



Client Account Opening Form

Instructions:

1. Advisors should complete Section A.
2. Advisors *or* their clients should complete Sections B and C.
3. All account owners must read the attached Customer Agreement and sign Section D.
4. Please have your client send this form back to you, so you can make a copy.
5. You may want to ask your client to also send a signed check to fund this account.
6. Please send this signed two-page form (and the signed check) to:

FOLIO Institutional
P.O. Box 3068
Merrifield, Va.
22116-3068

7. If you need assistance, please call 1-888-485-3456, 24 hours a day, seven days a week.

1. Advisor Information		
Advisor's First Name	Middle Initial	Last Name
Advisor's Firm Name		

3. Account Owner Information		
Account Owner's First Name	Middle Initial	Last Name
Social Security Number/Tax ID No.	Name of Account	

2. Co-Account Owner Information		
Co-Account Owner's First Name	Middle Initial	Last Name
Social Security Number/Tax ID No.	Name of Account	

D. Account Owner Signatures

I certify, under penalty of perjury, that

- (1) The number shown on this Account Opening Form is my correct taxpayer identification number, and
- (2) I am not subject to backup withholding as a result of a failure to report all interest and dividends, or the Internal Revenue Service (“IRS”) has notified me that I am no longer subject to backup withholding. The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.
- (3) I have read, I understand and I agree to the terms and conditions set forth in the attached Customer Agreement.

▶ _____ Date _____
signature: Account Holder/Trustee/Custodian/Executor

▶ _____ Date _____
Signature: Additional Account Holder/Co-Trustee/Co-Custodian/Co-Executor

▶ _____ Date _____
Signature: Additional Account Holder/Co-Trustee/Co-Custodian/Co-Executor

Please Note: All account holders must sign.



Customer Agreement

This customer agreement describes how we will handle your account and trades. It's a legal document that sets out our obligations to you and your obligations to us. It covers how we agree to address the most important issues that may arise between FOLIOfn Investments, Inc., your investment advisor and you.

Like an owner's manual, this agreement explains how key features of our service work. Reading it now will save you from misunderstandings and allow you to enjoy the full benefits of FOLIOfn.

By signing or typing your name to this agreement or authorizing your advisor to do so, you agree to this agreement as amended by us from time to time. By using our site or authorizing your advisor to do so, you agree to any online agreements that we post on our site, including any changes we make to these agreements (of which your advisor should inform you). You agree that these agreements are the legal equivalent of signed, written contracts, and equally binding.

When we use "you" and "your" in this agreement, we are referring to the FOLIOfn customer, which includes corporations, partnerships, investment clubs, and other entities. "We" refers to FOLIOfn. Your "advisor" refers to your financial advisor, with whom you have a separate agreement to manage and control your financial assets. The term "authorized person" refers to your advisor and any other person who is authorized by you to establish an account for you.

Certifications You Make in this Agreement

When you agree to this Agreement, you certify that

- Your advisor has sole investment discretion and trading authority over your assets held at FOLIOfn, including: (i) the discretion to vote proxies, (ii) the authority to decide voluntary corporate actions, (iii) the authority to receive prospectuses, and (iv) the authority to receive trade confirmations.
- Your advisor is authorized to provide you with investment advice.
- Each authorized person is at least 18 years of age.
- Each authorized person is a permanent resident of the United States.
- Each authorized person is using a valid social security number.
- You have read, understand, and agree to all terms and conditions in this agreement.
- You have truthfully and fully completed all the items in signing up to use our services.

- You are signing up to use our system for investment purposes and not to disable or disrupt our operations.

Authorizations that You Make

You authorize FOLIO*fn* to accept instructions from your advisor and to take all actions that are necessary or incidental to such instructions without obtaining your approval or counter-signature.

Indemnification

You indemnify and hold harmless FOLIO*fn*, its affiliates, directors, officers, employees, and agents under this agreement from and against all claims, actions, costs and liabilities, including attorneys' fees, arising from or related to:

- any breach by you of any provision or representation of this agreement;
- the performance or non-performance, delivery or non-delivery of services by your advisor;
- any dispute between you and your advisor that does not directly result from FOLIO*fn*'s performance of brokerage services as set forth in this agreement; and
- any inaccurate information supplied to FOLIO*fn* by you or your advisor.

Verification of Information You Provide

You agree that FOLIO*fn* Investments, Inc. has the right to verify the information you and your advisor provide in the sign-up application through consumer reporting agencies.

Services and Products Provided by FOLIO*fn*'s Affiliates and Others

You understand that the FOLIO *Advisor* Web site allows you access to various financial products and services that are provided by affiliates of FOLIO*fn* or by companies that are independent of FOLIO*fn*.

These products and services may be governed by separate terms and conditions that are accessible through the Web pages of the companies that provide the products and services. When you agree to this Agreement, you are also agreeing to the terms and conditions that govern the products and services offered by our affiliates and these independent companies. Our affiliates and the independent companies can enforce their terms and conditions, relying upon your acceptance of this Agreement to do so.

No Guarantee on Accuracy of Data Services

You understand that FOLIO*fn* is not responsible for the accuracy or your use of any information we receive from outside data services. We do not make any warranty for this type of data.

Security of Your Information

You understand that FOLIO*fn* uses Secure Socket Layer technology to protect and encrypt the transmission of information from and to you and your advisor. You also understand that FOLIO*fn* strongly suggests that you use a browser with 128-bit encryption to secure your information.

However, should someone intercept a transmission of your information, you agree that you will not hold FOLIO*fn*, their affiliates, independent companies, or others who provide services and products through our Web site, liable for any type of damages. This includes any liabilities or damages resulting from viruses that may infect your computer.

Access to the FOLIO Advisor Web site

To the extent that you have access to the FOLIO Advisor Web site, you agree that you will not disclose your user name or password to any other person. You will notify FOLIO*fn* immediately if your user name or password is compromised or lost.

Opening Your Account

When you open an account with us, you agree

- to provide truthful and accurate information, and to keep it current,
- to allow us to get credit reports and verify information you provide in your account application,
- to pay your FOLIO*fn* fees and to pay any amount owed on your account,
- to settle all transactions in U.S. dollars drawn on a U.S. financial institution, and
- to allow us to debit your account for all fees payable to your advisor.

If we approve your account application, FOLIO*fn* will open an account for you. The access that you will be given to your FOLIO*fn* account will be determined by your advisor based on his or her agreement with you.

FOLIO*fn* does not give you investment, tax, or legal advice

You understand that FOLIO*fn* will not give you any advice or recommendations about whether a security or investment is appropriate or suitable for you. The decision to buy, sell, or hold any investment rests solely with your advisor or with you if your advisor allows you to play a role in such decisions.

By making information available to you on our Web site, we are not recommending or advising you or your advisor to invest in any particular folio, security, or to use any investment strategy. Information on our Web site is not personalized to fit your or your advisor's needs. It is not tailored to reflect your own financial circumstances or

investment objectives, so the securities or investment strategies discussed on our site might not be suitable for you.

FOLIO*fn* does not review your financial situation or tolerance for risk. Although we may provide tools that assist you or your advisor in assessing your own tolerance for risk, we do not determine if the tools we provide to select folios or investments will result in suitable or profitable investments for you.

All investments entail risks, and you and your advisor are responsible for determining whether you can afford the risks of using our tools.

While we provide you with tools and ways to help you and your advisor manage your investments and taxes, we do not give you investment, tax, or legal advice. If you wish to have such advice, you will need to consult your advisor or your other investment, tax, or legal advisors. You agree that we do not provide such advice, and that your advisor (and, to the extent that your advisor allows you to play a role in such decisions, you) make all decisions about investing and trading in your account.

All documents delivered electronically, no paper

Our opening and maintaining this account is conditioned on your agreement to receive all notices, documents, and other information related to your account and investments electronically. This may be done through an online posting on our Web site, email, CD-Rom, Adobe Acrobat's portable document format (PDF), hypertext mark-up language (HTML), or other electronic media to which you consent. Your consent to electronic delivery extends to all information required to be provided by us, the issuers of the securities in which you invest, and other third parties. This means you will receive email notices that your account statements, confirmations, tax documents (which may include Form 1099B - Proceeds from Broker and Barter Exchange, Form 1099DIV - Dividends and Distributions Form 1099INT - Interest Income and Form 1099MISC - Miscellaneous Income), prospectuses, annual reports, proxies, margin and maintenance calls, and all other information are available for viewing or printing from your filing cabinet on our Web site.

You agree that when we send these email notices to you that they constitute delivery to you of the information mentioned in the email even if you do not actually access the information on our Web site.

You may revoke this consent to electronic delivery at any time by providing written notice to us. However, since we have priced our services based on the considerable savings of electronic delivery, we reserve the right to terminate your account or charge you an extra fee if you ask for paper documents.

You agree to keep a working email address and will update your account information immediately if your email address changes. You acknowledge that you may incur costs (such as online service provider charges or printing costs) associated with the electronic

delivery of information to you. To view PDF files you will need to download the Adobe Acrobat Reader, which is provided for free.

By not providing FOLIO*fn* with your email address upon opening your accounts at FOLIO*fn*, you are agreeing to waive the receipt of trade confirmations. FOLIO*fn* will deliver trade confirmations only to your advisor. FOLIO*fn* will mail you monthly account statements. In such event, you agree that when we send these notices to you by mail, they constitute delivery to you of the information contained in them. FOLIO*fn* reserves the right to charge a fee to cover its expenses in providing such statements.

All orders must be placed through our Web site; Alternatives may not be available

All trading orders must be placed through our Web site with very few exceptions. FOLIO*fn* offers you a unique way to invest through folios. One trading alternative allows you to place an order to buy or sell a specific dollar amount across all the stocks in your Folio. According to your preferences, the total dollar amount of your order is allocated among the stocks in your Folio, buying or selling fractional shares as necessary.

Trading or modifying Folios in dollar amounts rather than share amounts results in complex computations, and orders may affect all stocks in a Folio at once. Our Customer Service Representatives can assist your advisor in entering an order online, but they cannot accept most Folio orders over the phone on a routine basis.

If emergencies arise, they will be able to expand the types of trades they can take over the phone, but they will not be able to take every order that your advisor could place on our site when it is operational.

If your advisor places an order over the phone, you may be charged additional fees because of the additional costs of processing these orders. Please consult our FOLIO*fn* Fees page to read in detail about the orders we can take over the phone and the charges for those orders.

Customer Support

You may call your advisor (and not FOLIO*fn*) if you have any questions or concerns about your account or any transactions. Your advisor may in turn call FOLIO*fn* at a special advisor-support phone number if assistance is needed.

Risks of limiting trades to our Web site

You should consult with your advisor in considering carefully if you can afford or want to take on the risks of limiting your method of placing orders to our Web site. If you or your advisor cannot access our Web site or our Web site is not functioning, you or your

advisor may not be able to place Folio orders through other means. You agree that you assume responsibility for all losses that arise if your orders cannot be placed on or through our Web site.

Risks of online investing

While we have put tremendous resources into building and testing our computer systems, computer glitches, slowdowns, and crashes will occur.

We will also need to restrict access to some parts of our site or our entire site to perform routine maintenance. We will try to schedule our maintenance during the middle of the night.

While it is FOLIO*fn*'s intention that our Web site will be available seven days a week, you understand that FOLIO*fn* does not guarantee that you and your advisor will always be able to access our Web site to place orders or that your orders will always be executed. Computer problems can arise on your end, our end, or anywhere in between: your or your advisor's computer may break down; the telephone line between your or your advisor's computer and your or your advisor's Internet service provider may not work properly; your or your advisor's Internet service provider may go down; or our computers and the computers we link to may be unavailable due to unforeseen system outages.

When trading volumes soar on our nation's stock markets and many investors want to buy or sell at the same time, lines form and orders cannot be filled as quickly as you'd like.

You agree that FOLIO*fn* is not responsible for any losses or liabilities that may occur as a result of high trading volume, market volatility, computer, telecommunications, or Internet failures regardless of the cause.

Extraordinary events

You agree that FOLIO*fn* is not liable for any losses caused directly or indirectly by extraordinary events or conditions beyond our control. Such events include, but are not limited to, government actions, exchange or market rulings, and suspensions of trading.

Keep your account information secure

You understand that you are responsible for securing the confidentiality and use of your user name, password, and other methods of securing access to your account(s). You will be solely responsible for all transactions that are sent electronically using your user name, password, and other security measures. While FOLIO*fn* has taken reasonable measures to keep your information secure, we are not liable if your data and communications are intercepted.

Consent to recording your telephone conversations

You consent to having your and your advisor's conversations with us recorded.

No guarantee on accuracy of third party information

You understand that FOLIO*fn* is not responsible for the accuracy or your use of any information we receive from third parties. While we use companies we believe to be reliable, we have not verified and do not make any warranty for information provided by third parties.

Our Web site contains links to other Web sites. We provide these links for the convenience of our customers and their advisors, however, FOLIO*fn* has no control over these other sites. Therefore, FOLIO*fn* is in no way responsible for and in no way approves, endorses, or guarantees the accuracy, reliability, or completeness of any data or information provided in any hyperlinked Web page or Web site.

Handling your Trades: Window vs. Direct

Before you can purchase a security, you must have available cash or money market funds to cover your purchase in your account.

You have two options for executing your orders, either through a "window trade" or a "direct trade."

Window Trades

We currently conduct two window trades a day when the market is open. The first window closes at 10:15 AM Eastern Time (ET). The second window closes at 2:45 PM (ET). For example, the window for orders entered after 2:45 PM on Friday will close at 10:15 AM the next trading day. Normally, this will be Monday unless it is a holiday and the markets are closed, then the window will close on Tuesday morning.

In a window trade, orders are submitted throughout the day that we hold and fill after our trading window closes. When the window closes, we match buyers and sellers. If we have a successful match between orders (full or partial), we will fill your order internally between the price to buy and sell, otherwise known as the bid/ask price spread. In some cases, we will not be able to match your orders. In this case, we will either forward them to market makers for execution, or, for odd lots, we may execute unmatched orders using our own inventory of securities.

Example

8:00 AM Eastern Time (ET) An order is placed to buy \$1000 of a Folio.

10:15 AM (ET) The trading window closes.

After 10:15 AM (ET) We match 15 stocks in your buy order against sell orders by other FOLIO*fn* customers, giving you an advantageous price between the bid/ask spread. We

will either forward the remaining 35 buy orders to market makers for execution, or, for odd lots, we may execute unmatched orders using our own inventory of securities.

We cannot guarantee that every window trade will take place on time or occur at all. There may be times when window trades are delayed or are cancelled because of computer failures or events affecting the markets.

Window Trades Limited

You can only trade a limited universe of stocks, nearly 3,500 securities, through a window trade. FOLIO*fn* keeps a list of these securities, window stocks, on our Web site. Only one order per Folio can be placed in any given window.

Example

If you have three Folios, A, B, and C, your advisor can place one order for each Folio in one window. Your advisor cannot place two orders for Folio A in one window.

We choose window stocks based on a combination of the stock's market capitalization and trading volume. We also restrict window stocks to those stocks that are traded on an exchange (AMEX or NYSE) or are Nasdaq National Market or Nasdaq Small Cap stocks. Our list of window stocks will change over time. We may drop a stock from our list for a variety of reasons. For instance, a stock may be delisted from an exchange or no longer be actively traded. If we drop a stock from our list, we will try to notify your advisor in advance so your advisor will be able to sell the stock through a window trade if she desires to do so. Once a window stock is dropped from the list, it may not be traded through a window trade, but but may be traded through a direct trade.

Cancel Order Limit

You understand that orders placed in a window are matched for the best possible execution twice each day. Since the price may change between the time a window trade is placed and the time the window closes, FOLIO*fn* provides your advisor with a Cancel Order Limit feature. This feature makes it possible to set a price limit that will cause your order to be automatically cancelled if the limit is reached. We have set the limit at 5%, but your advisor can change it.

The Cancel Order Limit applies to total price changes for all the stocks in the Folio. It does not apply to the price change of an individual stock in the Folio. If your advisor wants to change the limit or take it off, she can do so when you open an account or from the Account Settings page. Your advisor can also change the Cancel Order Limit from the page where trades are placed, but changes made there will only apply to that trade.

The Cancel Order Limit can help your advisor protect you from selling at a price much lower than intended, or buying at a price much higher than intended. If the price

movement is greater than the limit your advisor sets (the default is 5%), the order is canceled. The FOLIO*fn* system should not be used by you or your advisor for market timing, and the Cancel Order Limit should not be used to support an active trading strategy.

Direct Trades Cost Extra

Although your advisor can trade as few as one security in a Folio through a window trade, it may not be desirable to wait for a window to trade a security. For your convenience, we have provided a second option, a "direct trade," so that your advisor can send an order immediately to a market for execution as traditional online brokerage firms do. These direct trades must be in whole shares; fractional shares or dollar-based orders will not be accepted.

In addition to the nearly 3,500 securities that your advisor can trade through a window, there is a larger group that you can hold in your account. This larger group of stocks includes those that are traded on a domestic exchange or are designated as Nasdaq National Market stocks or Nasdaq Small Cap stocks. If these securities are not among those that can be traded through a window, your advisor can only buy or sell them for you through our direct trade feature. FOLIO*fn* does not internally match direct trades. All direct trades are treated as market orders. You will pay a commission on each stock your advisor buys or sells for you through a direct trade.

We may receive payments for your orders

Using a computerized system, FOLIO*fn* routes some customer orders to a particular broker/dealer or market center based on the exchange or market in which the security is traded. When we do this, we may receive payment for order flow, a standard industry practice where brokerage firms receive a small per-share rebate on orders routed to certain market makers or specialists for execution. FOLIO*fn* monitors such executions regularly to ensure that all orders are executed at prices equal to or better than the displayed national best bid/offer price. We will provide you or your advisor with information about the source and amount of compensation for any order placed for you if your advisor makes a request in writing.

Selecting markets for your orders

We may select the broker/dealer or market where we send your orders. Your advisor will not have the ability to direct your trades to a specific market for execution.

Reinvestment of dividends

Your advisor may choose to have your cash dividends of \$1 or more automatically reinvested in the stocks that paid them. Cash dividends of less than \$1 will be put in your Cash and Money Funds. In the future, we may change the amount of cash dividends that can be automatically reinvested.

Partial shares

Your advisor may not be able to transfer partial shares out of your FOLIO*fn* account. If you want to transfer the securities in your account to another brokerage firm and the receiving firm does not accept partial shares, we will transfer your whole shares. Partial shares will be sold in the next window after we receive your complete transfer instructions. The money from these sales will be deposited in your account and transferred according to the transfer instructions.

Taxes and Tax Lot Methods

In general, you will owe tax on any stock you sell for a profit after subtracting brokerage fees. The FOLIO*fn* monthly fee is not a brokerage fee, and is not deductible from the sale of individual stocks. But fees for direct trades can be deducted from the proceeds. If you sell stock for a loss, you may be able to deduct the loss and lower your taxes.

We give your advisor eight choices for controlling your taxes:

First In - First Out

Last In - First Out

Minimize Gain or Maximize Loss

Maximize Gain or Minimize Loss

Minimize Long-Term Gain

Minimize Short-Term Gain

Maximize Long-Term Gain

Maximize Short-Term Gain

When your advisor opens an account for you, we automatically select a choice that applies universally to all your sell orders, "Minimize Gain or Maximize Loss." Your advisor can change this setting when opening an account or by clicking on the "Account Settings" tab. The change you make in "Account Settings" will apply universally, every time shares are sold for your account.

Money Market Fund

Your advisor may invest the available cash in your FOLIO*fn* account in one of three money market funds: Cortland Trust's Corporate Fund, Municipal Fund, or U.S. Government Fund. Your advisor will select one of these funds to hold your available cash and you will be provided access to the prospectus that describes the fund's operation and costs on our Web site. FOLIO*fn* may change the selection of available funds we use with

prior notice to our customers and shares of your existing money market fund may be converted to the new money market fund unless your advisor instructs us otherwise.

You recognize that a money market fund is not insured or guaranteed by the U.S. Government, and that a money market's \$1.00 share price may not always hold.

Since your monthly account statement will detail activity in your money market fund, you agree that you will not receive a confirmation for transactions in your fund.

Any available cash in your account will be automatically invested in your money market fund once a day. FOLIO*fn* will redeem sufficient shares from your money market fund to pay for security purchases in your FOLIO*fn* account on settlement date. Your advisor cannot enter a purchase order unless there are sufficient funds in your account (cash or money market funds) to cover the amount of the purchase.

Managing transactions in your FOLIO*fn* accounts

When your buy order is executed, the amount of the purchase will be held in your money market account and earmarked to pay for the purchase. Although you will not be able to use this cash, it will earn interest until it is transferred out of your fund to settle your purchase. Most trades settle in three business days from the purchase date.

When your advisor sells an investment, your money will usually arrive at FOLIO*fn* in three business days. As soon as we receive your money, we will promptly place it in your money market fund, generally the following morning.

If you send us a check, we will promptly deposit it into your account. These funds will be invested in your money market fund, generally the second business day. While your advisor will be able to make an investment, it will not be possible to withdraw the money from your money market account until your check clears, which may take up to ten business days. Foreign checks could take up to 20 days to clear.

We will deduct from your account balance FOLIO*fn* fees, your advisor's fees, and any other outstanding liabilities, such as overdrafts or debits resulting from activities in your FOLIO*fn* accounts. FOLIO*fn* will deduct these fees from any existing cash balances in your account. If there is insufficient cash in your account, then FOLIO*fn* will redeem sufficient shares from your money market fund to cover the balance owed. If there are insufficient funds in your money market account to cover the fees, FOLIO*fn* will create a debit in your account. We will require prompt payment of the amount owed within 60 days for cash accounts. We will charge interest on the unpaid balance at the margin rate listed below. At the end of 60 days if the debit has not been paid, FOLIO*fn* will liquidate enough of the holdings in your account to pay the amount owed. This will be done without consideration of any tax consequences the sell order may cause.

You pledge all assets in your account(s) as collateral to secure your indebtedness to us and that these assets and accounts will be subject to a general lien in our favor. All assets

now or in the future held in your account may be pledged or otherwise used as collateral to secure the amount(s) owed to FOLIO*fn*.

Check Writing

You understand that the use of your checking account is governed by the rules of the bank that provides check writing services for us, the Uniform Commercial Code, and federal and state laws. You will pay fees for the expenses of running the account, including fees for ordering checks, bouncing checks, stop payment requests, and dishonored checks that are deposited to your account. Please see FOLIO*fn* Fees on our Web site for the current list of charges.

Transferring Funds Electronically

Bank wires

The Federal Reserve Board processes bank wires. They are normally completed on the business day following your request.

Electronic Fund Transfers through ACH

The Automated Clearing House, ACH, processes electronic fund transfers. To use this service, your bank must be an ACH member, and one common name must appear on both your FOLIO*fn* account and your bank account.

Account statements and confirmations

Report errors immediately

If your advisor has given us a correct email address, you will receive an email periodically, but not less than quarterly, that your account statement is available for viewing or printing from our Web site. These statements will detail all activity recorded in your account. You and your advisor will also receive an email that a trade confirmation is available for viewing or printing from our Web site the business day following the date of activity. You are strongly encouraged to review these documents promptly. We will conclude that all information is correct unless you contact us promptly about any errors.

Laws and Regulations Apply

All transactions executed through FOLIO*fn* are subject to the constitution, rules, regulations, customs, and methods of doing business at the exchange, market, or clearinghouse or agency that processes transactions.

Various federal and state laws and regulations may apply to transactions in your account. These laws and regulations may place restrictions on your ability to freely trade some securities if you own "restricted" or "control" securities, or if an insider trading policy

applies to you. You agree to comply with all relevant legal requirements and only to effect transactions through FOLIO*fn* that are legally permissible.

Joint Account Issues

If this is a joint account, you understand that any account holder may exercise complete control over the account as if the account were held by only one person. For example, any joint account holder may buy, sell, modify, receive money and account documents, and make agreements relating to the account.

We will follow the instructions of any joint account holder, even if one account holder asks us to deliver all funds to him or her. We will not inquire about the appropriateness of a request unless we receive a written notice. However, we may impose a requirement that all account holders agree to a request if we believe it is necessary.

We may seek payment of any and all fees or charges due from the account against one or more of the account holders individually.

Margin Accounts

These provisions will apply if you or your Advisor decides to use margin.

General Margin Provisions

A margin account enables us to extend credit to purchase "marginable securities," as defined by the Federal Reserve Board, and approved by FOLIO*fn*.

The Federal Equal Credit Opportunity Act prohibits us (as a creditor) from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided the applicant has the capacity to enter into a binding contract).

All margin accounts are subject to the approval of FOLIO*fn*. You acknowledge and understand that when you trade on margin, you are borrowing from FOLIO*fn*. You agree to promptly satisfy all margin and maintenance calls.

You agree to maintain, at all times, an amount of securities and/or cash great enough to satisfy all requirements of the Federal Reserve Board and of FOLIO*fn*.

You acknowledge that margin transactions are riskier and can involve greater loss than cash transactions. You understand that your financial exposure could exceed the value of your securities. You should consult with your advisor and carefully examine your financial resources, investment objectives, and tolerance for risk to determine if a margin account is right for you.

You agree to read and be bound by these provisions and to contact your advisor before opening an account if you do not understand these provisions.

Any transaction conducted under these margin agreement shall be subject to the, rules, regulations, rulings, and interpretations of the National Association of Securities Dealers, Inc. and of any market and its clearing house, and to all rules and regulations resulting from governmental acts and statutes as applicable.

By agreeing to these provisions, holders of margin accounts acknowledge that some of their securities may be lent to FOLIO*fn* as principal or lent out to others and you may lose the ability to vote those securities.

Margin Requirements

Regulation T and House Credit Limits - Regulation T of the Federal Reserve System governs the amount of credit and the conditions under which credit is extended to customers. FOLIO*fn*'s requirements are equal to or more restrictive than regulatory requirements.

FOLIO*fn* Margin Requirements - All margin accounts are subject to the following requirements:

- minimum equity in a margin account is \$10,000,
- initial margin of 50 percent of the current market value of the securities, and
- maintenance margin of 35 percent of the current market value of most securities (maintenance margin may be higher for highly volatile securities or for accounts that are highly concentrated).

The minimum amount to open a margin account may consist of cash, marginable securities, or a combination of cash and marginable securities. You agree to maintain such margins as FOLIO*fn* may require from time to time and to pay on demand any debit balance owed on any of your accounts. You agree to be charged interest on any credit extended to or maintained for you for the purpose of purchasing, carrying, or trading in any security.

Collateral, Liquidations and Covering Positions

You may be required to deposit additional collateral, in the form of cash or marginable securities, and we may liquidate positions in your account for any reason including, but not limited to, the following reasons:

- a decline in the market value of the securities in the margin account,
- extreme market volatility or trading volumes,
- changes in the marginability or negotiability of your securities,
- your failure to promptly meet any call for additional collateral,
- a large concentration in a volatile or illiquid security,
- your intention not to meet a call for additional collateral,
- filing of a petition in bankruptcy by you or against you,
- the appointment of a receiver is filed by or against you,

- an attachment is levied against any of your accounts or any account in which you have an interest,
- your death or incapacity,
- Our ability to borrow the securities you are required to deliver changes adversely, and
- orders of any stock exchange/market or regulatory body.

In any such event, FOLIO*fn*, without prior notice or demand may:

- sell any and all securities and/or other property in your account(s) whether carried individually or jointly with others,
- buy to cover any and all securities and/or other property which may be short in such account(s), and
- cancel any open orders.

Any such sales or purchases may be made at our sole discretion on any exchange or other market where such business is usually conducted or a public auction or private sale. FOLIO*fn* may be the purchaser or seller for its own account. You will be liable for any deficiencies in such account in the event of liquidation, whole or in part, by you or FOLIO*fn*.

Interest Rate

The annual rate of interest you will be charged on margin loans may vary from a minimum of 0.5% above FOLIO*fn*'s base rate to a maximum of 1.75% above FOLIO*fn*'s base rate, depending upon the amount of your average debit balance.

Average Debit Balance	Interest to be Charged Above Base Rate
\$0-\$49,999	+1.75%
\$50,000-\$99,999	+0.75%
\$100,000+	+0.5%

FOLIO*fn*'s base rate is established with reference to commercially recognized interest rates, industry conditions regarding the extension of margin credit, and general credit conditions. The annual rate of interest is subject to change without prior written notice in accordance with changes in the base rate. Interest is computed monthly on the average debit balance during the month. Settlement date debit balances and free credit balances in the cash account will be applied to the margin account balance if the margin account has a debit balance. A cash account settlement date debit balance will increase the amount of margin to be charged. A cash account free credit balance will reduce the amount of margin interest to be charged. If, during the month, there is a change in interest rates, separate charges will be shown on your statement for each interest period under the different rate.

Your rate of interest may be changed without notice in accordance with changes in the base rate and your average debit balance. When your interest rate is to be increased for any other reason, you will be given at least 30 days written notice. Your monthly statement will show the dollar amount of interest and the interest rate charged to your account. FOLIO*fn* uses a calendar month basis to calculate interest from the second business day before the end of the prior month through the third business day before the end of the current month.

Disclosure of Credit Terms on Margin Transactions

Securities and Exchange Commission Rule 10b-16 requires a broker who extends credit to a customer in connection with any securities transaction to furnish the customer specified information describing the terms, conditions, and methods by which interest charges are made to customers' accounts. This information is being provided to you in conformity with that rule.

Interest will be charged on all accounts for any credit extended to or maintained for you for the purpose of purchasing, carrying, or trading in securities or otherwise.

Margin Account Restrictions

If your account is restricted for any reason, your advisor will not be able to execute any order until the restriction has been lifted, or until sufficient cash is in the account for purchases and securities are in the account in the case of sales.

Custodial Accounts for Minors

FOLIO*fn* will maintain custodial accounts for minors under the Uniform Gift to Minors Act or the Uniform Transfer to Minors Act. If this is a custodial account, you understand that the assets in the account belong to the minor. If you transfer assets out of the account, you understand that they must be used for the benefit of the minor.

Closing Accounts

You, your advisor or FOLIO*fn* may close your account at any time. This customer agreement will remain binding until FOLIO*fn* acknowledges in writing that it is no longer binding. You will remain responsible for all charges, debts, or other transactions if they arise before or after your account is closed.

FOLIO*fn* reserves the right to charge a service fee or close any account that fails to maintain minimum balances. We will notify you of any actions or charges we take against your account or charges.

Modifying this agreement

We can amend this agreement and the terms and conditions of your use of our online services by notice to you. Your advisor should notify you of any such changes and further conduct of any business through our Web site after notice of such amendments will constitute your agreement to the amendments. If a provision of this agreement is or becomes inconsistent with any law or regulation, the provision in question will be amended to conform to the law or regulation, and all other provisions will remain binding.

The internal laws of the Commonwealth of Virginia, without regard to its choice of law provisions, shall govern this agreement and its enforcement.

This agreement shall cover all accounts opened by you. Its terms and conditions shall apply to your successors and anyone you assign it to, and to FOLIO*fn*'s successors and anyone we assign it to.

Arbitration

Pre-dispute Arbitration Agreement

You agree that all controversies between us will be settled through arbitration as provided for by the National Association of Securities Dealers, Inc.

You understand the following:

- 1. Arbitration is final and binding on the parties.**
- 2. The parties are waiving their right to seek remedies in court, including the right to jury trial.**
- 3. Pre-arbitration discovery is generally more limited than and different from court proceedings.**
- 4. The arbitrators' award is not required to include factual findings or legal reasoning, and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited.**
- 5. The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.**

You understand that we must use arbitration to decide and settle all controversies arising between us about any issue related to your account or this customer agreement. Any judgment resulting from an arbitration may be entered in any court of competent jurisdiction.

You cannot bring a putative or certified class action to arbitration. You cannot seek to enforce a pre-dispute arbitration agreement against

- 1) any person who has initiated a putative class action in court, or**
- 2) a member of a putative class unless the person has opted out of the class with respect to all claims.**

You can seek to enforce a pre-dispute arbitration agreement against those mentioned in items 1 and 2 in the immediate preceding paragraph when

- a) the class certification is denied, or**
- b) the class is decertified, or**
- c) the customer is excluded from the class by the court.**

You will not have waived your rights to enforce an arbitration agreement by complying with this agreement concerning class actions.

INDIVIDUAL RETIREMENT CUSTODIAL ACCOUNT

Form **5305-A** (Rev. January 1998) Department of the Treasury Internal Revenue Service

DO NOT File with
Internal Revenue Service

Amendment

The depositor and the custodian make the following agreement:

Article I

The custodian may accept additional cash contributions on behalf of the depositor for a tax year of the depositor. The total cash contributions are limited to \$2,000 for the tax year unless the contribution is a rollover contribution described in section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or an employer contribution to a simplified employee pension plan as described in section 408(k).

Article II

The depositor's interest in the balance in the custodial account is nonforfeitable.

Article III

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

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

Article IV

1. Notwithstanding any provision of this agreement to the contrary, the distribution of the depositor's interest in the custodial account shall be made in accordance with the following requirements and shall otherwise comply with section 408(a)(6) and Proposed Regulations section 1.408-8, including the incidental death benefit provisions of Proposed Regulations section 1.401(a)(9)-2, the provisions of which are incorporated by reference.

2. Unless otherwise elected by the time distributions are required to begin to the depositor under paragraph 3, or to the surviving spouse under paragraph 4, other than in the case of a life annuity, life expectancies shall be recalculated annually. Such election shall be irrevocable as to the depositor and the surviving spouse and shall apply to all subsequent years. The life expectancy of a nonspouse beneficiary may not be recalculated.

3. The depositor's entire interest in the custodial account must be, or begin to be, distributed by the depositor's required beginning date, April 1 following the calendar year end in which the depositor reaches age 70½. By that date, the depositor may elect, in a manner acceptable to the custodian, to have the balance in the custodial account distributed in:

- (a) A single sum payment.
- (b) An annuity contract that provides equal or substantially equal monthly, quarterly, or annual payments over the life of the depositor.
- (c) An annuity contract that provides equal or substantially equal monthly, quarterly, or annual payments over the joint and last survivor lives of the depositor and his or her designated beneficiary.
- (d) Equal or substantially equal annual payments over a specified period that may not be longer than the depositor's life expectancy.
- (e) Equal or substantially equal annual payments over a specified period that may not be longer than the joint life and last survivor expectancy of the depositor and his or her designated beneficiary.

4. If the depositor dies before his or her entire interest is distributed to him or her, the entire remaining interest will be distributed as follows:

- (a) If the depositor dies on or after distribution of his or her interest has begun, distribution must continue to be made in accordance with paragraph 3.
- (b) If the depositor dies before distribution of his or her interest has begun, the entire remaining interest will, at the election of the depositor or, if the depositor has not so elected, at the election of the beneficiary or beneficiaries, either
 - (i) Be distributed by the December 31 of the year containing the fifth anniversary of the depositor's death, or
 - (ii) Be distributed in equal or substantially equal payments over the life or life expectancy of the designated beneficiary or beneficiaries starting by December 31 of the year following the year of the depositor's death. If, however, the beneficiary is the depositor's surviving spouse, then this distribution is not required to begin before December 31 of the year in which the depositor would have reached age 70½.
- (c) Except where distribution in the form of an annuity meeting the requirements of section 408(b)(3) and its related regulations has irrevocably commenced, distributions are treated as having begun on the depositor's required beginning date, even though payments may actually have been made before that date.
- (d) If the depositor dies before his or her entire interest has been distributed and if the beneficiary is other than the surviving spouse, no additional cash contributions or rollover contributions may be accepted in the account.

5. In the case of a distribution over life expectancy in equal or substantially equal annual payments, to determine the minimum annual payment for each year, divide the depositor's entire interest in the custodial account as of the close of business on December 31 of the preceding year by the life expectancy of the depositor (or the joint life and last survivor expectancy of the depositor and the depositor's designated beneficiary, or the life expectancy of the designated beneficiary, whichever applies). In the case of distributions under paragraph 3, determine the initial life expectancy (or joint life and last survivor expectancy) using the attained ages of the depositor and designated beneficiary as of their birthdays in the year the depositor reaches age 70½. In the case of a distribution in accordance with paragraph 4(b)(ii), determine life expectancy using the attained age of the designated beneficiary as of the beneficiary's birthday in the year distributions are required to commence.

6. The owner of two or more individual retirement accounts may use the "alternative method" described in Notice 88-38, 1988-1 C.B. 524, to satisfy the minimum distribution requirements described above. This method permits an individual to satisfy these requirements by taking from one individual retirement account the amount required to satisfy the requirement for another.

Article V

1. The depositor agrees to provide the custodian with information necessary for the custodian to prepare any reports required under section 408(i) and Regulations sections 1.408-5 and 1.408-6.

2. The custodian agrees to submit reports to the Internal Revenue Service and the depositor prescribed by the Internal Revenue Service.

Article VI

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through III and this sentence will be controlling. Any additional articles that are not consistent with section 408(a) and the related regulations will be invalid.

Article VII

This agreement will be amended from time to time to comply with the provisions of the Code and related regulations. Other amendments may be made with the consent of the persons whose signatures appear below.

Article VIII Definitions.

8.1 "Code." The term "Code" shall mean the Internal Revenue Code.

8.2 "Custodial Account." Your IRA shall be referred to as the "custodial account" or "account."

8.3 "IRA." IRA shall mean Individual Retirement Account within the meaning of Section 408 of the Code.

8.4 "IRS." The term "IRS" shall mean the Internal Revenue Service.

8.5 "We." The IRS selected the term "custodian" to describe us, your financial organization. In other parts of this agreement, the "custodian" will be referred to as "us," "we," "our," or the "custodian."

8.6 "You." The IRS selected the term "depositor" to describe "you," the IRA Owner. In other parts of this agreement, you will be referred to as "you," "your," or "IRA Owner."

Article IX Fees and Expenses.

9.1 Fees. You agree to pay any fees we establish pursuant to the Application or a separate fee schedule which we will publish from time to time. Such fees may include, without limitation, establishment fees, annual administration fees, termination fees, transfer fees, transaction fees, legal fees, investment commissions, and such other fees as we determine applicable. You agree to pay such fees either by a separate billing or direct deduction from the custodial account; the method of payment is at our discretion. Some fees, such as brokerage commissions, must be deducted from the custodial account. In the case of a third party receiving payments, such as brokerage fees and commissions, we may receive a portion of these fees in return for services provided in completing these transactions. We agree to give you at least 30 days prior written notice prior to changing a fee or imposing a new fee.

9.2 Expenses. You agree to pay any income, transfer, and other taxes of any kind that may be levied or assessed upon the custodial account, and all other administrative expenses reasonably incurred by us in the performance of our duties. These expenses may include legal, or other professionals hired by us in connection with your custodial account. You agree to reimburse us for any reasonable expenses incurred in the administration of the account.

Article X Amendments. We may amend your custodial account at any time to comply with necessary laws and regulations or for any other reason. Amendments may be made retroactively when required to meet a law or regulatory change. You are deemed to have automatically consented to any amendment 30 days after we mail you a copy of the amendment. Your actual written or verbal consent is not required to amend. We shall send you a copy of such amendment within 30 days of the amendment's effective date.

Article XI Limited Liability.

11.1 Hold Harmless. You agree to hold us harmless, to indemnify, and to defend us against any and all claims arising from and liabilities incurred by reason of any action taken by us in good faith pursuant to this agreement.

11.2 No Investment Discretion. You agree that all contributions shall be invested according to your sole discretion. All investments in the IRA shall be in one or more of the following: (1) term investments of the custodian; (2) marketable securities (excluding securities issued by custodian or any of its affiliates acquired through a current underwriting); and any other investment approved by the custodian. We shall not be responsible or liable for any investment decisions or recommendations with respect to the investment, reinvestment, or sale of assets in the custodial account. We shall not be responsible for reviewing any assets held in the custodial account and shall not be responsible for questioning any of your investment decisions. We shall not be responsible for any loss resulting from any failure to act because of the absence of directions from you. In the event we determine your investment instructions are unclear, then we shall act as soon as practical to obtain clarification of such instructions. Pending clarification, we shall hold without investing all or any portion of the contribution, without liability for loss of income or appreciation and without liability for interest or dividends.

11.3 Transaction Responsibility. We are not responsible for inquiring into the nature or amount of any contribution made by you, nor into the amount or timing of any distribution requested. This includes, without limitation, that you are solely responsible for all your required minimum distributions. We have no responsibility to notify you of any required minimum distribution nor do we have any responsibility to determine the correct minimum amount for you. You shall have full responsibility for determining your required minimum distributions as well as for any tax or investment consequences of all contributions to and distributions from the custodial account.

11.4 No Assumed Responsibilities. We assume no responsibilities and agree only to provide the administrative and custodial services required under IRC section 408 and applicable regulations.

Article XII Default Provisions (Age 70½ and Death).

12.1 Age 70½ Distributions. If you fail to make a written election of payment by your required beginning date, the minimum required distribution will be calculated using the joint life expectancy of you and your designated beneficiary. If no beneficiary exists or a beneficiary other than a natural person is named (except certain trusts), your single life expectancy will be used for this calculation. See section 11.3 above. The recalculation method will be used to the extent allowed.

12.2 Death Distributions. If you die before your required beginning date, then your designated beneficiary must elect a method of distribution under Article IV-4(b)(i) and (b)(ii) by the earlier of December 31 of the calendar year in which the life expectancy distributions must begin under Article IV-4(b)(ii) or December 31 of the calendar year which contains the fifth anniversary of the date of your death. If you use the designation of beneficiary form provided in the Application then the following rules apply (i) the designation in the Application revokes all previously made designations, (ii) if any of the beneficiaries dies before you, the deceased beneficiary's share will be reallocated to the surviving beneficiaries on a pro rata basis, and (iii) if none of the beneficiaries survive you, any balance in your IRA will be paid to your estate. The custodian may refuse to accept a designation not made on its standard form. You agree to release the custodian from and indemnify it for any and all claims arising from the custodian's actions under your designation of beneficiary.

Article XIII Reports and Records. We shall keep accurate and detailed records

of all contributions, receipts, investments, distributions, disbursements, and other transactions relating to the custodial account. We shall provide reports to the IRS and to you as required by law and regulations. Unless you file a written statement with us within 60 days after you receive a statement, we shall be relieved and discharged from all liability to you (including any of your beneficiaries) with respect to all matters set forth in such report.

Article XIV Powers. We shall have the right to hire attorneys or other professionals if we deem it necessary for the proper administration of your custodial account. We shall also have the power to request a judicial settlement of your account or to enter into a lawsuit for your account. We shall also have the power to do whatever else we determine necessary for the proper administration of your account.

Article XV Resignation or Removal of Us as Custodian. We may resign as custodian without your consent and you may remove us as custodian without our consent. We must provide notice to you of any resignation 30 days prior to the effective date of the resignation. In the event of resignation by us, you shall appoint a qualified successor custodian. Upon our receipt of a written acceptance of such appointment by the successor custodian, we shall transfer and pay over the assets of the custodial account to the successor custodian. If after 30 days from notice of resignation, you have not appointed a successor custodian or we have not received a written acceptance of such appointment by the successor custodian, we shall have the right to transfer the assets remaining in the custodial account to a successor custodian that we choose in our sole discretion or we may pay or otherwise distribute to you the assets remaining in the custodial account. We are authorized, however, to reserve such funds as we deem advisable for payment of any liabilities constituting a charge against the assets of the custodial account or against us, with any balance of such reserve remaining after payment of all such items to be paid over to the successor custodian.

Article XVI Miscellaneous

16.1 Notice. Any notice, payment, report, or other material mailed to you shall be deemed delivered and effective three days after the date mailed by us to you. We shall send such material to your last address you provided and we shall assume no obligation to ascertain the actual address or whereabouts of you. Any notice you send us shall be deemed delivered when actually received by us. Except as otherwise permitted by us, all instructions to us must be in writing.

16.2 Headings. The headings and articles of this agreement are for convenience of reference only, and shall have no substantive effect on provisions of this agreement.

16.3 Singular Form. Throughout this agreement, the singular form includes the plural where applicable.

16.4 State Law. This agreement shall be construed and interpreted in accordance with the laws of the state in which our principal office is located, except to the extent superseded by federal law.

16.5 Disqualifying Provision. Any provision of this agreement which would disqualify the custodial account as an IRA shall be disregarded to the extent necessary to make the custodial account an IRA.

16.6 Interpretation. If any question arises as to the meaning of any provision of this agreement, then we shall be authorized to interpret any such provision, and our interpretation shall be binding upon all parties.

16.7 Additional Provisions. Additional provisions to this agreement may be attached on a separate sheet.

General Instructions

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

Purpose of Form

Note: Users of the October 1992 revision of Form 5305-A are not required to use the January 1998 revision of the form.

Form 5305-A is a model custodial account agreement that meets the requirements of section 408(a) and has been automatically approved by the IRS. An individual retirement account (IRA) is established after the form is fully executed by both the individual (depositor) and the custodian and must be completed no later than the due date of the individual's income tax return for the tax year (without regard to extensions). This account must be created in the United States for the exclusive benefit of the depositor or his or her beneficiaries.

Individuals may rely on regulations for the Tax Reform Act of 1986 to the extent specified in those regulations.

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

For more information on IRAs, including the required disclosures the custodian must give the depositor, see Pub. 590, Individual Retirement Arrangements (IRAs).

Definitions

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

Depositor.— The depositor is the person who establishes the custodial account.

Identifying Number

The depositor's social security number will serve as the identification number of his or her IRA. An employer identification number (EIN) is required only for an IRA for which a return is filed to report unrelated business taxable income. An EIN is required for a common fund created for IRAs.

IRA for Nonworking Spouse

Form 5305-A may be used to establish the IRA custodial account for a nonworking spouse.

Contributions to an IRA custodial account for a nonworking spouse must be made to a separate IRA custodial account established by the nonworking spouse.

Specific Instructions

Article IV.— Distributions made under this article may be made in a single sum, periodic payment, or a combination of both. The distribution option should be reviewed in the year the depositor reaches age 70½ to ensure that the requirements of section 408(a)(6) have been met.

Article VIII.— Article VIII and any that follow it may incorporate additional provisions that are agreed to by the depositor and custodian to complete the agreement. They may include, for example, definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of the custodian, custodian's fees, state law requirements, beginning date of distributions, accepting only cash, treatment of excess contributions, prohibited transactions with the depositor, etc. Use additional pages if necessary and attach them to this form.

Note: Form 5305-A may be reproduced and reduced in size.

IRA DISCLOSURE STATEMENT

1. Right to Revoke the Account. You have the right to revoke this Individual Retirement Account (IRA) within seven days of receiving this Disclosure Statement. To revoke your IRA account, simply notify our representative who signed your IRA agreement. You must notify us in writing unless we designate otherwise. Written notice must be sent by first-class mail at the address listed on the application and will be accepted as of the date such notice is postmarked. If you revoke your IRA account, we will refund your entire IRA contribution. If you do not use this right within seven days of the date you receive this Disclosure Statement, you have accepted the terms and conditions of the IRA agreement and may no longer revoke the IRA account.

2. Definitions. In this Disclosure Statement the terms "you," "your," or "IRA Owner" means the person who established the IRA. The terms "custodian," "our," "us," or "we" shall mean the financial organization acting as the custodian of your IRA. The term "IRS" shall refer to the Internal Revenue Service. The term "IRA" shall mean Individual Retirement Account within the meaning of section 408 of the Code and shall also refer to your Custodial Account. The term "Roth IRA" shall mean a Roth Individual Retirement Account within the meaning of section 408A of the Code. The term "SIMPLE IRA" shall mean SIMPLE Retirement Account within the meaning of section 408(p) of the Code. The term "Code" shall mean the Internal Revenue Code.

3. Account Growth. Your IRA is self-directed, we will not take any action except at your written direction. Earnings and capital appreciation on investments chosen by you will depend on overall economic conditions and the success of that particular investment. **Earnings on these investments are not guaranteed by the Custodian and may or may not be reasonably projected.** For example, if the initial investment is a passbook, time deposit or money market account, the account projection can be made based on the current rate of earnings paid. On the other hand, if the initial investment is an investment security (stocks, bonds, or mutual funds), the rate of growth of the earnings on these types of investments cannot be reasonably projected.

4. Eligibility for IRAs. This part of the disclosure explains your eligibility to establish and contribute to an IRA. This disclosure statement does not address your eligibility for other types of IRAs (Roth IRA, Education IRA, or SIMPLE IRA).

A. Regular Contributions. You must be under age 70½ and have "compensation" in order to contribute to an IRA. For tax years during or after which you reach age 70½ you are not allowed to contribute to an IRA. "Compensation" includes wages, tips, bonuses, taxable alimony and separate maintenance payments, as well as other compensation received for personal services. (If you are self-employed, compensation is your net earnings from your trade or business reduced by your deduction for contributions made on your behalf to retirement plans and the deduction allowed for one-half of your self-employment taxes.) If you meet the above eligibility requirements, you may contribute up to 100% of your compensation or \$2,000, whichever is less. (*Caution:* Contribution limit is coordinated with Roth IRA limit—see below). Regular and spousal IRA contributions must be made by your tax filing due date excluding extensions. Please consult your tax adviser if you need additional assistance.

B. Spousal Contributions. You may make a contribution into your spouse's IRA if you meet the special spousal IRA rules. You must be married, file a joint federal income tax return, the receiving spouse must be under age 70½, and the receiving spouse must earn less in compensation than the spouse making the contribution. The total combined contribution a couple can make each year to both IRAs is the smaller of \$4,000 or their combined compensation for the year. You can divide your total IRA contribution in any manner you choose, provided you do not contribute more than \$2,000 to either IRA. Your combined compensation equals the lesser compensated spouse's compensation plus the higher compensated spouse's compensation (reduced by any IRA deduction). (*Caution:* Contribution limit is coordinated with Roth IRA limit—see below).

C. Coordination with Roth IRA. The amount you are eligible to contribute to your IRA is coordinated with the amount you may contribute to your Roth IRA. The maximum you are allowed to contribute to both your IRA and your Roth IRA is \$2,000. Accordingly, if you make a Roth IRA contribution, that will reduce or eliminate your eligibility to make an IRA contribution.

D. Rollover, Transfer, SEP, and SIMPLE Contributions. You may be eligible to roll over, directly roll over, or transfer your existing IRA, SIMPLE IRA, or qualified plan assets. The rules covering rollovers and transfers are discussed later in this disclosure statement. Simplified Employee Pension (SEP) plan contributions may also be made to this IRA. Your employer is responsible for verifying the SEP eligibility requirements and determining the contribution amount. SIMPLE contributions may not be made to this IRA, but instead must be contributed into a SIMPLE IRA. The IRS or your employer can provide additional information concerning SEP and SIMPLE eligibility.

5. Deductibility. You may or may not be allowed to deduct your IRA contribution on your income tax return. Whether or not you may deduct your contribution depends upon whether you or your spouse are active participants in an employer-maintained retirement plan, your income level, your income tax filing status, and the tax year for which you are making the contribution—please see the charts that follow:

A. Active Participant. You are an "active participant" for a year if you are covered by a retirement plan. For example, if you are covered under a profit sharing plan, a 401(k) plan, a tax-sheltered annuity plan (403(b)), certain government plans, an SEP plan, a SIMPLE arrangement, or a plan which promises you a retirement benefit which is based upon the number of years of service you have with the employer, you are likely to be an active participant. The W-2, Wage and Tax Statement, includes a box (the "Pension Plan" box) to indicate whether or not you are covered for the plan year. If you are not certain whether or not you are covered (an "active participant") you should ask your employer or tax adviser. If you are an active participant, your ability to deduct your IRA contribution begins to be phased out when your federal modified adjusted gross income (MAGI) exceeds certain limits. Seek advice from your tax professional to determine your MAGI.

B. Single Filers. If you are single and are not an active participant, you may fully deduct your IRA contribution regardless of your income level. If you are an active participant, then your ability to deduct your contribution begins to be phased out at certain income levels. Please see the MAGI Phaseout Ranges chart. If your income is the same as or less than the "Low End" number for the applicable tax year, you may fully deduct your IRA contribution. If your income is the same as or above the "High End" then you are not entitled to deduct any amount of an IRA contribution. If your income falls within the ranges stated then consult the Deduction Calculation chart to calculate the amount you may deduct.

C. Married Filers. If you are married, your ability to make a deductible contribution depends upon both you and your spouse's "active participation" status as well as your income level, and income tax filing status.

(1) Neither You Nor Your Spouse Are Active Participants. If neither you nor your spouse are active participants, you may fully deduct your IRA contribution regardless of your income.

(2) You Are an Active Participant. If you are an active participant, your ability to deduct your IRA contribution begins to be phased out at certain income levels and also depends upon whether you file jointly or separately. See the MAGI Phaseout Ranges chart below. This rule applies regardless of whether or not your spouse is an active participant. If your income is the same as or less than the "Low End" number for the applicable tax year, you may fully deduct your IRA contribution. If your income is the same as or above the "High End" then you are not entitled to deduct any amount of an IRA contribution. If your income falls within the ranges stated then see the Deduction Calculation chart to calculate the amount you may deduct.

(3) You Are Not an Active Participant But Your Spouse Is. If you are not an active participant, but your spouse is an active participant, then your ability to deduct your IRA contribution begins to be phased out at \$150,000 if you file a joint return. See the chart below. **Caution:* for the 1997 tax year, you are considered an active participant if your spouse is an active participant. If you fall within this category and file a separate return you are subject to a \$10,000 MAGI threshold. Consult with your tax adviser to determine the amount you may deduct.

MAGI PHASEOUT RANGES

Tax Year	Filing Status							
	Single, Active Participant		Married, Filing Jointly, Active Participant		Married, Filing Separately, Active Participant		Married, Filing Jointly, Not an Active Participant, but Spouse Is	
	Low End	High End	Low End	High End	Low End	High End	Low End	High End
1997	\$25,000	\$35,000	\$40,000	\$50,000	\$0	\$10,000	\$40,000	\$50,000
1998	\$30,000	\$40,000	\$50,000	\$60,000	\$0	\$10,000	\$150,000	\$160,000
1999	\$31,000	\$41,000	\$51,000	\$61,000	\$0	\$10,000	\$150,000	\$160,000
2000	\$32,000	\$42,000	\$52,000	\$62,000	\$0	\$10,000	\$150,000	\$160,000
2001	\$33,000	\$43,000	\$53,000	\$63,000	\$0	\$10,000	\$150,000	\$160,000
2002	\$34,000	\$44,000	\$54,000	\$64,000	\$0	\$10,000	\$150,000	\$160,000
2003	\$40,000	\$50,000	\$60,000	\$70,000	\$0	\$10,000	\$150,000	\$160,000
2004	\$45,000	\$55,000	\$65,000	\$75,000	\$0	\$10,000	\$150,000	\$160,000
2005	\$50,000	\$60,000	\$70,000	\$80,000	\$0	\$10,000	\$150,000	\$160,000
2006	\$50,000	\$60,000	\$75,000	\$85,000	\$0	\$10,000	\$150,000	\$160,000
2007	\$50,000	\$60,000	\$80,000	\$100,000	\$0	\$10,000	\$150,000	\$160,000

D. Phaseout Calculation. If your income falls within the phaseout limits from the previous chart, you can determine your deductible amount according to the deduction formula below. You are still allowed to contribute up to the lesser of \$2,000 or 100% of your earned income (coordinated with Roth IRA); however, if your contribution exceeds your maximum deductible amount, the remainder will be treated as a nondeductible contribution.

DEDUCTION CALCULATION

A. Insert MAGI "High End" number from chart above for the corresponding tax year and filing status	\$ _____
B. Your MAGI (From IRS Form 1040 or 1040A)	\$ _____
C. Subtract B from A	\$ _____
(Line C multiplied by .2 equals the amount you may deduct.**)	x .2**
Deductible Amount***	\$ _____

Example

Jim wants to make a 1998 deductible IRA contribution. Jim is married, an active participant, files jointly, and has MAGI of \$55,000.

A. \$ 60,000
B. \$ 55,000
C. \$ 5,000
 .2
 \$ 1,000

* If the adjusted dollar deduction limit is not a multiple of ten, it is rounded up to the next highest \$10 increment. If your partial deduction is less than \$200 but greater than \$0, you are allowed to claim an IRA deduction of \$200.

** For married couples filing jointly, replace the .2 with .1 starting in the tax year 2007.

*** This assumes that you are eligible to contribute that amount (the amount may need to be reduced if you made a Roth IRA contribution).

Note: Qualifying married couples, filing separately may use the "Single" category.

6. Recharacterization of Contributions. You may recharacterize your traditional IRA regular or spousal contributions as Roth IRA contributions (or vice versa) if you do so by your tax-filing due date (plus extensions). The transaction must be accomplished as a transfer and will be reported. It will be treated as having been made to the second IRA on the same date that it was actually made to the first IRA. Finally, no deduction is allowed for the contribution to the first IRA and any net earnings transferred with the recharacterized contribution are treated as earned in the second IRA. Employer contributions (including elective deferrals) under a SEP cannot be recharacterized.

7. Rollovers, Transfers, and Direct Rollovers. Distributions from IRAs, SIMPLE IRAs, qualified plans or tax-sheltered annuity programs may be eligible for a tax-free rollover or transfer into an IRA. Transfer and rollover contributions are not deductible and will not be applied against the annual contribution limits mentioned above. See Rollover Review Explanation on the inside of the front cover for more information.

A. Rollovers and Transfers from IRAs. Assets in IRAs may be directly transferred or rolled over to another IRA. A rollover occurs when you take a distribution of the assets and roll them into an IRA within 60 calendar days from the date of receipt. If you retain the assets for any period of time beyond the 60 days, the rollover is no longer allowed. An additional restriction on rollovers is that you are only allowed one rollover for each 12-month period. The 60 day period is extended to 120 days in the case of a first-time homebuyer distribution where a delay or cancellation in purchase or construction occurs and the one rollover per twelve month rule does not apply.

B. Rollovers or Transfers from SIMPLE IRAs. A SIMPLE IRA is an IRA that can only accept contributions pursuant to a SIMPLE arrangement set up through your employer. SIMPLE IRAs must remain separate from IRAs for a two-year period. After the two years, you may roll over or transfer your SIMPLE IRA into an IRA.

C. Rollovers and Direct Rollovers from Qualified Plans. An eligible rollover distribution from a qualified retirement plan or tax-sheltered annuity program may be rolled over or directly rolled over to an IRA. Generally, an eligible rollover distribution is any distribution except: (1) one of a series of substantially equal periodic payments over the single or joint life expectancy of the employee and beneficiary or for a specific period of ten years or more, (2) a nontaxable distribution, (3) a required distribution for an employee age 70½ or older, or (4) hardship distributions received after December 31, 1998. To complete a direct rollover you would instruct your employer to deliver the funds directly to the IRA Custodian. To complete a rollover, you would take control of the assets and would have 60 calendar days from the date of receipt to roll over the taxable portion of the distribution to an IRA.

8. Conversion or Rollover Into Roth IRA. You may be eligible to convert your IRA into a Roth IRA. Your modified adjusted gross income must be \$100,000 or less in the year you convert in order to be eligible. The conversion is a taxable and reportable event, however, you will not be subject to the IRS 10% premature distribution penalty.

9. Reconversions. You may reconvert previously converted IRA funds. To "reconvert" means to recharacterize an amount you had converted and convert it again. Generally this is done if a conversion contribution was made only to find it was ineligible or to reduce the taxable conversion amount. Reconversions are subject to the same eligibility requirements as conversions with the following restrictions: an amount you converted in 1998 may be reconverted only once during 1999; an amount you convert in 1999 may be reconverted only once during 1999. If you reconvert an amount more than once in 1999, it is called an "excess reversion" and the taxable conversion amount is based on the last reversion that was not an excess reversion. Seek professional advice concerning your tax implications associated with reconversions. Note: The IRS has not addressed the availability of reconversions after 1999.

10. Required Distributions After Age 70½. After you reach age 70½, the rules require you to take minimum distributions from your IRA each year. The distribution for your first year, the year in which you reach age 70½, must be made no later than April 1 of the following year. Distributions for subsequent years must be taken by December 31 of each year.

You must elect a method to receive your distributions in a manner which distributes the funds at least as rapidly as the minimum required distributions. Unless you elect otherwise, the minimum required distribution for each year is determined by dividing your ending account balance for the previous year (adjusted by any outstanding rollovers) by your joint life expectancy with the appropriate beneficiary. If no beneficiary exists or a beneficiary other than a natural person is named (except certain trusts), your single life expectancy must be used for this calculation.

For years after the first distribution year, you may elect to annually recalculate your life expectancy and/or your spouse's life expectancy. If you do not choose a method, it is presumed that recalculation is elected. If recalculation is elected, a new life expectancy factor is determined each year based upon the ages of you and/or your spouse as of your birthdays during the year. If the person whose life is being recalculated dies, the life expectancy for that individual becomes zero. If recalculation is not chosen, the life expectancy is calculated by determining the life expectancy at the end of the first distribution year and subtracting 1 for each year which has elapsed since. If no recalculation is elected, the death of the IRA Owner or the beneficiary is disregarded.

The joint life expectancy of you and a beneficiary other than your spouse is limited by the Minimum Distribution Incidental Benefit (MDIB) tables. The tables give life expectancies for the IRA Owner and a beneficiary ten years younger. If this factor is less than your joint life expectancy with the applicable beneficiary, the factor from the MDIB table must be used to calculate the minimum distribution.

If you have more than one IRA at the same or different financial institution(s), the minimum distribution must be calculated separately for each IRA. However, the minimum distribution from each IRA can be withdrawn from any one or more of your traditional IRAs.

11. Distributions After Death.

A. Death After the Required Beginning Date. If you die after the date when payments must have begun (April 1 of the year after you reach age 70½), the payments to your beneficiary or estate must continue so that the funds will be distributed at least as rapidly as they would have been distributed if the death had not occurred. A spouse beneficiary may elect to roll over a distribution (other than a required minimum distribution) into his or her own IRA.

B. Death Before the Required Beginning Date. If you die before the required beginning date, your beneficiary has the following options:

(1) **Five Year Option.** The beneficiary may withdraw the entire account balance in any manner so that the IRA is depleted by December 31 of the fifth year following the year of death.

(2) **Life Expectancy Option.** The beneficiary may withdraw the funds in a series of payments over a period which does not exceed the beneficiary's life expectancy. These payments must begin by December 31 of the year following the year of death if the beneficiary is not your spouse, or December 31 of the year you would have been age 70½ (if later), if the beneficiary is your spouse.

(3) **Spouse Treat as Own Option.** A spouse beneficiary may elect to roll over a distribution into his/her own account or to treat the IRA as his/her own.

If you die before your required beginning date, your spouse beneficiary must make his/her election of payment by the earlier of December 31 of the fifth year after the year of your death or December 31 of the year you would have attained age 70½. If you die before your required beginning date, your nonspouse beneficiary must make his/her election of payment no later than December 31 of the year following the year of your death.

12. Income Tax Status of Distributions. IRA distributions are generally fully taxable as ordinary income. IRAs are not eligible for the special tax treatment (five and ten year tax averaging and capital gains treatment) available to certain distributions from pension and profit sharing plans. See item 5 for the tax treatment of rollovers.

A. Nondeductible Contributions. If you have made nondeductible contributions to an IRA, a certain percentage of your distributions will be nontaxable. The nontaxable portion of your distributions is calculated as follows:

$$\text{Nontaxable Distributions} = \frac{\text{Total Nondeductible Contributions} - \text{Less Previous Nontaxable Distributions}}{\text{Total Account Balance of All IRAs at Year End Plus Total Distributions During the Year}} \times \text{Distributions During the Year}$$

B. Estate Tax Status of Distributions. All funds held within your IRA will be included in your gross estate for estate tax purposes, regardless of the named beneficiary or manner of distribution. There is no specific estate tax exclusion for funds held within an IRA.

C. Gift Tax Status of IRA Contributions and Distributions. For gift tax purposes, irrevocable beneficiary designations will not be treated as gifts.

13. Federal Penalties. In addition to the taxes imposed on IRAs, distributions from IRAs are also potentially subject to a wide variety of penalties (excise taxes).

A. Penalty for Premature Distribution. Generally, if you take a distribution from your IRA before you reach the age 59½ you will owe, in addition to regular income taxes, a 10% excise tax on the taxable amount of the distribution. Exceptions to the 10% excise tax exist in the case of disability, death, a first home, qualified higher education expenses, distributions for health care expenses exceeding 7.5% of your adjusted gross income, distributions used to pay for health care insurance if you are unemployed, or if you agree to take a series of substantially equal periodic payments made over your life expectancy or the joint life expectancy of yourself and your designated beneficiary.

B. Penalty for Excess Contributions. If you contribute more to your IRA than allowed it is called an "excess contribution" and you may be penalized. The government imposes a 6% penalty (excise tax) per year for any excess amount you allow to remain in your IRA. You must pay the penalty by filing a special IRS form along with your income tax return. You can avoid the 6% penalty by removing your excess contribution plus any earnings on the excess amount prior to the due date for filing your Federal income tax return for the year, plus extensions. Due to the complications involved in excesses, we recommend you talk to your legal or tax adviser when an excess occurs.

C. Penalty for Insufficient or Late Distribution. You will owe a penalty of 50% of the amount of any minimum distribution you fail to take. As discussed above, minimum distributions are required when you reach age 70½ and in some cases for beneficiaries. You are responsible for paying this tax and reporting it on your income tax return. This 50% penalty is in addition to any regular income tax.

D. Penalty for Prohibited Transactions. If you engage in a prohibited transaction, the IRA loses its tax exemption as of the first day of the year. You must include the Fair Market Value of the IRA in your gross income for the year during which the prohibited transaction occurred and pay all applicable taxes and penalties.

E. Penalty for Pledging the Account as Security. If you pledge your IRA as security for a loan, the portion pledged is treated as a distribution to you in that year. The portion pledged is fully taxable and subject to all penalties.

14. Miscellaneous Provisions.

A. Your Custodian. Your Custodian must be a bank, savings and loan association, credit union, or other entity that is permitted to accept IRA contributions.

B. Cash Contributions. All contributions to your IRA must be in cash except for rollover and transfer contributions.

C. Contribution Limit. You are not allowed to contribute more than \$2,000 as a regular contribution and no more than \$4,000 in the case when you are making a contribution both to your IRA and to the IRA of your spouse under the spousal IRA rules. Your contribution limit must also be coordinated with any Roth IRA contributions you make.

D. Life Insurance. You may not invest your IRA in life insurance contracts.

E. Nonforfeitable. Your interest in your IRA balance is nonforfeitable.

F. No Commingling. The assets of the IRA will not be commingled with other property except in a common trust or investment fund.

G. Collectibles. No part of the funds can be invested in collectibles, including any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or any other tangible property specified by the IRS. The acquisition of certain U.S. government-issued gold, silver, and platinum coins, certain state-issued coins, and certain gold, silver, platinum, or palladium bullion meeting specific requirements are permitted investments under the law.

15. IRS Approval of Forms. The Custodial Agreement used to establish this IRA is the IRS Model Custodial Agreement (Form 5305-A). This agreement has been approved as to form by the Internal Revenue Service. You are responsible to ensure you follow the terms and conditions of this agreement. This approval is not an endorsement of the investment instruments used by the Custodian.

16. Provisions Regarding Amendments to the Plan. The Custodian of this IRA may amend the IRA at any time. The Custodian shall furnish copies of any such amendments to the IRA Owner within 30 days of the date the amendments are to become effective.

17. Fees. The Custodian may charge service fees for the administration of the IRA. If a fee is charged at the time the IRA is first opened, the IRA Owner will be notified of the amount charged, either in Section 2 - Contribution Information, or otherwise. If fees will be charged in the future, the Custodian will furnish the IRA Owner with a written notice stating the nature and amount of such fees at least 30 days before charging any fees.

18. Annual Statements. Each year the Custodian will furnish you and the IRS with statements reflecting the activity in your IRA. You and the IRS will receive a Form 5498 (or a substitute form), which will indicate your Fair Market Value of the account as of the end of the previous calendar year. This form will give the amount of your contribution to the IRA and will indicate any rollovers into the account. Another statement, the IRS Form 1099-R, will reflect your distributions for the year.

19. Other IRS Forms. You may be required to file other IRS forms. IRS Form 5329 is required when you are assessed certain penalties. If you only owe the 10% premature distribution penalty, you may be able to pay the penalty on your income tax return alone. You must also file IRS Form 8606 for each taxable year you make nondeductible contributions or receive nontaxable distributions.

Traditional IRA Interim Amendment

January 2002

I. PURPOSE.

The Purpose of this Amendment is to incorporate significant legislative and regulatory changes that affect the terms and conditions found in the Disclosure Statement. The legislative changes are a result of the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001. This Amendment summarizes the changes that affect your individual retirement account (IRA). Any provisions within your IRA Plan Agreement and Disclosure Statement, which are not directly affected by the new legislations or regulations, will not be addressed in this Amendment. Within the next several months, you may receive additional amendments to your IRA which will be based on the Internal Revenue Service's release of new documents and additional guidance. This Amendment should be stored with your current Disclosure Statement in a safe place.

II. CONTRIBUTIONS.

Regular Contributions. Beginning in 2002, your total regular contribution for each taxable year is limited to the lesser of 100 percent of your compensation, or the contribution amounts set forth below. Prior to 2002, regular contributions were limited to the lesser of 100 percent of your compensation, or \$2,000. Beginning in 2009, the regular contribution amount may be increased for cost-of-living adjustments (COLAs).

Year	Regular Contribution
2002 through 2004	\$3,000
2005 through 2007	\$4,000
2008	\$5,000
2009 and after	\$5,000 + COLA

Catch-up Contributions. Beginning in 2002, you are eligible for catch-up contributions so long as you meet the eligibility requirements for regular contributions, and you attain at least age 50 by the close of the taxable year for which the catch-up contribution is being made. Catch-up contributions are IRA contributions in addition to your regular contributions. If you contribute to more than one traditional or Roth IRA, your total catch-up contribution for all IRAs may not exceed the amounts set forth below.

Year	Catch-up Contribution
2002 through 2005	\$500
2006 and after	\$1,000

III. ROLLOVERS, TRANSFERS, AND DIRECT ROLLOVERS

Eligible Retirement Plans. Beginning in 2002, distributions from eligible retirement plans described in Internal Revenue Code Section 402(c)(8)(B) may be rolled into IRAs and other eligible retirement plans with few exceptions. Eligible retirement plans include traditional IRAs, SIMPLE IRAs, qualified plans, tax-sheltered annuities, and Section 457(b) plans. (The Rollover Review Explanation, which may be in your original IRA documents, is no longer complete because of legislative changes effective in 2002.) The rollover provisions within the Disclosure Statement apply to Section 457(b) plans in the same manner that they apply to qualified plans or tax-sheltered annuities. However, Section 457(b) plan assets must generally be accounted for separately within an eligible retirement plan.

IRA to Eligible Retirement Plan. Beginning in 2002, distributions from IRAs may be rolled over into other eligible retirement plans, so long as the receiving plan agrees to accept such rollovers. For example, your IRA assets may be rolled over into a 401(k) plan maintained by your employer, so long as you meet the plan's requirements.

IV. DISTRIBUTIONS.

Required Distributions After Age 70½. In January 2001, the IRS released new proposed regulations governing required minimum distributions (RMDs) effective for distributions in 2002. The new proposed regulations may be applied to distributions for 2001. Upon reaching your age 70½ year, you no longer need to elect a distribution calculation method; therefore, you are not required to select between recalculation or non-recalculation, or between joint or single life expectancy. If you are over age 70½, any previous elections are replaced by the use of the IRS's uniform distribution table. Your life expectancy is determined by finding your age on your birthday during the distribution year, and the factor corresponding to such age on the table. If your sole beneficiary for the entire year is a spouse greater than ten years younger than you, you will use the joint life expectancy tables with both of your attained ages instead of using the uniform distribution table.

Distributions After Death. The new regulations do not change the distribution options available to nonspouse beneficiaries if you die before your required beginning date. However, a spouse beneficiary may no longer treat the IRA as his or her own, delay commencement of distributions until your age 70½ year, or use the attained age method, unless your spouse is the sole beneficiary of your IRA for the entire year. If there are other named beneficiaries of the IRA, your spouse will be treated as a nonspouse for calculation and distribution purposes.

If you die on or after your required beginning date, a nonspouse beneficiary must calculate required distributions by using the single life expectancy of the beneficiary with the shortest life expectancy. If the nonspouse beneficiary is not an individual or a qualified trust, the single life expectancy factor will be calculated based on your age, determined in the year of your death, and reduced by one for each subsequent year. If your spouse is the sole beneficiary of the IRA, he or she may treat the IRA as his or her own, or apply a single life expectancy factor under the attained age method.

All calculations will be based on beneficiaries with interest remaining in your IRA on December 31 of the year following your death year.

V. TAX CREDIT FOR IRA CONTRIBUTIONS AND ELECTIVE DEFERRALS IN EMPLOYER PLANS.

Lower Income Taxpayers. If you are at least age 18 by the close of the tax year, and are not a full-time student or dependent, you may be eligible for a low or middle income tax credit so long as your adjusted gross income does not exceed maximum amounts. Beginning in 2002, the maximum contribution amount eligible for the tax credit each taxable year is \$2,000. This will no longer be available for tax years after 2006. The credit is in addition to any tax deduction or income exclusion. The applicable tax credit, which ranges from 10 percent to 50 percent of the contribution amount, is based on your adjusted gross income and filing status. Certain restrictions, such as taking IRA distributions, may prevent you from receiving the credit. See your tax or legal advisor for assistance in calculating your individual tax credit.

ROTH INDIVIDUAL RETIREMENT CUSTODIAL ACCOUNT

Form **5305-RA** (January 1998) Department of the Treasury Internal Revenue Service
The Depositor and the Custodian make the following agreement:

DO NOT File with
Internal Revenue Service

Amendment

Article I

1. If this Roth IRA is not designated as a Roth Conversion IRA, then, except in the case of a rollover contribution described in section 408A(e), the custodian will accept only cash contributions and only up to a maximum amount of \$2,000 for any tax year of the depositor.

2. If this Roth IRA is designated as a Roth Conversion IRA, no contributions other than IRA Conversion Contributions made during the same tax year will be accepted.

Article II

The \$2,000 limit described in Article I is gradually reduced to \$0 between certain levels of adjusted gross income (AGI). For a single depositor, the \$2,000 annual contribution is phased out between AGI of \$95,000 and \$110,000; for a married depositor who files jointly, between AGI of \$150,000 and \$160,000; and for a married depositor who files separately, between \$0 and \$10,000. In the case of a conversion, the custodian will not accept IRA Conversion Contributions in a tax year if the depositor's AGI for that tax year exceeds \$100,000 or if the depositor is married and files a separate return. Adjusted gross income is defined in section 408A(c)(3) and does not include IRA Conversion Contributions.

Article III

The depositor's interest in the balance in the custodial account is nonforfeitable.

Article IV

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

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

Article V

1. If the depositor dies before his or her entire interest is distributed to him or her and the depositor's surviving spouse is not the sole beneficiary, the entire remaining interest will, at the election of the depositor or, if the depositor has not so elected, at the election of the beneficiary or beneficiaries, either:

(a) Be distributed by December 31 of the year containing the fifth anniversary of the depositor's death, or

(b) Be distributed over the life expectancy of the designated beneficiary starting no later than December 31 of the year following the year of the depositor's death.

If distributions do not begin by the date described in (b), distribution method (a) will apply.

2. In the case of distribution method 1.(b) above, to determine the minimum annual payment for each year, divide the depositor's entire interest in the trust as of the close of business on December 31 of the preceding year by the life expectancy of the designated beneficiary using the attained age of the designated beneficiary as of the beneficiary's birthday in the year distributions are required to commence and subtract 1 for each subsequent year.

3. If the depositor's spouse is the sole beneficiary on the depositor's date of death, such spouse will then be treated as the depositor.

Article VI

1. The depositor agrees to provide the custodian with information necessary for the custodian to prepare any reports required under sections 408(i) and 408A(d)(3)(E). Regulations sections 1.408-5 and 1.408-6, and under guidance published by the Internal Revenue Service.

2. The custodian agrees to submit reports to the Internal Revenue Service and the depositor prescribed by the Internal Revenue Service.

Article VII

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through IV and this sentence will be controlling. Any additional articles that are not consistent with section 408A, the related regulations, and other published guidance will be invalid.

Article VIII

This agreement will be amended from time to time to comply with the provisions of the Code, related regulations, and other published guidance. Other amendments may be made with the consent of the persons whose signatures appear below.

Article IX Definitions.

9.1 "Code." The term "Code" shall mean the Internal Revenue Code.

9.2 "Custodial Account." Your Roth IRA shall be referred to as the "custodial account" or "account."

9.3 "IRA." IRA shall mean Individual Retirement Account within the meaning of Section 408 of the Code.

9.4 "Roth IRA." Roth IRA shall mean Roth Individual Retirement Account within the meaning of Section 408A of the Code.

9.5 "IRS." The term "IRS" shall mean the Internal Revenue Service.

9.6 "We." The IRS selected the term "custodian" to describe us, your financial organization. In other parts of this agreement, the "custodian" will be referred to as "us," "we," "our," or the "custodian."

9.7 "You." The IRS selected the term "depositor" to describe "you," the Roth IRA Owner. In other parts of this agreement, you will be referred to as "you," "your," or "Roth IRA Owner."

Article X Fees and Expenses.

10.1 Fees. You agree to pay any fees we establish pursuant to the Application or a separate fee schedule which we will publish from time to time. Such fees may include, without limitation, establishment fees, annual administration fees, termination fees, transfer fees, transaction fees, legal fees, investment commissions, and such other fees as we determine applicable. You agree to pay such fees either by a separate billing or direct deduction from the custodial account; the method of payment is at our discretion. Some fees, such as brokerage commissions, must be deducted from the custodial account. In the case of a third party receiving payments, such as brokerage fees and commissions, we may receive a portion of these fees in return for services provided in completing these transactions. We agree to give you at least 30 days advance notice prior to changing a fee or imposing a new fee.

10.2 Expenses. You agree to pay any income, transfer, and other taxes of any kind that may be levied or assessed upon the custodial account, and all other administrative expenses reasonably incurred by us in the performance of our duties. These expenses may include legal, or other professionals hired by us in connection with your custodial account. You agree to reimburse us for any reasonable expenses incurred in the administration of the account.

10.3 Small Accounts. We may establish a minimum account balance and automatically close accounts when the assets in your Roth IRA drop below the minimum balance established. We shall publish the minimum account balance on a separate fee schedule which we will publish from time to time or otherwise make available.

Article XI Amendments. We may amend your custodial account at any time to comply with necessary laws and regulations or for any other reason. Amendments may be made retroactively when required to meet a law or regulatory change. You are deemed to have automatically consented to any amendment 30 days after we mail you a copy of the amendment. Your actual written or verbal consent is not required to amend. We shall send you a copy of such amendment within 30 days of the amendment's effective date.

Article XII Limited Liability.

12.1 Hold Harmless. You agree to hold us harmless, to indemnify, and to defend us against any and all claims arising from and liabilities incurred by reason of any action taken by us in good faith pursuant to this agreement.

12.2 No Investment Discretion. You agree that all contributions shall be invested according to your sole discretion. All investments in the Roth IRA shall be in one or more of the following: (1) term investments of the custodian; (2) marketable securities (excluding securities issued by custodian or any of its affiliates acquired through a current underwriting); and any other investment approved by the custodian. We shall not be responsible or liable for any investment decisions or recommendations with respect to the investment, reinvestment, or sale of assets in the custodial account. We shall not be responsible for reviewing any assets held in the custodial account and shall not be responsible for questioning any of your investment decisions. We shall not be responsible for any loss resulting from any failure to act because of the absence of directions from you. In the event we determine your investment instructions are unclear, then we shall act as soon as practical to obtain clarification of such instructions. Pending clarification, we shall hold without investing all or any portion of the contribution, without liability for loss of income or appreciation and without liability for interest or dividends.

12.3 Transaction Responsibility. Unless required by law, we are not responsible for inquiring into the nature or amount of any contribution made by you, nor into the amount or timing of any distribution requested. You shall have full responsibility for determining any tax or investment consequences of all contributions to and distributions from the custodial account.

12.4 No Assumed Responsibilities. We assume no responsibilities and agree only to provide the administrative and custodial services required under IRC section 408, 408A and applicable regulations.

Article XIII Beneficiary Provisions. Notwithstanding Article V, a spouse beneficiary shall be permitted all the beneficiary options allowed under law or applicable regulations. If you use the designation of beneficiary form provided in the Application then the following rules apply (i) the designation in the Application revokes all previously made designations, (ii) if any of the beneficiaries dies before you, the deceased beneficiary's share will be reallocated to the surviving beneficiaries on a pro rata basis, and (iii) if none of the beneficiaries survive you, any balance in your Roth IRA will be paid to your estate. The custodian may refuse to accept a designation not made on its standard form. You agree to release the custodian from and indemnify it for any and all claims arising from the custodian's actions under your designation of beneficiary.

Article XIV Reports and Records. We shall keep accurate and detailed records of all contributions, receipts, investments, distributions, disbursements, and other transactions relating to the custodial account. We shall provide reports to the IRS and to you as required by law and regulations. Unless you file a written statement with us within 60 days after you receive a statement, we shall be relieved and discharged from all liability to you (including any of your beneficiaries) with respect to all matters set forth in such report.

Article XV Powers. We shall have the right to hire attorneys or other professionals if we deem it necessary for the proper administration of your custodial account. We shall also have the power to request a judicial settlement of your account or to enter into a lawsuit for your account. We shall also have the power to do whatever else we determine necessary for the proper administration of your account.

Article XVI Resignation or Removal of Us as Custodian. We may resign as custodian without your consent and you may remove us as custodian without our consent. We must provide notice to you of any resignation 30 days prior to the effective date of the resignation. In the event of resignation by us, we may either assign a qualified custodian to replace us or we may request you to appoint a qualified successor custodian. If we assign a qualified custodian to replace us we will transfer and pay over the assets of the custodial account to the successor custodian. If we ask you to appoint a successor custodian and after 30 days from

notice of resignation, you have not appointed a successor custodian or we have not received a written acceptance of such appointment by the successor custodian, we shall have the right to transfer the assets remaining in the custodial account to a successor custodian that we choose in our sole discretion or we may pay or otherwise distribute to you the assets remaining in the custodial account. We are authorized, however, to reserve such funds as we deem advisable for payment of any liabilities constituting a charge against the assets of the custodial account or against us, with any balance of such reserve remaining after payment of all such items to be paid over to the successor custodian.

Article XVII Miscellaneous

17.1 Notice. Any notice, payment, report, or other material mailed to you shall be deemed delivered and effective three days after the date mailed by us to you. We shall send such material to the last address you provided and we shall assume no obligation to ascertain the actual address or whereabouts of you. Any notice you send us shall be deemed delivered when actually received by us. Except as otherwise permitted by us, all instructions to us must be in writing.

17.2 Headings. The headings and articles of this agreement are for convenience of reference only, and shall have no substantive effect on provisions of this agreement.

17.3 Singular Form. Throughout this agreement, the singular form includes the plural where applicable.

17.4 State Law. This agreement shall be construed and interpreted in accordance with the laws of the state in which our principal office is located, except to the extent superseded by federal law.

17.5 Disqualifying Provision. Any provision of this agreement which would disqualify the custodial account as a Roth IRA shall be disregarded to the extent necessary to make the custodial account a Roth IRA.

17.6 Interpretation. If any question arises as to the meaning of any provision of this agreement, then we shall be authorized to interpret any such provision, and our interpretation shall be binding upon all parties.

17.7 Additional Provisions. Additional provisions to this agreement may be attached on a separate sheet.

General Instructions

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

Purpose of Form

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

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

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

This Roth IRA can be used by a depositor to hold: (1)

IRA Conversion Contributions, amounts rolled over or transferred from another Roth IRA, and annual cash contributions of up to \$2,000 from the depositor; or (2) if designated as a Roth Conversion IRA (by checking the box on page 1), only IRA Conversion Contributions for the same tax year.

To simplify the identification of funds distributed from Roth IRAs, depositors are encouraged to maintain IRA Conversion Contributions for each tax year in a separate Roth IRA.

Definitions

Roth Conversion IRA. A Roth Conversion IRA is a Roth IRA that accepts only IRA Conversion Contributions made during the same tax year.

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

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

Depositor.— The depositor is the person who establishes the custodial account.

Specific Instructions

Article I. The depositor may be subject to a 6 percent tax on excess contributions if (1) contributions to other individual retirement arrangements of the depositor have been made for the same tax year, (2) the depositor's adjusted gross income exceeds the applicable limits in Article II for the tax year, or (3) the depositor's and spouse's compensation does not exceed the amount contributed for them for the tax year. The depositor should see the disclosure statement or Pub. 590 for more information.

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

Note: *Form 5305-RA may be reproduced and reduced in size for adoption to passbook purposes.*

ROTH IRA DISCLOSURE STATEMENT

1. Right to Revoke the Account. You have the right to revoke this Roth Individual Retirement Account (Roth IRA) within seven days of receiving this Disclosure Statement. To revoke your Roth IRA account, simply notify our representative who signed your Roth IRA agreement. You must notify us in writing unless we designate otherwise. Written notice must be sent by first-class mail at the address listed on the application and will be accepted as of the date such notice is postmarked. If you revoke your Roth IRA account, we will refund your entire Roth IRA contribution.

2. Definitions. In this Disclosure Statement the terms “you,” “your,” or “Roth IRA Owner” means the person who established the Roth IRA. The terms “custodian,” “our,” “us,” or “we” shall mean the financial organization acting as the custodian of your Roth IRA. The term “IRS” shall refer to the Internal Revenue Service. The term “Roth IRA” shall mean Roth Individual Retirement Account within the meaning of section 408A of the Code and shall also refer to your Custodial Account. The term “traditional IRA” shall mean Individual Retirement Account or Individual Retirement Annuity within the meaning of Section 408 of the Code. The term “Code” shall mean the Internal Revenue Code.

3. Overview. The Roth IRA is a nondeductible, back-ended IRA. This means that the tax benefits of a Roth IRA occur at the time of distribution, not at the time of contribution. You are not allowed to deduct your Roth IRA contribution on your income tax return. The tax benefits of the Roth IRA include tax-deferred growth of the earnings and potentially a tax-free distribution (if distributed in a qualified distribution). Roth IRAs are authorized under federal law and grant federal tax benefits. Your state may also grant tax benefits for Roth IRAs. Please consult with your tax adviser concerning any state law questions you may have.

4. Account Growth. Your Roth IRA is self-directed. We will not take any action except at your written direction. Earnings and capital appreciation on investments chosen by you will depend on overall economic conditions and the success of that particular investment. Earnings on these investments are not guaranteed by the custodian and may or may not be reasonably projected. For example, if the initial investment is a passbook, time deposit, or money market account, the account projection can be made based on the current rate of earnings paid. On the other hand, if the initial investment is an investment security (stocks, bonds, or mutual funds), the rate of growth of the earnings on these types of investments cannot be reasonably projected.

5. Eligibility for Roth IRAs.

A. Regular Roth IRA Contributions. You must have “earned income” and your income cannot exceed certain income levels in order to contribute to a Roth IRA.

(1) Earned Income. Earned income includes compensation received as wages, tips, bonuses, as well as other compensation received for personal services. Compensation also includes taxable alimony and separate maintenance payments. If you are self-employed, compensation is your net earnings from your trade or business reduced by your deduction for contributions made on your behalf to retirement plans and the deduction allowed for one-half of your self-employment taxes.

(2) Income Limits. Whether or not you are eligible to make a Roth IRA contribution depends upon your income level and your tax filing status. Your participation in another retirement plan, “your active participation status,” does not affect your ability to make a Roth IRA contribution. Married joint filers with modified adjusted gross incomes (MAGI) of \$150,000 or less and single filers with MAGIs of \$95,000 or less are entitled to make up to a full \$2,000 Roth IRA contribution. Individuals earning more than the limits are slowly phased out of the ability to make Roth IRA contributions. Married joint filers lose the ability to make any contribution when their MAGI reaches \$160,000 and single filers when their MAGI reaches \$110,000. Married persons filing separately are subject to a phaseout range starting with their first dollar of MAGI. The charts below are designed to aid you in determining your eligibility to make a contribution to a Roth IRA. You should consult with your tax or legal adviser concerning questions.

CONTRIBUTION CHART		This is a quick reference guide to determine whether or not you meet the income thresholds for the Roth IRA. If your income places you in a phaseout range, see the phaseout calculation chart below.		
Modified AGI (MAGI)	Single	Married, Filing Jointly	Married, Filing Separately	
Less than \$10,000	Full Contribution	Full Contribution	Phaseout	
\$ 10,000 - \$ 95,000	Full Contribution	Full Contribution	No Contribution	
\$ 95,001 - \$109,999	Phaseout	Full Contribution	No Contribution	
\$110,000 - \$150,000	No Contribution	Full Contribution	No Contribution	
\$150,001 - \$159,999	No Contribution	Phaseout	No Contribution	
\$160,000 or over	No Contribution	No Contribution	No Contribution	

PHASEOUT CALCULATION		If your income falls within the phaseout limits this chart helps determine your maximum contribution amount.		
		FILING STATUS		
		Single	Married, Filing Jointly	Married, Filing Separately
A.	Modified Adjusted Gross Income (MAGI) limit	\$110,000	\$160,000	\$10,000
B.	Your MAGI (From IRS Form 1040 or 1040A)	\$ _____	\$ _____	\$ _____
C.	Subtract B from A	\$ _____	\$ _____	\$ _____
	(Multiply line C by given factor)	x .1333**	x .2**	x .2**
	Contribution Amount*	\$ _____	\$ _____	\$ _____

* CAUTION: The amount of your contribution must be coordinated with the amount of your traditional IRA contribution. You are only allowed to contribute \$2,000 maximum to both your Roth IRA and your traditional IRA. If the adjusted dollar contribution limit is not a multiple of ten, it is rounded up to the next highest \$10 increment. If your partial contribution is less than \$200 but greater than \$0, you are allowed to claim a contribution of \$200.

** The IRS has not released guidance concerning how to determine your partial contribution amount, however, the factors provide a method to determine the amount pending IRS guidelines.

B. Spousal Roth IRA Contributions. You may make a contribution into your spouse’s Roth IRA if you meet the special spousal rules. You must be married, file a joint federal income tax return, and the receiving spouse must earn less in compensation (or have no compensation) than the spouse making the contribution. The total combined contribution a couple can make each year to both of their Roth IRAs is the smaller of \$4,000 or their combined compensation for the year. You can divide your total Roth IRA contribution in any manner you choose, provided you do not contribute more than \$2,000 to either Roth IRA. Your combined compensation equals the lesser compensated spouse’s compensation plus the higher compensated spouse’s compensation (reduced by any Roth IRA contribution and any traditional IRA contribution). Please consult your tax adviser if you need additional assistance.

C. Contribution Amount. If you meet the above eligibility requirements, you may contribute up to 100% of your compensation or \$2,000, whichever is less. Regular and spousal Roth IRA contributions must be made by your tax filing due date, excluding extensions. The amount you are allowed to contribute to a Roth IRA also depends upon the amount you contribute to a traditional IRA. The maximum amount you are allowed to contribute to your Roth IRA is \$2,000 reduced by the amount you contribute to a traditional IRA.

D. Rollover from another Roth IRA. You are allowed to roll over the assets from one Roth IRA into this Roth IRA. The rollover contribution does not affect your ability to make a regular Roth IRA contribution in an amount of up to \$2,000 according to the rules outlined above. You must complete the rollover within 60 days and you are only allowed one rollover per 12-month period. The 60-day period is extended to 120 days in the case of a first-time homebuyer distribution where a delay or cancellation in purchase or construction occurs and the one rollover per 12-month rule does not apply.

E. Conversion from a traditional IRA into this Roth IRA. You may be eligible to convert a traditional or SIMPLE IRA into a Roth IRA. However, you cannot convert any amount distributed from a SIMPLE IRA during the two-year period beginning on the date you first participated in any SIMPLE IRA plan.

(1) Qualified Conversion Contribution. In order to be eligible to convert your traditional IRA assets into a Roth IRA, you must meet certain eligibility requirements.

a. Traditional IRA Assets. The assets you are intending to convert to this Roth IRA must have been initially covered under an Individual Retirement Account or Individual Retirement Annuity.

b. 60 Days. In the case of rollovers, you must complete the rollover within 60 days of receipt.

c. Income Restrictions. You are not allowed to convert a traditional IRA into a Roth IRA if your MAGI exceeds \$100,000.

d. May Not File Separate Return. If you are married and file a separate income tax return, you are not allowed to convert your traditional IRA into a Roth IRA.

e. Recharacterization of Conversion Contribution. If, after you complete the conversion you change your mind, you may return the conversion amount (and applicable earnings) to your traditional IRA. You must elect to do this recharacterization by your tax filing due date (plus extensions).

f. Reconversions. You may reconvert previously converted IRA funds. To “reconvert” means to recharacterize an amount you had converted and convert it again. Generally this is done if a conversion contribution was made only to find it was ineligible or to reduce the taxable conversion amount. Reconversions are subject to the same eligibility requirements as conversions with the following restrictions: an amount you converted in 1998 may be reconverted only once during 1999; an amount you convert in 1999 may be reconverted only once during 1999. If you reconvert an amount more than once in 1999, it is called an “excess reversion” and the taxable conversion amount is based on the last reversion that was not an excess reversion. Seek professional advice concerning your tax implications associated with reconversions. Note: The IRS has not addressed the availability of reconversions after 1999.

g. Other Issues. If you are in your age 70½ year or beyond you may not convert the amount of your required minimum distribution into a Roth IRA. Remove the amount of your required minimum distribution and only convert the remaining assets.

(2) Tax Consequences. This disclosure covers only the basic tax issues governing conversions of traditional IRAs to Roth IRAs.

a. Taxable Distribution. The conversion from a traditional IRA into a Roth IRA is a taxable and reportable event. You will be subject to taxation for completing the conversion. However, conversion income is disregarded when figuring your MAGI for Roth IRA purposes.

b. Amount Converted Not Subject to 10 Percent Premature Distribution Penalty. A qualified conversion contribution from a traditional IRA into a Roth IRA is not subject to the 10% premature distribution penalty.

c. Not Subject to the One Rollover Per 12-Months Rule. A conversion that is accomplished using the rollover method does not count towards an IRA Owner’s one per 12-months limitation.

6. Recharacterization of Contributions. You may recharacterize your Roth IRA regular, spousal or conversion contributions as traditional IRA contributions (or vice versa) if you do so by your tax-filing due date (plus extensions). The transaction must be accomplished as a transfer and will be reported. It will be treated as having been made to the second IRA on the same date that it was actually made to the first IRA. Finally, no deduction is allowed for the contribution to the first IRA and any net earnings transferred with the recharacterized contribution are treated as earned in the second IRA.

7. Deductibility. You are not allowed to deduct your Roth IRA contribution.

8. Qualified Distributions. Distributions from your Roth IRA are federal income tax free and IRS penalty free in certain circumstances. To qualify for a tax and IRS penalty-free distribution, you must take a "qualified distribution" which requires you to satisfy a five-year holding period and also requires you to take the distribution for one of the qualified distribution reasons listed below.

A. Five Years. You must meet a five-year holding period in order to avoid taxes on the earnings portion of your distribution. For the purpose of calculating the five years, the distribution must not be within the five-year period beginning with the tax year for which your first Roth IRA contribution is made—regardless if the contribution is a regular or conversion contribution. Any subsequent contributions that you may make are governed by the five-year "clock" of your first contribution.

B. Qualified Distribution Reasons. In addition to meeting the five-year holding period to meet the "qualified distribution" requirement, you are only allowed to take a distribution for certain reasons. You will not be subject to federal income taxation or to the 10% premature distribution penalty if you meet the five-year holding period and take a distribution for one of the following reasons: (1) if you are age 59½ or older, (2) your beneficiary after your death takes a distribution, (3) if you are disabled within the meaning of Code Section 72(m), or (4) you meet the first-time homebuyer exception.

9. Premature Distribution Penalties. The IRS imposes a 10% premature distribution penalty on certain distributions from Roth IRAs. Review the categories below to determine your IRS penalty situation.

A. Qualified Tax-Free Distributions. To meet the "qualified distribution" requirements for tax-free distributions from a Roth IRA, you must meet both the "five-year holding period" requirement and take the distribution for one of the qualified reasons discussed above. (See item 7 Qualified Distributions.) This rule applies to both regular Roth IRAs and conversion Roth IRAs. All nonqualified distributions are subject to taxation of the earnings. (Note: Tax-free refers to federal income taxes. State, local or other taxes may still apply.)

B. Regular Roth Contributions. If your Roth IRA contains only regular contributions (i.e. annual contributions of up to \$2,000), the following rules apply.

(1) Return of Contributions. You will avoid the 10% premature distribution penalty if you take a distribution containing only your contributions and not any earnings. If you take a nonqualified distribution, the distribution amount shall be treated as if made from contributions to the extent that the distribution, when added to all previous distributions, does not exceed the aggregate amount of contributions to the Roth IRA. This is significant because only your earnings are taxable and penalized when withdrawn for nonqualified reasons, not the return of your contributions. In other words, you can withdraw your original contribution amount tax free and IRS penalty free at any time and for any reason. Only when you begin to take out your earnings do you need to consider whether the distribution is taxable and penalized.

(2) More Exceptions to the 10% Penalty. Regardless of whether or not you meet the five-year holding period, you avoid the 10% IRS penalty on distributions for the following reasons: a first-time homebuyer distribution, qualified higher education expenses, death, disability, attainment of the age 59½, medical expenses exceeding 7.5% of your adjusted gross income, health insurance premiums if you are unemployed, and substantially equal periodic payments. The distribution, however, will be subject to taxation of the earnings if it is not a qualified distribution.

(3) Nonqualified Distributions. Distributions taken within the five year period and/or for reasons other than the qualified distribution reasons given above, are called "nonqualified distributions." Earnings withdrawn as part of a nonqualified distribution are taxable. In addition, the 10% premature distribution penalty will apply to the earnings if you do not meet one of the IRS's exceptions.

C. Roth IRAs Resulting from Traditional IRAs. If you converted your traditional IRA into a Roth IRA, special rules and penalties may apply to you.

(1) 10% Penalty. Generally, if you convert your traditional IRA to a Roth IRA, you must leave the converted funds in the Roth IRA for five years. If you take a premature distribution (pre-age 59½ and no exceptions apply) within five years, you will be subject to the IRS's 10% penalty on the return of converted amounts that were taxable. Note: Any portion of such a distribution that is the return of converted assets that were not taxable (i.e. previously nondeductible contributions) is not subject to the penalty.

(2) Acceleration of Four-Year Income Averaging. If you completed a conversion in 1998 and are paying the taxes ratably over a four-year period, any distributions taken before the last year of the four-year period will be included in your gross income. This is in addition to the amount that you would otherwise include under the four-year averaging. If you die before the last year of the four-year income averaging period, the taxes due on a 1998 conversion will be accelerated to the year that includes the date of death. However, if your spouse is the sole beneficiary of your Roth IRA, he/she has the option to continue the four-year income averaging.

D. Ordering Rules. For purposes of determining the taxes and penalties owed on a nonqualified distribution, all funds are aggregated as set forth below and the following ordering rules apply:

- a. Regular Roth IRA contributions would be withdrawn first.
- b. Converted amounts would be withdrawn next (on a first-in, first-out basis). These distributions would be deemed as coming first from amounts that were taxable.
- c. Earnings would be withdrawn last.

10. Tax-Deferred Earnings. The earnings on your Roth IRA grow tax-deferred while in the Roth IRA.

11. Other Federal Penalties. In addition to the taxes imposed on Roth IRAs and the 10% premature distribution penalty, distributions from Roth IRAs are also potentially subject to a wide variety of other penalties (excise taxes).

A. Penalty for Excess Contributions. Contributing more to your Roth IRA and traditional IRA than allowed creates an "excess contribution" and you may be penalized. An excess is determined by considering your contributions to all your traditional and Roth IRA plans. The government imposes a 6% penalty (excise tax) per year for any excess amount you allow to remain in your traditional IRA or Roth IRA. You must pay the penalty by filing a special IRS form along with your income tax return. You can avoid the 6% penalty by removing your excess contribution plus any earnings on the excess amount prior to the due date for filing your federal income tax return for the year, plus extensions. Please consult with your tax professional in cases involving excesses.

B. Penalty for Prohibited Transactions. If you engage in a prohibited transaction, the Roth IRA loses its tax exemption as of the first day of the year.

C. Penalty for Pledging the Account as Security. If you pledge your Roth IRA as security for a loan, the portion pledged is treated as a distribution to you in that year.

12. Distributions After Death. Your beneficiary's options include:

A. Five-Year Option. The beneficiary may withdraw the entire account balance in any manner so that the Roth IRA is depleted by December 31 of the fifth year following the year of death.

B. Life Expectancy Option. The beneficiary may withdraw the funds in a series of payments over a period of years which does not exceed the beneficiary's single life expectancy.

C. Spouse Treat as Own Option. A spouse beneficiary may elect to treat the Roth IRA as his or her own.

13. Miscellaneous Provisions.

A. Custodian. Your custodian must be a bank, savings and loan association, credit union, or other entity permitted to accept Roth IRA contributions.

B. Cash Contributions. All contributions to your Roth IRA must be in cash except for rollover and conversion contributions.

C. Life Insurance. You may not invest your Roth IRA in life insurance contracts.

D. Nonforfeitable. Your interest in your Roth IRA balance is nonforfeitable.

E. No Commingling. The assets of the Roth IRA will not be commingled with other property except in a common trust or investment fund.

F. Collectibles. No part of the funds can be invested in collectibles, including any work of art, rug or antique, metal or gem, stamp, coin, alcoholic beverage, or any other tangible property specified by the IRS. The acquisition of certain U.S. government-issued gold, silver and platinum coins and certain state-issued coins are permitted as investments in a Roth IRA under the law. Additionally, any gold, silver, platinum, or palladium bullion meeting certain fineness standards are permitted investments under the law.

G. No 70½ Distribution. Roth IRA Owners will not be required to take a minimum distribution each year after reaching age 70½.

14. IRS Approval of Forms. The Custodial Agreement used to establish this Roth IRA is the IRS model Roth Individual Retirement Custodial Account (Form 5305-RA). This agreement has been approved as to form by the IRS. You are responsible to ensure you follow the terms and conditions of this agreement. This approval is not an endorsement of the investment instruments used by the custodian.

15. Provisions Regarding Amendments to the Plan. The custodian of this Roth IRA may amend (change or terminate) the Roth IRA at any time. The custodian shall furnish copies of any such amendments to the Roth IRA Owner within 30 days of the date the amendments are to become effective.

16. Fees. The custodian may charge service fees for the administration of the Roth IRA. If a fee is charged at the time the Roth IRA is first opened, the Roth IRA Owner will be notified of the amount charged, either on the Application in Section 2 – Contribution Information, or otherwise. If fees will be charged in the future, the custodian will furnish the Roth IRA Owner with a notice stating the nature and amount of such fees at least 30 days before charging any fees.

17. Annual Statements. Each year the custodian will furnish you and the IRS with statements reflecting the activity in your Roth IRA. You will receive an annual report, which will indicate your Fair Market Value of the account as of the end of the previous calendar year. This report or another report will give the amount of your regular/spousal, rollover, and conversion contributions into the Roth IRA. Another statement will reflect your distributions for the year. Your custodian will also send some of this information to the IRS, as required.

18. Other IRS Forms. You may be required to file other IRS Forms.

Roth IRA Interim Amendment

January 2002

I. PURPOSE.

The purpose of this Amendment is to incorporate significant legislative and regulatory changes that affect the terms and conditions found in the Disclosure Statement. The legislative changes are a result of the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001. This Amendment summarizes the changes that affect your individual retirement account (IRA). Any provisions within your IRA Plan Agreement and Disclosure Statement, which are not directly affected by the new legislation or regulations, will not be addressed in this Amendment. Within the next several months, you may receive additional amendments to your IRA which will be based on the Internal Revenue Service's release of new documents and additional guidance. This Amendment should be stored with your current Disclosure Statement in a safe place.

II. CONTRIBUTIONS.

Regular Contributions. Beginning in 2002, your total regular contribution for each taxable year is limited to the lesser of 100 percent of your compensation, or the contribution amounts set forth below. Prior to 2002, regular contributions were limited to the lesser of 100 percent of your compensation, or \$2,000. Beginning in 2009, the regular contribution amount may be increased for cost-of-living adjustments (COLAs).

Year	Regular Contribution
2002 through 2004	\$3,000
2005 through 2007	\$4,000
2008	\$5,000
2009 and after	\$5,000 + COLA

Catch-up Contributions. Beginning in 2002, you are eligible for catch-up contributions so long as you meet the eligibility requirements for regular contributions, and you attain at least age 50 by the close of the taxable year for which the catch-up contribution is being made. Catch-up contributions are IRA contributions in addition to your regular contributions. If you contribute to more than one traditional or Roth IRA, your total catch-up contribution for all IRAs may not exceed the amounts set forth below.

Year	Catch-up Contribution
2002 through 2005	\$500
2006 and after	\$1,000

III. ROLLOVERS, TRANSFERS, AND DIRECT ROLLOVERS.

IRA to Eligible Retirement Plan. Beginning in 2002, distributions from IRAs may be rolled over into other eligible retirement plans, so long as the receiving plan agrees to accept such rollover. For example, your taxable IRA assets may be rolled over into a 401(k) plan maintained by your employer, so long as you meet the plan's requirements.

IV. DISTRIBUTIONS.

Required Distributions After Death. The new regulations do not change the distribution options available to nonspouse beneficiaries after your death. However, a spouse beneficiary may no longer treat the IRA as his or her own, delay commencement of distributions until your age 70^{1/2} year, or use the attained age method, unless your spouse is the sole beneficiary of your IRA for the entire year. If there are other named beneficiaries of the IRA, your spouse will be treated as a nonspouse for calculation and distribution purposes.

All calculations will be based on beneficiaries with interest remaining in your IRA on December 31 of the year following your death year.

V. TAX CREDIT FOR IRA CONTRIBUTIONS AND ELECTIVE DEFERRALS IN EMPLOYER PLANS.

Lower Income Taxpayers. If you are at least age 18 by the close of the tax year, and are not a full-time student or dependent, you may be eligible for a low or middle income tax credit so long as your adjusted gross income does not exceed maximum amounts. Beginning in 2002, the maximum contribution amount eligible for the tax credit each taxable year is \$2,000. This will no longer be available for tax years after 2006. The credit is in addition to any tax deduction or income exclusion. The applicable tax credit, which ranges from 10 percent to 50 percent of the contribution amount, is based on your adjusted gross income and filing status. Certain restrictions, such as taking IRA distributions, may prevent you from receiving the credit. See your tax or legal advisor for assistance in calculating your individual tax credit.