

SAMPLE ASCENSUS 2023 IRA AMENDMENT MATERIAL

This document is a sampling of the sample letter Ascensus provides that you may use to transmit and explain your IRA amendments to your Traditional, Roth, and SIMPLE IRA owners and of the Traditional IRA Full IRA Disclosure Statement Amendment for the SECURE Act of 2022. It also includes key specifications of the Ascensus 2023 IRA amendments.

Dear IRA Owner:

We have amended your IRA documents to incorporate changes resulting from the Setting Every Community Up for Retirement Enhancement (SECURE) 2.0 Act of 2022, signed into law in December 2022. Enclosed you will find an amendment to your disclosure statement.

- New penalty tax exceptions were added for qualified disaster recovery distributions and terminal illness, effective immediately. Beginning in 2024, new penalty tax exceptions are available for unforeseen emergency expenses and victims of domestic abuse. The early distribution penalty exceptions were updated to include the new options and language was also added to address the ability to repay these types of distributions.
- Qualified birth or adoption distributions may be repaid to an IRA within three years of the distribution. Language was added to clarify the repayment deadline for these distributions.
- If you were born on or after January 1, 1951, you have a new required beginning date for required minimum distribution (RMD) purposes. Language was added to modify the required beginning date for applicable individuals.

**TRADITIONAL
IRA**

DISCLOSURE STATEMENT AMENDMENT

AMENDMENT TO YOUR TRADITIONAL IRA

This Traditional individual retirement account (IRA) disclosure statement amendment updates your IRA documents that we previously provided to you. The information provided below amends your disclosure statement for recent changes resulting from the Setting Every Community Up for Retirement Enhancement (SECURE) 2.0 Act, signed into law in December 2022, which creates new penalty tax exceptions and repayment options for qualified disaster recovery distributions, terminal illness, unforeseen emergency expenses, and victims of domestic abuse, modifies required minimum distribution start dates for certain IRA owners, reduces the excess accumulation penalty tax, clarifies the repayment period for qualified birth and adoption distributions, provides for catch-up contributions to be subject to possible annual cost-of-living adjustments, and allows qualified charitable distributions (QCDs) to provide for a one-time payment of up to \$50,000 to certain split-interest entities and provides for QCDs to be subject to possible annual cost-of-living adjustments.

Unless directed by us to do so, you do not need to sign or return anything to us for this amendment to apply to your IRA. A beneficiary designation we have on file will remain in effect unless you change it by completing and signing the form that we have for this purpose.

We recommend that you review this information carefully and keep it with your other IRA papers.

I. **Collectibles** – You may not invest the assets of your IRA in collectibles (within the meaning of IRC Sec. 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or other tangible personal property specified by the Internal Revenue Service (IRS). However, specially minted United States gold and silver coins, and certain state-issued coins are permissible investments. Platinum coins and certain gold, silver, platinum, or palladium bullion (as described in IRC Sec. 408(m)(3)) are also permitted as IRA investments.

J. **Required Minimum Distributions** – You are required to take minimum distributions from your IRA at certain times in accordance with Treasury Regulation 1.408-8. Below is a summary of the IRA distribution rules.

1. **RMDs for 2023 and Beyond** – Beginning in 2023, if you were born in 1951 or later, you are required to take a minimum distribution from your IRA for the year in which you reach age 73 and for each year thereafter. You must take your first distribution by your required beginning date, which is April 1 of the year following the year you attain age 73. The minimum distribution for any taxable year is equal to the amount obtained by dividing the account balance at the end of the prior year by the applicable divisor.
2. **RMDs Prior to 2023** – If you were born before July 1, 1949, you were required to take your first RMD from your IRA for the year in which you attained age 70½ and for each year thereafter. If you were born

Key Specifications of the IRA Full Disclosure Statement Amendment

Traditional IRA	8 pages
Roth IRA	8 pages
SIMPLE IRA	8 pages
Inherited Traditional IRA	4 pages
Inherited Roth IRA	4 pages

Stock, off-the-shelf paper supplies of the amendment are printed on white 24# bond, with black ink, folded to 5.5" x 8.5".

When fulfilled through our Amendment Mailing Service, the amendment is inserted into a 6" x 9" white window envelope.