWLEDGE THE SPECIFIC NONSPOUSE BENEFICIARY.

If you are married and you change your beneficiary designation, then your spouse must again consent to the change. In addition, you may elect a beneficiary other than your spouse without your spouse's consent if your spouse cannot be located.

Unmarried Participant. If you are not married, you may designate a beneficiary on a form to be supplied to you by the Administrator. See Q. 54 for more information.

Divorce. If you have designated your spouse as your beneficiary for all or a part of your death benefit, then upon your divorce, the designation is no longer valid. This means that if you do not select a new beneficiary after your divorce, then you are treated as not having a beneficiary for that portion of the death benefit (unless you have remarried).

PLEASE KEEP US UPDATED ON YOUR MARITAL STATUS

Part Four - General Information

46. How do I make my Plan contributions?

- A. Bi-weekly Agency payroll allotment (NSA/DIA civilian employees only)
- B. Check
- C. Automatic debit from savings/checking account or
- D. Any combination of A, B, or C above.

47. What is the minimum contribution required?

The minimum contribution is \$25 through Agency payroll allotment for the Stable Value Account and the Met Life VAC. In a lump sum, the requirement for each investment is as follows:

- SVA/MetLife VAC: \$2,000
- GEBAMax: \$5,000

If your balance falls below \$2,000 for more than 60 days, GEBA reserves the right to transfer your balance into the default investment program. See Question #10 above for more information about this program.

48. May I change my Agency payroll allotment or automatic debit amount?

Yes, you may change amounts anytime by notifying us and submitting the necessary forms to our office. Please allow at least 5 business days to process the change.

49. Will participation in the Plans continue if the civilian employee resigns from the Federal Government or military assignee leaves military service, or the contractor is no longer assigned to the Agency?

Resignation from the United States federal government either as a military employee or a civilian employee or as an existing contractor within the plan does not impact participation eligibility in the GEMBA Supplemental Retirement Plan. Once an account has been established, you may continue to make contributions, and funds may remain in the plan until you choose to withdraw them. Withdrawals must occur upon death, or in the case of a Traditional IRA, at least by April 1 in the year following the year you turn 72.

50. Do the Plans (as opposed to the IRS) charge any fees when I take a distribution?

A. SVA–Withdrawals/transfers from the SVA are subject to a 5% withdrawal penalty for the first five years after the account is established and a \$20 processing fee.

The 5% withdrawal penalty is waived if the withdrawal/transfer is on account of the Participant's, death, disability, retirement from employment from the Federal Government, Contractor or Military Service, or achievement of age 59 ½.

The \$20 processing fee is waived if:

1. Total Supplemental Retirement Plan assets meet or exceed \$500,000
2. You transfer your funds from the SVA to the MetLife VAC, or vice versa
3. You transfer your funds from the SVA to the GEBA MAX
4. You withdraw funds due to the IRS required minimum distribution, limited to once per calendar year
5. You withdraw is due to the death or disability of the account holder
6. You transfer your funds to ANY GEBA Wealth Management program

B. MetLife VAC - Withdrawals from a MetLife VAC is not subject to the withdrawal penalty. However, each withdrawal/transfer is subject to a \$20 processing fee unless transferred into the SVA, GEBAMAX or any GEBA Wealth Management Program. The fee is waived for IRS required distributions (once per year) or in the event of death or disability.

C. GEBA MAX

Completed Years Since Receipt of Each Premium Payment	0	1	2	3	4	5	6
Withdrawal Charge*	6%	5%	4%	3%	2%	1%	0%

** Percentage of each premium payment and interest credited on such premium. Each premium, including subsequent premium is subject to the withdrawal charge schedule above. Depending on market interest rates, an early withdrawal that exceeds the 15% Annual Free Withdrawal may require an additional withholding called a Market Value Adjustment (MVA).*

51. How many withdrawals/transfers from the Plan may I make in a calendar year?

The number of withdrawals/transfers are not limited. Withdrawals can be requested at any time, but may be subject to fees and/or penalties as described in Question #50.

52. What if I become disabled?

If you no longer continue to work and are receiving disability benefits, or if you are no longer employed and are determined to be disabled by a licensed physician, you may have your funds paid immediately upon receipt of proof of disability without any Plan administration charges, withdrawal fees, or any IRS penalties. Contact your tax preparer for details.

53. What if I should die before I begin receiving benefits?

If you die before payment of your benefits commences, your Beneficiary will be eligible to receive 100% of your benefits, upon receipt by us of proof of death (Certified Death Certificate). Group Annuity Account holders see Q. 45.

54. May I name my own Beneficiary?

Yes, you may name one or more Beneficiaries to receive the proceeds due upon your death. You may change the Beneficiary designation at any time. Group Annuity Account holders see also Q. 45. A copy of the trust document is required if designating a trust as a Beneficiary. The naming of beneficiaries is limited to persons expected to receive at least 25% of the account or \$10,000- whichever is less.

Should you choose to do so, you may elect to name a different set of beneficiaries for each account type (IRA, Roth IRA, and GA) and investment. SVA (IRA, Roth IRA, and GA), MetLife VAC (IRA and GA), GEBA MAX Fixed Annuity (IRA, Roth IRA, and GA). Married account owners should review Question 45 which addresses spousal consent requirements when opening an account or changing beneficiaries.

In the absence of a Beneficiary designation, the Custodian shall pay the Participant's Account balance in a lump sum(s) in the following order of priority:

- A. The surviving spouse
- B. Surviving children, including adopted children, in equal shares
- C. Surviving parents, in equal shares
- D. The legal representative of the estate of the last to die of the Participant and his/her Beneficiary.

If named Beneficiary dies after the owner, but before the owner's account has been distributed to the Beneficiary; the distribution of these assets will be completed in the following using the following priorities:

- The legally named executor of the owner's estate will be given authority to name new beneficiaries in accordance with will/trust documents that are currently in effect
- If no executor exists or the executor chooses not to make a determination of new beneficiaries, the assets within the accounts will be distributed using the following priorities:
 - Traditional IRA, Roth IRA and Group Annuities: Beneficiary accounts in the deceased owner's name will be set up at the carrier to hold the deceased owner's account. At this point, the assets will be distributed to named beneficiaries of the new account or if no named beneficiaries are listed; according the priority listed above.
 - If creating an account in the deceased name is not possible, a check containing the entire account balance will be mailed to the deceased Beneficiary's address in the deceased Beneficiary's name.

55. May I withdraw funds prior to retirement?

Yes, you may withdraw your funds from the Plans at any time, even while you remain employed, subject however; to any IRS tax penalties or Plan charges and processing fees that might be applicable (see Question #50). The IRS penalties are not related in any respect to retirement from the Federal Government.

56. How do I request a withdrawal of funds?

For purposes of receiving funds under the Plans, a withdrawal request must be filed by a Plan Participant or Beneficiary with us. Such request shall be in writing and may be filed by either the claimant or the claimant's authorized representative. Funds are paid by the Custodian or Insurer to GEMBA, if your request is approved. The GEMBA Advisory Committee is vested with authority to construe the terms of the Plan. Once funds are requested of the Custodian for the benefit of the Member, the withdrawal is final and the request cannot be rescinded.

57. How are written withdrawal requests processed?

- A. SVA - Written requests for SVA withdrawals are processed every daily. Direct transfer or 1035 exchange distribution proceeds are sent directly to the new institution.
- B. MetLife VAC - Written requests for distributions received by us prior to 3 p.m. EST are sent to the offering Insurer (MetLife) within a reasonable amount of time. Checks are mailed to the Member directly from the Insurer. Direct transfer or 1035 exchange distribution proceeds are sent directly to the new institution.
- C. GEBA MAX - Written requests for distribution received by us prior to 3 p.m. ET are sent to Jackson National Life Insurance Company within a reasonable amount of time. Checks are mailed directly to the Member from Jackson National Life Insurance Company.

58. What happens if a claim for funds is denied?

If a claim is wholly or partially denied by us, written notification of the benefit determination shall be provided to the claimant within 90 days of receipt of the claim and shall include:

- A. Specific reason or reasons for the adverse determination
- B. Reference to the specific Plan provisions on which the denial was based
- C. A description of any additional material or information necessary for the claimant to perfect the claim and an explanation as to why the information is needed
- D. A description of the Plan's appeal procedures and notice that failure to file an appeal in writing with the Advisory Committee within 90 days following receipt of the denial will render the Advisory Committee decision final.
- E. Name of the Advisory Committee member to whom the claimant may forward his appeal.

If the claimant elects to appeal to the Advisory Committee, he, or his duly authorized representative, may submit any written comments, documents, records or other information relating to the claim for benefits he feels are pertinent. The Claimant, or his duly authorized representative, shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim for benefits.

Upon receipt of the appeal, the Advisory Committee shall examine all comments, documents, records, and other information submitted by the claimant. The Advisory Committee shall provide the claimant with written notification of the benefit determination on appeal. The written notification shall be furnished within 60 days after receipt of the claimant's appeal and shall include:

- A. Advisory Committee's ruling and if the ruling is not in the claimant's favor:
 - i. The specific reason for the denial
 - ii. Reference to the specific Plan provisions on which the denial is based.
 - iii. A statement reminding the claimant they are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other relevant information
 - iv. A statement of the claimant's right to bring an action under Section 502(a) of the Act.

59. May the funds be assigned?

Funds are intended for you and your Beneficiary. No benefit payable under the Agreement shall be subject in any way to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution, or encumbrance of

any kind, and any attempt to accomplish the same shall be void. However, a Participant may transfer his interest in a Traditional IRA and/or Roth IRA to his spouse or former spouse under 408(d)(6) of the Code.

60. What are the different ways my funds may be paid?

Your funds may be paid in any of the following ways:

- A. Lump Sum or Partial Distribution to you or another custodian.
- B. Installment Payment (Traditional IRA/Group Annuity Plans Only) - The Traditional IRA/Group Annuity Plan permits you to elect to receive funds in installments, meaning your lump sum benefit is paid out over a period you select which cannot exceed your lifetime. Under the installment option your undistributed funds are invested in the same way as other assets held by the Custodian and thus are subject to fluctuation during the payout period. Installment payments may be subject to administrative charges established from time to time by the Custodian.

61. Do the plans affect my Employer-Employee Relationship?

The adoption of the Plans was entirely voluntary on the part of the Association. It is not an employment contract and does not give you any right to be retained in the service of any employer.

62. Can the Plans ever be changed?

Yes, the Association reserves the right to amend the Plans. No amendment may be made, however, which would deprive you of the interest already accrued to you.

63. What happens if the Plans are discontinued?

The Association intends to continue the Plan indefinitely. However, the Association reserves the right to terminate the Plans and the Fund. The plan shall terminate upon whichever of the following occurs first:

- A. The date terminated by action of the Advisory Committee provided the Custodian has been given 30 days notice of the termination.
- B. The dissolution, merger, consolidation or reorganization of the Association or the sale by the Association of all or substantially all of its assets, unless the successor or purchaser makes provision to continue the Plan, in which event the successor or purchaser shall substitute itself as the Association under the Plans.

Upon termination of the plan, the Plan shall cease (1) accepting new contributions from Members and (2) purchasing new group annuity investments on behalf of Plan Participants. Thereafter, the Custodian shall, upon 30 days notice either (1) distribute each Participants' account to the Participant (or Beneficiary if deceased) within 5 days after the close of the Plan, or (2) defer the distribution of each Participant's account until the expiration of the existing contracts within which the Participant's accounts are invested. In the event the second option is exercised by the Association, the Custodian shall, within 5 days of the expiration of each existing annuity contract, distribute to the Participant (or Beneficiary if deceased) the portion of the Participant's account which was invested in such contract.

64. When will I receive statements of my funds?

Association reserves the right to send statements as often as quarterly, but as infrequently as annually. All Participants will be notified in writing on their most recent statement to any change in the frequency of mailing of statements.

Variable Annuity Contracts (VAC) will be mailed quarterly by the underlying Insurer (MetLife).

GEBA MAX (Jackson National Life Insurance Co.) statements are sent annually on the plan anniversary date.

65. What are my rights as a Plan Participant?

As a Participant in the Plan(s) you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that as a Plan Participant you shall be entitled to:

- A. Examine, without charge, at our office all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefit Security Administration.
- B. Obtain, upon written request to our office, copies of documents governing the operation of the plan, including insurance contracts and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.
- C. Receive a summary of the Plan Annual Financial Report. We are required by law to furnish each Participant with a copy of this summary financial report.
- D. Obtain, at least once a year, a statement of your total funds. The Plan shall provide these statements free of charge.
- E. If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to

appeal any denial, all within certain time schedules. Whether a document or record is relevant to a claim for benefits shall be determined in accordance with federal regulations at 29 CFR Section 2560.503-1(m)(8). If you have a claim for benefits which is denied or ignored, in whole or in part, upon appeal, you may bring a civil action in state or Federal court under Section 502 of the Act.

- F. File suit in a Federal Court, if any materials a Participant is entitled to under the Act were not received within thirty (30) days of the Participant's request, unless the materials were not sent because of matters beyond our control. The Court may require us to pay up to \$110 for each day's delay until the materials are received.

In addition to creating rights for Plan Participants, ERISA imposes obligations upon the persons who are responsible for the operation of the Plans. These persons are referred to as Fiduciaries and must act solely in the interest of the Plan Participants, and they must, therefore, exercise prudence in the performance of their Plan duties. Fiduciaries who violate ERISA may be removed and required to make good any losses they have caused the Plan Participants. No one, including us, may discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

If a plan fiduciary misuses the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about your plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor or the Division of Technical Assistance and Inquiries, Employees Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

The GEMBA Individual Retirement Account (IRA) Plan Disclosure Statement

IRS Regulations require that you be given this Disclosure Statement to assure that you are apprised of the pertinent statutory rules governing individual retirement accounts (IRAs) generally, and the GEMBA Individual Retirement Account (IRA) plan, and the projected growth of the value of your IRA account under assumed circumstances. This Disclosure Statement is not intended to replace the advice of your own tax and legal advisors.

You are allowed under federal regulations to revoke or cancel your IRA within seven (7) days from the date you established it or, if later, from the date you receive this notice. We consider that the date you establish your IRA is the date you will make your first contribution to the IRA either by check or Agency payroll allotment. A revocation treats an IRA as if it never existed and entitles you to a full refund of your entire contribution. We will refund your contribution in full, neither crediting your account for earnings, nor charging it with any administrative expenses.

In order to cancel, you must notify us in writing. Your letter should be sent by registered or certified mail, return receipt requested. Address your revocation to:

Plan Administrator
The GEMBA Individual Retirement Account (IRA) Plan
1363 Mellon Rd. #100
Hanover, MD 21076

Any questions regarding this procedure may be directed to:

Plan Administrator
GEMBA, Inc.
1363 Mellon Rd. #100
Hanover, MD 21076

Telephone: 410-657-8141

Toll Free 800-826-1126

Email: geba@geba.com

Disclosures for the Traditional IRA

You are eligible to establish and contribute to your Traditional IRA if you are younger than age 72 and you have received compensation during the year. For this purpose, "Compensation" means the total amount of payments made to you for services rendered, including overtime pay, bonuses, and commissions. See "Compensation" under Definitions and Question #2 under Part One – Traditional IRAs for further information.

An individual may contribute, in 2019, the lesser of \$6,000 (for individuals over age 50, \$7,000) or 100% of Compensation, which is included in the individual's gross annual income (Future contribution maximums may be found in IRS publication 590). This contribution limit applies to both Traditional and Roth IRA accounts. The total contributions combined cannot exceed the IRA annual contribution limit.

IRA ANNUAL CONTRIBUTION LIMITS

Year	Limit
2020	\$6,000
2021	\$6,000

Future year contribution limits can be found in IRS Publication 590A.

A non-working spouse may also contribute up to \$6,000, provided a joint return is filed. The total maximum amount that may be contributed during the 2021 tax year to both a Spousal IRA (an IRA established for a nonworking spouse) and an individual IRA is \$12,000 (not including catch up contributions for individuals over age 50).

Transfers to a Traditional IRA from another Traditional IRA account are tax free. Rollovers from one Traditional IRA and deposited into another Traditional IRA are tax free so long as this rollover occurs only once in a one-year period. A lump sum distribution to an individual must be reinvested within 60 days from the date it was received to qualify as a rollover. See Question #12 under Part One – Traditional IRAs for further information.

Unless you have multiple Traditional IRA accounts and you assume responsibility for a making required distribution upon attaining age 72, the entire account balance must be paid out to the individual for whose benefit the account is maintained not later than the close of the taxable year in which age 72 is attained, or must be distributed beginning not later than the close of the taxable year in which 72 is attained as follows:

- A. Over the life expectancy of the individual or the joint life expectancy of the individual and their designated Beneficiary;
- B. Over a certain period not exceeding the life expectancy of the individual or the joint life expectancy of the individual and their designated Beneficiary.

If an IRA owner's designated Beneficiary is not the owner's spouse, the entire account must be distributed by the end of the fifth year following the year of the account owner's death, unless the account is payable to a designated Beneficiary over a period not longer than that Beneficiary's remaining life expectancy and the first distribution occurs before the end of the calendar year in which the IRA account owner's death occurred. However, if it is a Traditional IRA, and distributions to the IRA owner had started before the death of the IRA

owner, distributions must continue to the Beneficiary as rapidly as under the original schedule of payments to the IRA owner. A distribution in the form of an annuity whose form satisfies these rules is also permitted. If the surviving spouse of the IRA owner is the Beneficiary of the IRA, the spouse may transfer the IRA into a spousal IRA in his or her own name. This would treat the surviving spouse as the IRA owner for all purposes. The surviving spouse may then also choose to name a new Beneficiary to inherit the IRA after he or she dies. If the surviving spouse does not elect to transfer the IRA to a spousal IRA, distributions must be made under the regulations governing a non-spousal IRA Beneficiary.

Generally, amounts withdrawn from a Traditional IRA after age 59 ½ are taxed as ordinary income in the year you receive them. However, nondeductible Traditional IRA contributions recovered are not taxed. The nontaxable amount is prorated based upon the value of all your IRAs. For assistance determining the taxable portion, consult your tax advisor, instructions to IRS Forms 1040 and 8606, and IRS Publication 590.

Generally, distributions made before age 59 ½ are includible in gross income and are subject to a 10% IRS penalty tax. File IRS Form 5329 to pay the penalty. See Question #14 under Part One – Traditional IRAs for further information on the exceptions to this penalty.

Regardless of whether your IRA contribution is deductible, you may contribute to your IRA up to the allowable limits. However, the amount contributed above your permitted deductible contribution, if any, is a nondeductible contribution. Earnings derived from nondeductible contributions are not taxed until distributed. You must report your nondeductible contributions on IRS Form 8606. If you fail to report your nondeductible contributions or if you overstate your nondeductible contributions, you may be subject to taxes and penalties. See Questions #8 and #12 under Part One – Traditional IRAs for further information.

Disclosures for the Roth IRA

You are eligible to establish and contribute to a Roth IRA if you received Compensation (or earned income if you are self employed) during the year for personal service you rendered. There is no age limit for Roth IRA contributions; however, there are income limits. See Question #18 under Part Two – Roth IRAs.

In 2019, an individual may contribute, each year, the lesser of \$6,000 (for individuals over age 50, \$7,000) or 100% of Compensation, which is included in the individual's gross annual income (Future contribution limitations can be found in IRA Publication 590). This contribution limit applies to both Traditional and Roth IRA accounts. The total contributions combined cannot exceed the IRA annual contribution limit. See Question #21 under Part Two – Roth IRAs for further information on contribution limits and Question #24 under Part Two – Roth IRAs for information on the deadline for annual contributions.

A non-working spouse may also contribute up to \$6,000, provided a joint return is filed. The total maximum amount that may be contributed during the 2021 tax year to both a Spousal IRA (an IRA established for a nonworking spouse) and an individual IRA is \$12,000 (not including catch up contributions for individuals over age 50).

Unlike contributions to a Traditional IRA, contributions to a Roth IRA are not deductible from the owner's gross income.

Unlike a Traditional IRA, the minimum distribution rules do not apply to Roth IRAs during the Participant's lifetime. However, after the death of the Roth IRA owner, certain minimum distribution rules that apply to Traditional IRAs also apply to Roth IRAs as explained in IRS Publication 590B.

Distributions after five years that are made when the owner is at least 59 ½ years of age or on account of death, disability, or the purchase of a home by a first-time homebuyer (limited to \$10,000), are not included in gross income. See Question #30 under Part Two – Roth IRAs for further information on the tax treatment of Roth IRA distributions.

Transfers to a Roth IRA from another Roth IRA account are tax free. Rollovers from one Roth IRA which are deposited in a new Roth IRA are tax free so long as this rollover occurs only once in a one-year period. A lump sum distribution to an individual must be reinvested within 60 days from the date it was received to qualify as a rollover. See Question #27 under Part Two – Roth IRAs for further information.

Disclosures for all IRA's

Contributions can only be accepted in the form of a bi-weekly Agency payroll allotment (NSA/DIA civilian employees only), check, automatic debit from savings/checking account, or any combination of the above. Except for certain rollovers and transfers, contributions will not be accepted for the taxable year on behalf of any individual in excess of the amount in effect for such taxable year under section 219(b)(1)(A) of the Code.

Since the investment of your account is at your discretion and the investment performance of some of the permissible investment vehicles is not guaranteed, growth in the value of your account is not and cannot be projected or guaranteed. See Questions #10 and #11 under Part One – Traditional IRAs and Questions #25 and #26 under Part Two – Roth IRAs for further information.

No part of the IRA funds may be invested in life insurance contracts or in certain collectibles.

The interest (ownership) of an individual in the balance of the account is Non-forfeitable.

The assets of an IRA may not be commingled with other property except in a common trust fund or common investment fund.

The Custodians of your IRA are Ti Trust Bank, Inc., Quincy, IL and sub custodian and sub custodian Charles Schwab Bank is a bank (as defined in Section 408(n) of the Code).

If the individual or Beneficiary engages in any prohibited transaction described in Section 4975(c) of the Internal Revenue Code (for example, a transaction in which the individual, directly or indirectly, borrows money from the account), the entire balance of the account will lose its exemption from tax, (by reason of Sections 408(e)(2)(A) and 408A(e)(2)(A) of the Internal Revenue Code) and the owner of the account must include in gross income for the taxable year during which the benefited individual or Beneficiary engages in the prohibited transaction, the fair market value of the account.

If a benefited individual uses all or any portion of an individual retirement account as security for a loan, then, under section 408(e)(4), the portion so used is treated as distributed to such individual and the benefited individual must include such distribution in gross income for the taxable year during which he so uses such account.

Any non-qualified amount withdrawn from the account (including amounts deemed distributed as the result of a prohibited loan or use as security for a loan) before age 59 ½, death or disability (except timely withdrawals of excess contributions before the due date of the individual's federal income tax return for the year in which the excess contribution was made) must be included in the individual's gross income for that year, and will (under Sections 408(f) and 408A(f) of the Internal Revenue Code) be subject to an additional federal tax of 10%.

The tax on lump sum distributions (under Section 402(e) of the Internal Revenue Code) is not applicable to distributions from IRAs.

There will be a 6% federal excise tax imposed (under Section 4973 of the Internal Revenue Code) on any excess contributions which are not withdrawn from the account before the individual files the tax return for that year. This tax will continue to be imposed every year that the excess amount is not withdrawn. See IRA publication 590 for more information.

An excise tax may be imposed on the individual (under Section 4974 of the Internal Revenue Code) if certain accumulations are permitted to exist. For example, if the amount distributed from the IRA in any year after the individual reaches age 72 is less than the amount required to be distributed during that year there will be a tax equal to 50% of the amount by which the minimum amount required to be distributed exceeds the amount distributed. See IRA publication 590 for more information. IRS Form 5329 is required as an attachment to Form 1040 (or separately if you do not file a Form 1040) for any year that contribution limits are exceeded, a

premature distribution takes place, less than the required minimum amount is distributed from a Traditional IRA, or a prohibited transaction takes place.

Distributions do not qualify for capital gains tax treatment.

The proceeds from the IRA account may be used by the Participant or the Beneficiary of the Participant as a rollover contribution to another account in accordance with the Code.

An individual who makes eligible contributions to a traditional IRA may be eligible for the saver's tax credit. The amount of the credit is based on income and filing status and could reduce any federal income tax you pay dollar-for-dollar. For qualifying individuals, the credit rate can be as low as 10 percent and as high as 50 percent, depending on the individual's AGI. The lower the individual's income, the higher the credit rate. This credit is available to you if you are age 18 or older, not a full-time student, not claimed as a dependant on someone else's returns, and have an AGI, for the year of the credit, that for 2021 does not exceed: \$66,000 if you are married filing jointly; \$49,500 if you are a head of household, or \$33,000 if you are single, married filing separately, or a qualifying widow(er). See IRS Publication 590 for further information.

The IRA Agreement has been approved by the IRS as to form and use as an IRA account contract. Approval by the IRS is a determination only as to the form of the account and does not represent a determination on the merits of such an account contract.

This Disclosure is our best attempt to restate in non-technical and concise language the statutory requirements with respect to Individual Retirement Accounts. The GEMBA IRA Plan has been approved as to form by the IRS, as have the forms used by GEMBA to establish Roth IRA accounts. However, such approval does not represent a determination or recommendation by the IRS as to the merits of such accounts. Further information relative to any of the above may be obtained from any IRS district office, or by consulting IRS form 590. You may obtain a copy of publication 590 online at www.irs.gov.

Revised: October 2021