

IRA Distribution Disclosure & Agreement

Effective Date: September 15, 2025

Applicable To: Withdrawals and distributions from DriveWealth IRAs

Important Notice

Please read carefully before proceeding with your withdrawal request.

By requesting an IRA distribution, you acknowledge that you have read, understood, and agree to all terms and disclosures below.

1. No Tax or Legal Advice Provided

Carry Advisors LLC, The Vibes Company Inc., DriveWealth LLC, and their affiliates do not provide tax or legal advice regarding IRA distributions.

While Carry Advisors provides investment advisory services, **we do not provide tax planning, tax preparation, or legal counsel** related to retirement account distributions.

The information provided is for informational purposes only. The tax consequences of IRA distributions can be complex and vary based on your individual circumstances.

You are strongly encouraged to consult with a qualified tax professional before initiating any IRA distribution.

2. Tax Consequences & Your Responsibilities

This May Be a Taxable Event

Traditional IRA distributions are generally subject to ordinary income tax. **Roth IRA distributions** may be tax-free if you meet qualified distribution requirements (age 59½+ and account open 5+ years), but may be taxable otherwise.

You Are Solely Responsible For:

Tax Obligations

- All federal and state income tax consequences
- Estimated tax payments that may be required
- Any penalties for underpayment of taxes during the year

Eligibility and Compliance

- Determining your eligibility for the distribution
- Ensuring compliance with all applicable IRS rules and regulations
- Meeting any Required Minimum Distribution (RMD) obligations
- Avoiding prohibited transactions

Information Accuracy

- The accuracy and completeness of all information you provide
 - Any tax liabilities, penalties, or consequences arising from this distribution
 - Verifying and meeting all applicable IRS deadlines
-

3. Early Withdrawal Penalty Warning

If You Are Under Age 59½

Distributions taken before age 59½ may be subject to:

- Ordinary income tax on the taxable amount, PLUS
- A 10% IRS early withdrawal penalty

Penalty Exceptions

The 10% penalty may not apply if you meet specific IRS exceptions, including:

- Disability
- Death
- Substantially equal periodic payments (72(t))
- Medical expenses exceeding 7.5% of AGI
- Health insurance premiums while unemployed
- Qualified higher education expenses
- First-time home purchase (up to \$10,000 lifetime limit)

Important: You are responsible for claiming any exception on your tax return and maintaining supporting documentation. **DriveWealth does not validate or verify penalty exceptions.**

4. Required Minimum Distributions (RMDs)

If You Are Age 73 or Older (Age 75 if born in 1960 or later)

You are generally required to take annual Required Minimum Distributions from Traditional IRAs.

Key RMD Requirements:

- You must satisfy your RMD for the current year before processing any other Traditional IRA distributions
- Failure to take your full RMD results in a **50% IRS penalty** on the amount not distributed
- You are responsible for calculating and ensuring timely RMD withdrawals
- We are not liable for any penalties or taxes related to failure to take RMDs

RMD Deadlines

- First RMD: By April 1 of the year following the year you turn 73 (or 75)
- Subsequent RMDs: By December 31 of each year

Consult your tax advisor for your specific RMD age, calculation, and requirements.

5. Tax Withholding

No Withholding on Distributions

By default, no federal or state taxes will be withheld from your IRA distribution. You will receive 100% of your withdrawal amount with no taxes deducted.

If you require tax withholding, you must contact support@carry.com before submitting your withdrawal request. Our team can manually process withholding elections on your behalf.

Your Tax Payment Responsibilities

Because no taxes are withheld by default:

- You are responsible for paying all federal and state income taxes owed
- You may need to make estimated tax payments to avoid IRS underpayment penalties
- You should consider setting aside 25-37% of your withdrawal for taxes
- Traditional IRA withdrawals are generally 100% taxable as ordinary income

Important Notes

- Withheld amounts (if you arrange withholding via support) are sent directly to the IRS/state tax authority
 - **You remain responsible for any taxes owed beyond any withheld amount**
 - Withholding may not fully cover your tax liability
 - Reference: IRS Form W-4R provides additional withholding guidance
-

6. Asset Liquidation & Market Risk

If Your Distribution Requires Selling Investments

Valuation Timing: Assets will be valued and sold at the time DriveWealth processes the distribution, which may differ from the time of your request.

Market Risk: You acknowledge and accept that:

- Asset values may fluctuate between your request and processing
 - DriveWealth is not liable for market fluctuations or investment losses resulting from liquidations
 - Trades are typically placed on a best-effort basis
 - Processing may take up to 5 business days depending on market conditions and asset type
-

7. Processing & Delivery

Timeline

- **Cash distributions** typically process within 1-3 business days of receiving complete documentation
- **Distributions requiring asset liquidation** may take up to 5 business days
- You will receive email confirmation when processing is complete

Delivery Method

Funds will be sent via the method you select:

- **ACH Transfer:** 1-3 business days (may incur \$0.25 fee)
- **Wire Transfer:** Same/next business day (may incur \$25 fee)

8. Release and Indemnification

By proceeding with this distribution, you release and agree to indemnify and hold harmless the following parties from any liability, claims, losses, damages, or expenses (including legal fees) arising from processing this distribution with reasonable care and in accordance with your instructions:

- **The Vibes Company Inc.** and its affiliates, officers, and employees
- **Carry Advisors LLC** and its affiliates, officers, and employees
- **Global Carry LLC** and its affiliates, officers, and employees
- **DriveWealth LLC** and its affiliates, officers, and employees

Scope of Release

This release includes but is not limited to:

- Any adverse tax consequences or penalties resulting from this distribution
- Market fluctuations affecting asset values during processing
- Investment losses from required asset liquidations
- Processing delays due to market conditions or incomplete information
- Any consequences arising from your failure to meet IRS requirements or deadlines

Limitation

This release does not apply to actions involving gross negligence, willful misconduct, or violations of applicable law.

9. Authorization

By proceeding with your distribution request, you authorize:

Carry Advisors LLC to:

- Complete and submit the distribution request on your behalf
- Liquidate assets as directed (if applicable)
- Process tax withholding if arranged through support
- Take ministerial actions reasonably incidental to completing this distribution

DriveWealth LLC to:

- Process the requested distribution from your IRA
 - Liquidate assets as directed
 - Process tax withholding if arranged through support
 - Send any withheld amounts to appropriate tax authorities
 - Debit applicable fees from your account
-

10. Final Acknowledgment

By proceeding with your IRA distribution, you certify and acknowledge that:

1. **Your identity information is accurate** - Your Social Security Number/ITIN and personal information on file are correct
 2. **All distribution details you entered are accurate** - You have carefully reviewed and confirm the accuracy of all information, including dollar amounts and asset specifications
 3. **You have read and understood** all terms, conditions, and disclosures in this document
 4. **You accept full responsibility** for the tax and legal consequences of this distribution
 5. **You authorize the processing** of this distribution as specified in your instructions
 6. **You release all parties from liability** as outlined above
 7. **No tax or legal advice** has been provided to you by any of the parties listed above
 8. **All decisions** regarding this distribution are your own, made potentially in consultation with your own advisors
-

Questions or Need Help?

For distribution support: support@carry.com

For tax questions: Consult your qualified tax professional

Additional IRS Resources:

- IRS Publication 590-B: Distributions from Individual Retirement Arrangements
 - IRS Form W-4R: Withholding Certificate for Nonperiodic Payments
-

By clicking "Continue" below, you confirm that you have read and agree to all terms and disclosures above.