**Summary of the myRA® Withdrawal Rules**

The following provides a summary of the potential federal income tax implications of myRA withdrawals. State and local taxes may also apply. Please see the myRA Withdrawal Rules for additional details. Because a myRA is a Roth Individual Retirement Account (Roth IRA), myRA withdrawals follow Roth IRA withdrawal rules.

**What is a withdrawal from a myRA?**

A withdrawal is a method by which you can take funds out of your myRA and deposit them into a personal checking or savings account. A withdrawal is also referred to as a “distribution” because money is being distributed to you. You may roll over your withdrawn myRA funds by depositing those funds into another Roth IRA within 60 calendar days of the withdrawal. There is a limit of one rollover per 12 months for all combined IRAs you own.

**Is a withdrawal the only way I can take funds out of a myRA?**

Another way to take funds out of your myRA is to transfer funds directly from your myRA to another Roth IRA without first receiving the funds (this includes requesting a check to be made out to the private-sector Roth IRA). This process is known as a trustee-to-trustee transfer (or transfer) and differs significantly from withdrawal and roll over.

**When can I withdraw money from a myRA?**

You may withdraw funds from your myRA at any time, but there may be tax and penalty consequences depending on the type of funds you are withdrawing. Your myRA balance is made up of both your contributions (what you put in) and earnings (interest earned over time).

**What funds can I withdraw from a myRA without being subject to taxes or penalties?**

You can withdraw contributions you have made to your myRA without federal taxes or penalties at any time. Your contributions have already been taxed and when they are withdrawn from your myRA, they are not subject to taxation again. Also, when you withdraw funds from your myRA, your contributions will be treated as withdrawn before any earnings are distributed. This helps to minimize the potential for taxes and penalties (because the portion of any withdrawal that comes from contributions is not taxed).

**When can I withdraw earnings without being subject to federal taxes or penalties?**

Any earnings you withdraw will be subject to federal income tax, unless your distribution is a “qualified distribution.” To be a qualified distribution, the withdrawal must be made at least five years after the start of the tax year, typically January 1st, for which your first contribution to your myRA was made. In addition, one of the following conditions must apply:

- You are at least 59½ years old
- You are disabled
- Your beneficiary is requesting the distribution after your death
- You are using the money for a qualifying first-time home purchase (up to $10,000 lifetime limit)

If you are under age 59½, a 10% additional income tax on any earnings you withdraw will also apply unless you qualify for an exception. Some examples of those exceptions include:

- You are totally and permanently disabled
- The distributions are not more than the cost of your medical insurance during a period of unemployment
- You use the distributions to buy, build or rebuild a first home (up to $10,000 lifetime limit)
- The distributions are not more than your qualified higher education expenses
What do I do if I want to transfer or roll over funds to another Roth IRA?
You should not use the online withdrawal process to “transfer” or “roll over” funds from your myRA to another Roth IRA. There are no tax consequences for transferring or rolling over your myRA funds to another Roth IRA. In general, using a transfer, rather than a withdrawal followed by a rollover, to move money from your myRA account to a private-sector Roth IRA removes the risk of inadvertent withdrawal without a rollover, and the risk of violating the rule against more than one rollover in a 12-month period, which may have tax and penalty (that is, a 10% additional income tax) implications. If you want to transfer or roll over your money to another Roth IRA, visit www.myRA.gov or contact customer support for assistance with such requests.

Where can I find more information about withdrawals and myRA in general?
Additional information on withdrawal can be found in the myRA Withdrawal Rules beginning on the next page. The Master Terms of myRA Custodial Account also has detailed information about your myRA. You can also visit www.myRA.gov or call customer support at 1-855-406-6972; TTY/TDD 1-855-408-6972; International 1-414-365-9616.
myRA Withdrawal Rules

These myRA Withdrawal Rules ("Rules") provide general rules and information about myRA withdrawals. Because your myRA is a Roth Individual Retirement Account (Roth IRA), the Roth IRA rules apply to your myRA. For additional information, please refer to the Master Terms of myRA Custodial Account ("Master Terms"). Capitalized terms have the definitions provided in these Rules or the Master Terms.

1. TAX IMPLICATIONS FOR DISTRIBUTIONS

1.1 Distributions not Subject to Taxes and Penalties. A distribution from your myRA will not be subject to taxes and penalties (that is, a 10% additional income tax) if it is (i) a distribution of your contributions or (ii) a Qualified Distribution (see paragraph 1.2).

1.2. Qualified Distributions. You pay no income taxes on earnings on your myRA contributions if you have a Qualified Distribution. A Qualified Distribution is a distribution that is made after five years have elapsed beginning with the first day of your tax year (for most individuals, January 1st) in which you made your first myRA contribution (or a contribution to any other Roth IRA), and where one of the following conditions applies: (i) you are age 59½ or older; (ii) you are disabled; (iii) you die and the distribution is to your beneficiary; (iv) the distribution is for a Qualified First-Time Home Purchase (see paragraph 1.3.2).

1.3. Early Distributions and Non-Qualified Distributions. Early distributions from your myRA are distributions made to you before you reach 59½ years of age. Non-Qualified Distributions are distributions that do not meet the Qualified Distribution definition (see paragraph 1.2). Early distributions and Non-Qualified Distributions may result in income taxes and possibly penalties. Early distributions are subject to income taxes and may be subject to an additional tax equal to 10% of the portion of the distribution that is taxable income (your earnings). Even if you receive a distribution before you are age 59½, you may not have to pay the 10% additional tax if you are in one of the following situations: (i) you have unreimbursed medical expenses that are more than 10% (or 7.5% if you or your spouse was born before January 2, 1949) of your adjusted gross income; (ii) the distributions are not more than the cost of your medical insurance due to a period of unemployment (where you received unemployment compensation paid under any federal or state law for 12 consecutive weeks); (iii) you are totally and permanently disabled; (iv) you are the beneficiary of a deceased myRA account owner; (v) you are receiving distributions in the form of an annuity (payments made at least annually in equal or close to equal amounts over your life (or your life expectancy), or over the lives (or the joint life expectancies) of you and your beneficiary); (vi) the distributions are not more than your Qualified Higher Education Expenses (see paragraph 1.3.1); (vii) you use the distributions for a Qualified First-Time Home Purchase (see paragraph 1.3.2); (viii) the distribution is made directly to the government to satisfy a federal tax levy; or (ix) the distribution is a Qualified Reservist Distribution (see paragraph 1.3.3).

1.3.1. Qualified Higher Education Expenses. Qualified Higher Education Expenses are tuition, fees, books, supplies and equipment required for the enrollment or attendance of a student at an eligible educational institution. They also include expenses for special needs services incurred by or for special needs students in connection with their enrollment or attendance. In addition, if the individual is at least a half-time student, room and board are Qualified Higher Education Expenses. The part not subject to the additional 10% tax penalty tax is generally the amount that is not more than the Qualified Higher Education Expenses for the year for education furnished at an eligible educational institution (as defined by the Internal Revenue Service). The education must be for you, your spouse, or the children or grandchildren of you or your spouse.

1.3.2. Qualified First-Time Home Purchase. A Qualified First-Time Home Purchase distribution is a distribution of up to $10,000 used within 120 days to pay the costs (including financing and closing costs) of buying, building or rebuilding your principal residence or the principal residence of your
spouse, child, grandchild or ancestor or any of their spouses, for a person who has not owner a residence within the two years before the purchase.

1.3.3. **Qualified Reservist Distribution.** A Qualified Reservist Distribution is a distribution to a member of a reserve component of the Army National Guard of the United States, Army Reserve, Naval Reserve, Marine Corps Reserve, Air Force Reserve, Air National Guard of the United States, Coast Guard Reserve or Reserve Corps of the Public Health Service that is made between the date the individual is ordered or called to active duty and the date active duty ends and whose active duty is to be at least 180 days or an indefinite period. A Qualified Reservist Distribution may be subject to taxes but no additional 10% tax penalty.

1.4. **Required Minimum Distributions.** The amount that must be distributed each year is referred to as the Required Minimum Distribution. A myRA is subject to Required Minimum Distributions only after your death. Distributions from your myRA will be in accordance with the requirements of the Internal Revenue Code’s required minimum distribution rules.

1.5. **Domestic Relations Orders.** You may instruct Comerica to transfer all or any portion of the funds in your myRA to an account for your former spouse, subject to your supplying all necessary copies of the divorce decree, property settlement agreement, other agreement or court order establishing your former spouse’s entitlement to such funds.

1.6. **Transfer or Rollover Distributions.** In accordance with the Master Terms, you will have to transfer or roll over your myRA funds once your account reaches the maximum balance of $15,000 or after 30 years if the account balance is below the maximum. If you do not initiate a withdrawal or rollover of your funds at that time, your myRA balance will be transferred to a private-sector Roth IRA in accordance with the procedure established in the Master Terms.

1.6.1. **Transfer.** You can initiate a transfer (also known as a “Trustee-to-Trustee Transfer”) of all or part of the balance of your myRA to a private-sector Roth IRA if you transfer the funds directly to the other Roth IRA (including if a check is made payable to the private-sector Roth IRA). The financial institution that receives the distribution becomes the new trustee (or custodian) of the Roth IRA account. You can do as many transfers as you wish, and there are no tax consequences or penalties for such transfers. Depending on the financial institution, there may be fees associated with the servicing of the private-sector Roth IRA.

1.6.2. **Rollover.** You can roll over funds from your myRA to a private-sector Roth IRA. To roll over funds, you must request a withdrawal and re-deposit the funds withdrawn into another Roth IRA within 60 calendar days. In this case, the distribution is made directly to you, and as long as you deposit the funds distributed to you to another Roth IRA within 60 days, there are no tax consequences or penalties. However, you are only allowed to roll over funds once per 12 months from any IRA you own. Depending on the financial institution, there may be fees associated with the servicing of the private-sector Roth IRA.

1.7. **Federal and State Taxes.** If any federal or state income taxes apply on any earnings you withdraw, you may have tax withholding deducted from your withdrawal. By requesting online withdrawal, you are electing not to have any federal or state taxes withheld (not applicable to distributions subject to mandatory withholding). If you want federal or state taxes withheld from any earnings you withdraw (if applicable), you may call customer support at 1-855-406-6972; TTY/TDD 1-855-408-6972; International 1-414-365-9616.

2. **REQUESTING WITHDRAWAL**

2.1 **Method.** You may withdraw any portion of the funds in your myRA either by going online to www.myra.gov and logging into your myRA Online account management tool, or by calling customer support at 1-855-406-6972; TTY/TDD 1-855-408-6972; International 1-414-365-9616. If you are planning
to roll over your money to another Roth IRA, please contact customer support at 1-855-406-6972 for assistance with such requests.

2.2 Frequency. You may withdraw any portion of the funds in your myRA at any time. The contributions you make to your myRA can be withdrawn without any taxes or penalties at any time; but the withdrawal of earnings on your contributions may be subject to income taxes and penalties depending on certain conditions.

2.3 Form. Withdrawals may be in the form of a check or ACH transfer. If you want the withdrawn amount to be transferred to another account you must provide Comerica information about that account.

2.4 Accurate Information. You are responsible for accurately completing all of the information necessary to complete the withdrawal process online or on any forms provided by Comerica.

3. MISCELLANEOUS

3.1 Interpretation. These Rules shall be interpreted in a manner that ensures compliance with all applicable laws and requirements and in a manner that incorporates and is consistent with the other documents, notices and the like associated with myRA.

3.2 No Tax or Financial Advice. Comerica does not provide any tax or financial advice. You should seek tax or financial advice as you deem necessary. It is also your obligation to comply with the tax laws when you receive distributions or transfers from your myRA. Comerica is not responsible if you fail to comply with the tax laws, due to providing instructions that conflict with applicable laws or for failing to give instructions that enable compliance with applicable laws.

3.3 Amendment. Comerica reserves the right to amend or otherwise modify these Rules at any time and will provide notice of amendment as required by applicable law.

3.4 Acceptance of Potential Tax Consequences. By requesting a withdrawal from your myRA, you agree that you have read these Rules and understand that there may be tax implications and penalties relating to your withdrawal of any earnings on your contributions.

3.5 Acceptance of Terms and Conditions. By proceeding with the withdrawal process, you agree to the terms and conditions described in these Rules and the other agreements you have been provided with in accordance with your myRA.