

SIMPLE Individual Retirement Custodial Account

(Under section 408(p) of the Internal Revenue Code)

Form 5305-SA (Rev. March 2002) Department of the Treasury, Internal Revenue Service. Do not file with the Internal Revenue Service.

The Participant named on the Application is establishing a savings incentive match plan for employees of small employers individual retirement account (SIMPLE IRA) under sections 408(a) and 408(p) to provide for his or her retirement and for the support of his or her beneficiaries after death. The Custodian named on the Application has given the Participant the disclosure statement required by Regulations section 1.408-6. The Participant and the Custodian make the following Agreement:

ARTICLE I

The Custodian will accept cash contributions made on behalf of the Participant by the Participant's employer under the terms of a SIMPLE IRA plan described in section 408(p). In addition, the Custodian will accept transfers or rollovers from other SIMPLE IRAs of the Participant. No other contributions will be accepted by the Custodian.

ARTICLE II

The Participant's interest in the balance in the Custodial Account is nonforfeitable.

ARTICLE III

1. No part of the Custodial Account 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 Account 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 Participant'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 the regulations thereunder, the provisions of which are herein incorporated by reference.
2. The Participant's entire interest in the Custodial Account must be, or begin to be, distributed not later than the Participant's required beginning date, April 1 following the calendar year in which the Participant reaches age 70½. By that date, the Participant may elect, in a manner acceptable to the Custodian, to have the balance in the Custodial Account distributed in:
 - (a) A single sum or
 - (b) Payments over a period not longer than the life of the Participant or the joint lives of the Participant and his or her designated beneficiary.
3. If the Participant dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:
 - (a) If the Participant dies on or after the required beginning date and:
 - (i) the designated beneficiary is the Participant's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph (a)(iii) below, over such period.
 - (ii) the designated beneficiary is not the Participant's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the death of the Participant and reduced by 1 for each subsequent year, or over the period in paragraph (a)(iii) below if longer.
 - (iii) there is no designated beneficiary, the remaining interest will be distributed over the remaining life expectancy of the Participant as determined in the year of the Participant's death and reduced by 1 for each subsequent year.
 - (b) If the Participant dies before the required beginning date, the remaining interest will be distributed in accordance with (i) below or, if elected or there is no designated beneficiary, in accordance with (ii) below:
 - (i) The remaining interest will be distributed in accordance with paragraphs (a)(i) and (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), starting by the end of the calendar year following the year of the Participant's death. If, however, the designated beneficiary is the Participant's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Participant would have reached age 70½. But, in such case, if the Participant's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with (ii) below if there is no such designated beneficiary.
 - (ii) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Participant's death.
4. If the Participant dies before his or her entire interest has been distributed and if the designated beneficiary is not the Participant's surviving spouse, no additional contributions may be accepted in the account.

5. The minimum amount that must be distributed each year, beginning with the year containing the Participant's required beginning date, is known as the "required minimum distribution" and is determined as follows:
 - (a) The required minimum distribution under paragraph 2(b) for any year, beginning with the year the Participant reaches age 70½, is the Participant's account value at the close of business on December 31 of the preceding year divided by the distribution period in the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if the Participant's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the Participant's account value at the close of business on December 31 of the preceding year divided by the number in the joint and last survivor table in Regulations section 1.401(a)(9)-9. The required minimum distribution for a year under this paragraph (a) is determined using the Participant's (or, if applicable, the Participant and spouse's) attained age (or ages) in the year.
 - (b) The required minimum distribution under paragraphs 3(a) and 3(b)(i) for a year, beginning with the year following the year of the Participant's death (or the year the Participant would have reached age 70½, if applicable under paragraph 3(b)(i)) is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the individual specified in such paragraphs 3(a) and 3(b)(i).
 - (c) The required minimum distribution for the year the Participant reaches age 70½ can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.
6. The owner of two or more IRAs (other than Roth IRAs) may satisfy the minimum distribution requirements described above by taking from one IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408(a)(6).

ARTICLE V

1. The Participant agrees to provide the Custodian with all information necessary to prepare any reports required by sections 408(i) and 408(l)(2) and Regulations sections 1.408-5 and 1.408-6.
2. The Custodian agrees to submit to the Internal Revenue Service (IRS) and Participant the reports prescribed by the IRS.
3. The Custodian also agrees to provide the Participant's employer the summary description described in section 408(l)(2) unless this SIMPLE IRA is a transfer SIMPLE IRA.

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 inconsistent with sections 408(a) and 408(p) and the related regulations will be invalid.

ARTICLE VII

This Agreement will be amended as necessary to comply with the provisions of the Code and the related regulations. Other amendments may be made with the consent of the persons whose signatures appear on the Application.

ARTICLE VIII

1. Definitions.

Agreement. Agreement means the SIMPLE IRA Custodial Agreement (IRS Form 5305-SA), Application, Disclosure Statement, Financial Disclosure and accompanying documentation. The Agreement may be amended from time to time as provided in Article VII.

Application. Application means the document that establishes this SIMPLE IRA after acceptance by the Custodian by signing the Application. The information and statements contained in the Application are incorporated into this SIMPLE IRA Agreement.

Authorized Agent. Authorized Agent means the individual(s) appointed in writing by the Participant (or by the beneficiary following the Participant's death) authorized to perform the duties and responsibilities set forth in the Agreement on behalf of the Participant.

Code. Code means the Internal Revenue Code.

Custodial Account. Custodial Account means the type of legal arrangement whereby the Custodian is a qualified financial institution that agrees to maintain the Custodial Account for the exclusive benefit of the Participant and the Participant's beneficiaries.

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.

Participant. The participant is the person who establishes the Custodial Account.

Regulations. Regulations mean the U.S. Treasury Regulations.

2. **Participant's Responsibilities.** All information that the Participant has provided or will provide to the Custodian under this Agreement is complete and accurate and the Custodian may rely upon it. The Participant will comply with all legal requirements governing this Agreement and assumes all responsibility for his or her actions including, but not limited to eligibility determination, contributions, distributions, penalty infractions, proper filing of tax returns and other issues related to activities regarding this Agreement. The Participant will provide to the Custodian the information the Custodian believes appropriate to comply with the requirements of section 326 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (U.S.A. PATRIOT) Act of 2001. The Participant will pay the Custodian reasonable compensation for its services, as disclosed in the applicable fee schedules.

- 3. Investment Responsibilities.** All investment decisions are the sole responsibility of the Participant and the Participant is responsible to direct the Custodian in writing, or other acceptable form and manner authorized by the Custodian, regarding how all amounts are to be invested. Subject to the policies and practices of the Custodian, the Participant may delegate investment authority by appointing an Authorized Agent in writing in a form and manner acceptable to the Custodian. Upon receipt of instructions from the Participant and proof of acceptance by the Authorized Agent, the Custodian will accept investment direction and may fully rely on those instructions as if the Custodian had received the instructions from the Participant.

The Custodian will determine the investments available within the Custodial Account. These investments will be permissible investments under the applicable laws and Regulations. The Custodian may change its investment options from time to time and the Participant may move his or her monies in the Custodial Account to different investments. Any investment changes within the Custodial Account are subject to the terms and conditions of the investments, including but not limited to minimum deposit requirements and early redemption penalties. The Custodian will not provide any investment direction, suitability recommendations, tax advice, or any other investment guidance. Further, the Custodian has no duty to question the investment directions provided by the Participant or any issues relating to the management of the Custodial Account. The Participant will indemnify and hold the Custodian harmless from and against all costs and expenses (including attorney's fees) incurred by the Custodian in connection with any litigation regarding the investments within the Custodial Account where the Custodian is named as a necessary party. The Custodian will promptly execute investment instructions received from the Participant if the instructions are in a form and manner acceptable to the Custodian. If the Custodian determines the instructions from the Participant are unclear or incomplete, the Custodian may request additional instructions. Until clear instructions are received, the Custodian reserves the right, in good faith, to leave the contribution uninvested, place the contribution in a holding account (e.g., a money market account), or return the contribution to the Participant. The Custodian will not be liable for any investment losses due to such delays in receiving clear investment instructions. Further, the Participant will indemnify and hold the Custodian harmless for any adverse consequences or losses incurred from the Custodian's actions or inactions relating to the investment directions received from the Participant or Authorized Agent.

The Participant will not engage in transactions not permitted under the Agreement, including, but not limited to, the investment in collectibles or life insurance contracts, or engage in a prohibited transaction under Code section 4975.

- 4. Beneficiary Designation.** The Depositor has the right to designate any person(s) or entity(ies) as primary and contingent beneficiaries by completing a written designation in a form and manner acceptable to the Custodian filed with the Custodian during the Depositor's lifetime. If the Custodian and applicable laws and regulations so permit, this right also extends to the Depositor's designated beneficiaries following the Depositor's death. Any successor beneficiary so named will be entitled to the proceeds of the Custodial Account if the beneficiary dies before receiving his or her entire interest in the decedent's IRA. A designation of successor beneficiaries submitted by the Depositor's beneficiary must be in writing in a form and manner acceptable to the Custodian filed with the Custodian during the lifetime of the Depositor's beneficiary.

If the Participant is married and subject to the marital or community property laws that require the consent of the Participant's spouse to name a beneficiary other than or in addition to such spouse, the Participant understands that he or she is responsible for any and all tax and legal ramifications and he or she should consult a competent tax and/or legal advisor before making such designation. Upon the Participant's death, the Custodial Account will be paid to the primary beneficiaries in equal shares unless indicated otherwise in a form and manner acceptable to the Custodian. If no primary beneficiaries survive the Participant, the Custodial Account will be paid to surviving contingent beneficiaries in equal shares unless indicated otherwise. If no primary or contingent beneficiaries survive the Participant or if the Participant fails to designate beneficiaries during his or her lifetime, the Custodial Account will be paid to the Participant's estate following the Participant's death. No payment will be made to any beneficiary until the Custodian receives appropriate evidence of the Participant's death as determined by the Custodian.

If a beneficiary entitled to payment is a minor, the Custodian is relieved of all of its obligations as Custodian by paying the Custodial Account to the minor's parent or legal guardian upon receiving written instructions from such parent or legal guardian. The Participant represents and warrants that all beneficiary designations meet the applicable laws. The Custodian will exercise good faith in distributing the Participant's Custodial Account consistent with the beneficiary designation. The Participant, for the Participant and the heirs, beneficiaries and estate of the Participant agrees to indemnify and hold the Custodian harmless against any and all claims, liabilities and expenses resulting from the Custodian's payment of the custodial Account consistent with such beneficiary designation and the terms of the Agreement.

- 5. Distributions.** The Participant may request distributions from the Custodial Account by delivering a written request to the Custodian in a form and manner acceptable to the Custodian. The Custodian is not obligated to distribute the Custodial Account unless it is satisfied it has received the required information to perform its administrative and legal reporting obligations. Information the Custodian may require includes, but is not limited to, taxpayer identification number, distribution reason, and proof of identity.

For required minimum distributions (RMD) pursuant to Article IV of the Agreement, the Participant will elect a valid distribution method in a form and manner acceptable to the Custodian. The Custodian will send the Participant a notice each year the Participant is subject to the requirements of Article IV. Such notice will include the distribution deadline and will inform the Participant of the RMD amount or provide guidance to the Participant on how to contact the Custodian for assistance in determining the RMD amount. The Custodian reserves the right to determine each year the method of providing the RMD notice.

The Custodian will not be liable for and the Participant will indemnify and hold the Custodian harmless for any adverse consequences and/or penalties resulting from the Participant's actions or inactions (including errors in calculations resulting from reliance on information provided by the Participant) with respect to determining such required minimum distributions.

- 6. Amendments and Termination.** The Custodian may amend this Agreement at any time to comply with legal and regulatory changes and to modify the Agreement as the Custodian determines advisable. Any such amendment will be sent to the Participant at the last known address on file with the Custodian. The amendment will be effective on the date specified in the notice to the Participant. At the Participant's discretion, the Participant may direct that the Custodial Account be transferred to another trustee or custodian. The Custodian will not be liable for any losses for any actions or inactions of any successor trustee or custodian.

The Participant may terminate this Agreement at any time by providing a written notice of such termination to the Custodian in a form and manner acceptable to the Custodian. As of the date of the termination notice, the Custodian will no longer accept additional deposits under this Agreement. Upon receiving a termination notice, the Custodian will continue to hold the assets and act upon the provisions within the Agreement until the Participant provides additional instructions. If no instructions are provided by the Participant to the Custodian within 30 days of the termination notice, and unless the Custodian and Participant agree in writing otherwise, the Custodian will distribute the Custodial Account, less any applicable fees or penalties, as a single payment to the Participant. The Custodian will not be liable for any losses for any actions or inactions of any successor trustee or custodian.

The Custodian may resign at any time by providing 30 days written notice to the Participant. Upon receiving such written notice, the Participant will appoint a successor trustee or custodian in writing. Upon such appointment and upon receiving acknowledgement from the successor trustee or custodian of acceptance of the Custodial Account, the Custodian shall transfer the Custodial Account, less any applicable fees or penalties, to the successor trustee or custodian. If no successor trustee or custodian is appointed or no distribution instructions are provided by the Participant, the Custodian may, in its own discretion, select a successor trustee or custodian and transfer the Custodial Account, less any applicable fees or penalties, or may distribute the Custodial Account, less any applicable fees or penalties, as a single payment to the Participant. The Custodian shall not be liable for any losses from any actions or inactions of any successor trustee or custodian.

By establishing an individual retirement account with the Custodian, you agree that you will substitute another custodian or trustee in place of the existing Custodian upon notification by the Commissioner of the Internal Revenue Service or his or her delegate, that such substitution is required because the Custodian has failed to comply with the requirements of the Internal Revenue Code by not keeping such records, or making such returns or rendering such statements as are required by the Internal Revenue Code, or otherwise.

- 7. Instructions, Changes of Addresses and Notices.** The Participant is responsible to provide any instructions, notices or changes of address in writing to the Custodian. Such communications will be effective upon actual receipt by the Custodian unless otherwise indicated in writing by the Participant. Any notices required to be sent to the Participant by the Custodian will be sent to the last address on file with the Custodian and are effective when mailed unless otherwise indicated by the Custodian. If authorized by the Custodian and provided by the Participant in the Application, Custodial Account Agreement or other documentation acceptable to the Custodian, an electronic address is an acceptable address to provide and receive such communications.

- 8. Fees and Charges.** The Custodian reserves the right to charge fees for performing its duties and meeting its obligations under this Agreement. All fees, which are subject to change from time to time, will be disclosed on the Custodian's fee schedule or other disclosure document provided by the Custodian. The Custodian will provide the Participant 30 days written notice of any fee changes. The Custodian will collect all fees from the cash proceeds in the Custodial Account. If there is insufficient cash in the Custodial Account, the Custodian may liquidate investments, at its discretion, to satisfy fee obligations associated with the Agreement. Alternatively, if the Custodian so authorizes and if separate payment of fees or other expenses is permissible under applicable federal and/or state laws, the fees may be paid separately outside of the Custodial Account. If the Custodian offers investments other than depository products, the Participant recognizes that the Custodian may receive compensation from other parties.

The Participant agrees to pay the Custodian a reasonable hourly charge for distribution from, transfers from, and terminations of this IRA. The Participant agrees to pay any expenses incurred by the Custodian in the performance of its duties in connection with the Custodial Account. Such expenses include, but are not limited to, administrative expenses, such as legal and accounting fees, and any taxes of any kind whatsoever that may be levied or assessed with respect to such Custodial Account. All such fees, taxes and other administrative expenses charged to the Custodial Account shall be collected either from the assets in the Custodial Account or from any contributions to or distributions from such Custodial Account if not paid by the Participant, but the Participant shall be responsible for any deficiency. In the event that for any reason the Custodian is not certain as to who is entitled to receive all or part of the IRA, the Custodian reserves the right to withhold any payment from the IRA, to request a court ruling to determine the disposition of the IRA assets, and to charge the IRA for any expenses incurred in obtaining such legal determination.

- 9. Transfers and Rollovers.** The Custodian will accept transfers and rollovers from other SIMPLE IRAs. The Participant represents and warrants that only eligible transfers and rollovers will be made to the Custodial Account. The Custodian reserves the right to refuse any transfer or rollover and is under no obligation to accept certain investments or property it cannot legally hold or determines is an ineligible investment in the Custodial Account. The Custodian will act on written instructions from the Participant received in a form and manner acceptable to the Custodian to transfer the SIMPLE IRA to a successor trustee or custodian. The Custodian is not liable for any actions or inactions by any predecessor or successor trustee or custodian or for any investment losses resulting from the timing of or sale of assets resulting from the transfer or rollover.

10. Miscellaneous.

Beneficiary's Rights. Except as otherwise provided in this Agreement or by applicable law, all rights, duties and obligations of the Participant under the Agreement will extend to the beneficiary(ies) following the death of the Participant.

Custodian as Agent. The Participant acknowledges that he or she has the sole responsibility for any taxes, penalties or other fees and expenses associated with his or her actions or inactions regarding the laws, regulations and rules associated with this Agreement. Further, the Participant acknowledges and understands that the Custodian will act solely as an agent for the Participant and bears no fiduciary responsibility. The Custodian will rely on the information provided by the Participant and has no duty to question or independently verify or investigate any such information. The Participant will indemnify and hold the Custodian harmless from any liabilities, including claims, judgments, investment

losses, and expenses (including attorney's fees), which may arise under this Agreement, except liability arising from gross negligence or willful misconduct of the Custodian.

Custodian Acquired/Merged. If the Custodian is purchased by or merged with another financial institution qualified to serve as a trustee or custodian that institution will automatically become the trustee or custodian of this IRA unless otherwise indicated.

Maintenance of Records. The Custodian will maintain adequate records and perform its reporting obligations required under the Agreement. The Custodian's sole duty to the Participant regarding reporting is to furnish the IRS mandated reports as required in Article V of this Agreement. The Custodian may, at its discretion, furnish additional reports or information to the Participant. The Participant approves any report furnished by the Custodian unless within 30 days of receiving the report, the Participant notifies the Custodian in writing of any discrepancies. Upon receipt of such notice, the Custodian's responsibility is to investigate the request and make any corrections or adjustments accordingly.

Exclusive Benefit. The Custodial Account is maintained for the exclusive benefit of the Participant and his or her beneficiary(ies). To the extent permitted by law, no creditors of the Participant may at any time execute any lien, levy, assignment, attachment or garnishment on any of the assets in the Custodial Account.

Minimum Value. The Custodian reserves the right to establish IRA account minimums. The Custodian may resign or charge additional fees if the minimums are not met.

Other Providers. At its discretion, the Custodian may appoint other service providers to fulfill certain obligations, including reporting responsibilities, and may compensate such service providers accordingly.

Agreement. This Agreement and all amendments are subject to all state and federal laws. The laws of the Custodian's domicile will govern should any state law interpretations be necessary concerning this Agreement.

Severability. If any part of this Agreement is invalid or in conflict with applicable law or regulations, the remaining portions of the Agreement will remain valid.

Escheatment. Your IRA may be escheated to the appropriate state if no activity or contact occurs in the account within the time period specified by state law. Depending on your state of residency on record with us, you may receive a letter if it is possible that your account assets will be escheated.

GENERAL INSTRUCTIONS

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

Purpose of Form. Form 5305-SA is a model Custodial Account Agreement that meets the requirements of section 408(a) and 408(p) and has been pre-approved by the IRS. A SIMPLE individual retirement account (SIMPLE IRA) is established after the form is fully executed by both the individual (Participant) and the Custodian. This account must be created in the United States for the exclusive benefit of the Participant and his or her beneficiaries.

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

For more information on SIMPLE IRAs, including the required disclosures the Custodian must give the Participant, see **Pub. 590, Individual Retirement Arrangements (IRAs)**.

Transfer SIMPLE IRA. The SIMPLE IRA is a "transfer SIMPLE IRA" if it is not the original recipient of contributions under any SIMPLE IRA plan.

SPECIFIC INSTRUCTIONS

Article IV. Distributions made under this article may be made in a single sum, periodic payment, or combination of both. The distribution option should be reviewed in the year the Participant 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 Participant 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 Participant, etc.

SIMPLE IRA DISCLOSURE STATEMENT

(Used with Form 5305-SA)

This Disclosure Statement provides a general review of the terms, conditions and federal laws associated with your SIMPLE IRA. It is not intended to replace the advice of your own tax and legal advisors. You are encouraged to consult your advisors and/or your state taxing authority concerning any tax and/or compliance questions. You are responsible for complying with the laws that apply to your SIMPLE IRA. The Custodian does not act as your advisor. In addition to the transactions outlined in this SIMPLE IRA Disclosure Statement, the federal government may authorize permissible transactions from time to time. Unless expressly prohibited by the Custodian's policies, such additional federally authorized transactions are hereby incorporated by this reference.

RIGHT TO REVOKE YOUR IRA

As prescribed by the Code and Regulations, you may revoke your SIMPLE IRA within seven (7) calendar days following the date you establish your SIMPLE IRA. Unless indicated otherwise, your SIMPLE IRA is established on the date the Custodian signs the Application. To revoke your SIMPLE IRA, you must provide a written notice to the Custodian at the address listed on the Application (or other address provided to you by the Custodian). The Custodian must receive your revocation notice no later than 7 days after your SIMPLE IRA is established. If your revocation notice is mailed, it will be received as of the postmark date. If you revoke your SIMPLE IRA within the 7-day revocation period, the Custodian is still required to report the contribution and the distribution to the IRS. If you revoke your IRA within the revocation period, the Custodian will return to you the entire amount you contributed without deducting any administrative fees, penalties or investment losses.

GENERAL

A SIMPLE IRA plan is a tax-favored retirement plan that certain small employers may establish for the benefit of their employees. Your employer has chosen to establish a SIMPLE IRA plan and will make plan contributions on your behalf to your SIMPLE IRA for each year you are eligible. Specific information regarding your eligibility to participate in your employer's SIMPLE IRA plan is included in the summary description provided to you by your employer.

CONTRIBUTIONS

Cash. Except for certain rollovers and transfers, all contributions must be made in the form of money (e.g., cash, check or money order).

Type. Contributions under a SIMPLE IRA plan are in the form of employee salary deferrals, employer contributions (either matching or non-elective) and any other type permitted by the Code or Regulations.

Employee Deferrals. Employee salary deferrals may not exceed the lesser of 100% of your compensation or \$12,000 for 2014 and \$12,500 for 2015. If you are age 50 or older by the close of the plan year, you may make an additional contribution to your SIMPLE IRA. The maximum additional contribution is \$2,500 for 2014 and \$3,000 for 2015.

The maximum employee salary deferral amounts listed above will be increased annually to reflect cost-of-living adjustments, if any.

Employer Contributions. There are two types of employer contributions: matching or non-elective employer contributions. Your employer will notify you each year of the contribution type and amount. If your employer elects matching contributions, your employer will match your deferrals up to 3% of your compensation. However, in some years, a lesser amount may be contributed. Your employer will notify you if a lesser amount is contributed. Instead of matching contributions, your employer may make non-elective contributions equal to 2% of your compensation.

Rollovers. Generally, a rollover is a movement of cash or assets from one retirement plan to another. If you are required to take minimum distributions because you are age 70½ or older, you may not roll over any required minimum distributions. Both the distribution and the rollover contribution are reportable when you file your income taxes. You must irrevocably elect to treat such contributions as rollovers.

IRA-to-IRA Rollover. You may withdraw, tax free, all or a portion of your SIMPLE IRA if you contribute the amount withdrawn within 60 days from the date you receive the distribution into the same or another SIMPLE IRA (or a Traditional IRA) as a rollover. To complete a rollover of a SIMPLE IRA distribution to a Traditional IRA, at least two years must have elapsed from the date on which you first participated in any SIMPLE IRA Plan maintained by the employer, and you must contribute the distribution within 60 days from the date you receive it. Only one IRA distribution within any 12-month period may be rolled over in an IRA-to-IRA rollover transaction. The 12-month waiting period begins on the date you receive an IRA distribution that you subsequently roll over, not the date you complete the rollover transaction.

If you roll over the entire amount of a SIMPLE IRA distribution (including any amount withheld for federal, state, or other income taxes that you did not receive), you do not have to report the distribution as taxable income. Any amount not properly rolled over within the 60-day period will generally be taxable in the year distributed (except for any part that represents basis) and may be, if you are under age 59½, subject to the premature distribution penalty tax..

SIMPLE IRA-to-Employer Retirement Plan Rollover. If your employer's retirement plan accepts rollovers from IRAs, you may complete a direct or indirect rollover of your SIMPLE IRA assets to your employer retirement plan if at least two years have elapsed from the date on which you first participated in any SIMPLE IRA Plan maintained by the employer. If you are required to take minimum distributions because you are age 70½ or older, you may not roll over any required minimum distributions.

Employer Retirement Plan-to-SIMPLE IRA Rollover Not Permitted. Distributions from your employer's retirement plan are not eligible to roll over to your SIMPLE IRA.

Conversion of SIMPLE IRA to Roth IRA. Generally, if after you have been a SIMPLE IRA plan participant for two years, you may convert all or a portion of your SIMPLE IRA to a Roth IRA provided you meet any applicable eligibility requirements as defined in the Code and Regulations. Except for amounts that represent basis, amounts converted are generally treated as taxable distributions. However, the premature distribution penalty that typically applies to taxable withdrawals taken prior to age 59½, does not apply to amounts converted from a SIMPLE IRA to a Roth IRA. Required minimum distributions may not be converted. SIMPLE IRA-to-Roth IRA conversions are not subject to the 12-month rollover restriction that typically applies to rollovers between IRAs.

Recharacterize a Conversion. You may "recharacterize" a conversion made from your SIMPLE IRA to a Roth IRA. Both the conversion amount along with the net income attributable to the conversion must be transferred. If there was a loss, the amount of any loss will reduce the amount you recharacterize. The deadline for completing a recharacterization is your tax return due date (including any extensions) for the year in which the distribution that was converted was withdrawn. Recharacterization requests must be made in a form and manner acceptable to the Custodian. Report recharacterizations to the IRS by attaching a statement to your Form 1040. You may also need to file Form 8606.

Reconversion. A reconversion occurs when you convert SIMPLE IRA assets that have been previously converted and recharacterized. A reconversion must occur in a subsequent year to the conversion, or if later, after 30 days has elapsed since the prior recharacterization.

Transfers. You may move your SIMPLE IRA from one trustee or custodian to a SIMPLE IRA maintained by another trustee or custodian by requesting a direct transfer. Because the transfer is done directly between IRA trustees or custodians and no distribution is made to you, the transfer is neither taxable nor reportable. Federal law does not limit the number of transfers you may make during any one year.

Transfers Incident to Divorce. Under a valid divorce decree, separate maintenance decree, or other valid court order, your SIMPLE IRA may be transferred to your ex-spouse or you may receive all or part of your ex-spouse's SIMPLE IRA.

TAX TREATMENT OF SIMPLE IRA CONTRIBUTIONS

No Deduction. No tax deduction is allowed for either your salary deferrals or your employer contributions. Amounts you elect to defer reduce your taxable income for the year. When you participate in your employer's SIMPLE IRA plan, you are considered an "active participant" in a retirement plan that may affect your ability to deduct contributions you make to your Traditional IRA.

Tax Credit. You may be eligible for a tax credit for your salary deferrals to your SIMPLE IRA. The maximum annual tax credit is \$1,000, and if you are eligible, the credit will reduce the federal income tax you owe dollar for dollar. You may be eligible for the tax credit if you are age 18 or older, not a dependent of another taxpayer, and not a full-time student.

DISTRIBUTIONS DURING YOUR LIFETIME

You may withdraw any or all of your SIMPLE IRA balance at any time. However, certain taxes and penalties may apply.

Tax Treatment. In general, distributions from your SIMPLE IRA are taxed as ordinary income in the year you receive them. Some amounts are not taxable. Examples include rollovers, direct transfers and corrections of certain excess contributions. In addition, certain distributions may be subject to additional penalties as explained below. If you have made nondeductible contributions to a Traditional IRAs, a portion of each distribution from your SIMPLE IRA is nontaxable. The nontaxable amount is the pro rata portion of the distribution that represents your remaining nondeductible contributions based upon the value of all your IRAs. For assistance in determining the nontaxable portion, consult your tax advisor, instructions to IRS Forms 1040 and 8606, and IRS Publication 590.

Distributions Before Age 59½. Generally, if you are under age 59½ and take a distribution, it is referred to as an "early or premature distribution." Premature distributions are includible in gross income and are also subject to a 10% IRS penalty tax. The premature distribution penalty is increased to 25% on any distributions taken before you have been a SIMPLE IRA participant for two years. The two-year waiting period begins on the first day you participated in your employer's SIMPLE IRA plan. However, certain exceptions apply to the premature distribution penalty. These are summarized below.

1. You have unreimbursed medical expenses that are more than the applicable percentage of your adjusted gross income and provided certain conditions apply.
2. The distribution is to pay your medical insurance premiums if you are unemployed and receive federal or state unemployment benefits for 12 consecutive weeks, or would have if not self-employed, and you receive the distribution during that or the succeeding tax year.
3. A physician certifies that you are disabled as defined by the Code.
4. You are receiving substantially equal periodic payments consistent with the Code and Regulations.
5. The distributions are not more than your or your spouse's expenses or those of your and your spouse's child, or grandchild for attendance at a post-secondary education institution.

6. The distribution, of up to a \$10,000 lifetime limit, is used within 120 days of withdrawal to buy or build a home that will be a principal residence for a qualified first-time homebuyer.
7. The distribution is due to an IRS levy on the SIMPLE IRA.
8. The distribution is a "qualified reservist distribution" as defined by the Code.
9. The distribution is properly rolled over or directly transferred to an eligible employer plan, Traditional IRA or another SIMPLE IRA.
10. The distribution is a result of a valid divorce decree and is transferred to your ex-spouse's IRA, provided certain conditions apply.
11. The distribution is a proper return of an excess contribution.

Reporting Premature Distribution Penalty Tax. You may have to report the IRS early distribution penalty tax by filing a completed Form 5329 with the IRS along with your payment.

Distributions After Age 59½ and Before the Year You Reach Age 70½. Once you reach age 59½ but before the year you reach age 70½, distributions from your SIMPLE IRA are optional and amounts you keep will generally be subject to ordinary income tax.

Required Distributions At Age 70½. You must begin taking distributions from your SIMPLE IRA no later than April 1 following the year you reach age 70½. Subsequent distributions must be taken by December 31 each year after you reach age 70½. If you do not take the required minimum distribution (RMD) or the distribution is not large enough, you may be subject to a 50% excess accumulation excise tax on the amount not distributed as required. Generally, each year determine your RMD by taking your SIMPLE IRA balance as of December 31 of the prior year and dividing it by a distribution period (determined by the applicable IRS life expectancy table). Each year you are subject to the RMD requirements, your Custodian will provide you with a notice. Along with the distribution deadline, the notice will either inform you of your RMD amount or provide you with guidance on how to contact the Custodian for assistance in determining your RMD. Your Custodian is also required to notify the IRS each year you are required to take an RMD.

If you have more than one SIMPLE IRA, you must determine the RMD separately for each SIMPLE IRA. However, you may total the RMDs and take the total from any one or more of your IRAs.

For additional information regarding your RMD, consult your tax advisor and/or IRS Publication 590.

Special Tax Treatment. IRA distributions are not eligible for capital gains treatment or lump-sum income averaging.

DISTRIBUTIONS TO YOUR BENEFICIARIES WHEN YOU DIE

Any amounts remaining in your SIMPLE IRA at your death will be paid to your beneficiary(ies). When you die, the rules determining the distribution of your SIMPLE IRA balance depend on a number of factors, including whether you had a "designated beneficiary," your relationship to the beneficiary (spouse or nonspouse) and whether you died before or after RMDs were required to begin.

Designated Beneficiary. A "designated beneficiary" is determined based on the beneficiary(ies) designated as of the date of your death and who remain(s) your beneficiary(ies) on September 30th of the calendar year following the calendar year of your death.

If You Die Before RMDs Are Required To Begin. Generally, if you die before April 1 following the year you reach age 70½ and your designated beneficiary(ies) is an individual, he or she may elect a distribution method. Your beneficiary(ies) may elect to deplete the SIMPLE IRA by the end of the fifth calendar year following your death or to receive payments based on the designated beneficiary(ies)'s life expectancy(ies). If life expectancy payments are elected, the payments must begin by December 31 of the first calendar year following your death. However, if your spouse is your sole designated beneficiary, he or she may delay the first distribution until December 31 of the year you would have attained age 70½ if later.

If your surviving spouse is the sole designated beneficiary of your SIMPLE IRA, he or she may elect to treat your SIMPLE IRA as his or her own. Regardless of whether your spouse is the sole designated beneficiary, he or she may roll distributions from your IRA into his or her own IRA within 60 days of receipt. If your designated beneficiary is not an individual (e.g., a charity, your estate, etc.), your SIMPLE IRA must be distributed by the end of the fifth calendar year following your death.

Generally, each beneficiary may elect the timing and manner regarding the distribution of his or her portion of the SIMPLE IRA. Elections must generally be made by December 31 of the year following your death. If timely elections are not made, your beneficiary is required to take distributions according to the applicable default provision. The default distribution option for designated beneficiaries who are individuals is the life expectancy option and the default distribution option for designated beneficiaries that are not individuals is the 5-year method. If your beneficiary(ies) does not withdraw the required amount within the prescribed timeframe, he or she may be subject to the 50% excess accumulation penalty tax on the amount that should have been withdrawn but was not distributed.

If You Die On or After RMDs Are Required To Begin. If you die after April 1 following the year you attain age 70½, the designated beneficiary(ies) must continue taking distributions from your SIMPLE IRA. The longest timeframe for receiving payouts is over the life expectancy of the designated beneficiary(ies) or based on your remaining life expectancy factor, had you not died, whichever period is longer. Distributions must commence by December 31 of the calendar year following your death. If your designated beneficiary is not an individual (e.g., a charity, your estate,

etc.), your SIMPLE IRA must be distributed using your single life expectancy (had you not died) reduced by one each year. If your surviving spouse is the sole designated beneficiary of your SIMPLE IRA, he or she may elect to treat your SIMPLE IRA as his or her own. Regardless of whether your spouse is the sole designated beneficiary, he or she may roll distributions from your IRA into his or her own IRA within 60 days of receipt.

WITHHOLDING

Nonperiodic, distributions from your SIMPLE IRA are subject to 10% federal income tax withholding unless you elect to waive withholding. Any amounts withheld are remitted to federal depositories in prepayment of your federal income tax liability. You may elect in writing to waive withholding, in which case, no taxes will be withheld from your distribution. You are liable for all state and federal taxes payable due to the distribution.

EXCESS CONTRIBUTIONS

An excess may be created from your salary deferrals or from your employer's contributions (either matching or nonelective).

PROHIBITED TRANSACTIONS

If you (or your beneficiary(ies) when you die) engage in a "prohibited transaction" with your SIMPLE IRA, the SIMPLE IRA will be disqualified and the entire SIMPLE IRA will be treated as a distribution. If you are under age 59½, the 10% premature distribution penalty tax may apply. Prohibited transactions are defined in Code section 4975. Examples include borrowing money from the SIMPLE IRA, selling property to the SIMPLE IRA, receiving unreasonable compensation for managing the SIMPLE IRA, or buying property with SIMPLE IRA funds for your personal use.

USING YOUR SIMPLE IRA AS SECURITY FOR A LOAN

If you (or your beneficiary(ies) when you die) pledge all or part of your SIMPLE IRA as security for a loan, the amount pledged is treated as a distribution. If you are under age 59½, the amount pledged may also be subject to the premature distribution penalty tax.

MISCELLANEOUS

Nonforfeitability. Your interest in your SIMPLE IRA is nonforfeitable at all times.

Custodian. The Custodian of your SIMPLE IRA must be a bank, a federally insured credit union, a savings and loan association, or an entity approved by the IRS to act as custodian.

Investment Restrictions. Money in your SIMPLE IRA may not be used to buy a life insurance policy or invested in collectibles as defined in Code section 408(m). However, certain gold, silver and platinum coins, bullion and coins issued under state laws are allowable investments.

No Commingling. Assets in your SIMPLE IRA may not be combined with other property, except in a common trust fund or common investment fund.

Beneficiary Designation. You may designate a beneficiary for your SIMPLE IRA by completing a written designation in a form and manner acceptable to the Custodian. When you die, the proceeds of your SIMPLE IRA will be paid to your designated beneficiary(ies). If you do not designate a beneficiary, your SIMPLE IRA will be paid to your estate when you die.

Tax-Deferred Earnings. The earnings on your SIMPLE IRA balance accumulate tax-deferred, meaning they are not taxable until distributed from your SIMPLE IRA.

Estate Tax. Generally, for federal estate tax purposes, your SIMPLE IRA assets are includable in your gross estate when you die. However, if your spouse is your beneficiary, your SIMPLE IRA may qualify for the marital deduction. Consult your tax and/or legal advisors for specific guidance.

Tax Filing. You are responsible for filing the applicable IRS forms to report any taxable income or penalties associated with your SIMPLE IRA.

IRS Form. This SIMPLE IRA uses the precise language of IRS Form 5305-SA and is therefore treated as approved by the IRS. Additional language has been included as permitted by such form. The IRS approval represents a determination as to form and not to the merits of the account.

Additional Information. Additional information about the rules and options regarding your SIMPLE IRA may be found in IRS Publications 560 and 590, the summary description provided by your employer and on the IRS website at www.irs.gov.