

EDWARD JONES SELF-DIRECTED TRADITIONAL IRA DISCLOSURE STATEMENT

This statement contains information about my traditional IRA rights and responsibilities, and about the tax consequences of having an IRA.

A. Exclusive Benefit of Account Owner

My traditional IRA is for my exclusive benefit. It is owned by me, and, in the case of a self-directed IRA that is made available through Edward Jones, it is invested at my direction, subject to the conditions of the Custodial Agreement.

B. Right of Revocation

I may revoke my account within seven days after I complete and sign the Custodial Agreement ("Agreement"). To revoke my account, I may simply call my Edward Jones office during normal business hours, or mail a written notice to Edward Jones, Attn: Retirement Operations Department, 201 Progress Parkway, Maryland Heights, Missouri 63043. If I mail my notice of revocation, it will be treated as effective on the date of its postmark.

If any material adverse change in the information contained in this Disclosure Statement or material change in the Agreement is made within the seven day period described above, I will be notified by Edward Jones in writing, and my right to revoke my account will be extended until seven days after the date I receive the notice of change.

If I revoke my account as described above, Edward Jones will refund my entire contribution and any fees I have paid, without penalty or reductions of any kind.

C. Eligibility

I can contribute to a traditional IRA or Roth IRA if I have compensation that must be included in my gross income for the year. Compensation includes: wages, salaries, tips, commissions, professional fees, bonuses, earned income from self-employment, and other amounts that I receive for providing personal services. Compensation also includes payments received as alimony under a decree of divorce or separate maintenance or other written instrument incident to such a decree, if such payments are includable in my gross income.

Compensation does not include passive income from property, such as rental income, interest, or dividends. It also does not include pensions or other retirement income, or deferred compensation, that I receive. Amounts that are excluded from gross income, such as certain amounts received by U.S. citizens working abroad, are not treated as compensation.

I also can contribute to a traditional IRA or Roth IRA on behalf of my spouse if:

(1) I am married at the end of the year, (2) I have compensation that must be included in my gross income for the year and (3) my spouse and I file a joint return.

D. Contributions

Maximum Contribution: The maximum annual contribution between my traditional IRA and Roth IRA is limited to the lesser of 100% of my compensation or \$4,000 for years 2005–2007 and \$5,000 for 2008 (the limit will be increased in increments of \$500 for cost-of-living adjustments in subsequent years).

If I am age 50 or older in contribution years 2002–2005, I may contribute an additional \$500 catch-up contribution and for contribution years 2006 and beyond an additional \$1,000 catch-up contribution. If my compensation for the year is less than the maximum traditional IRA or Roth IRA contribution limits in any one year, I cannot contribute more than the limit in that year or in later years to make up the difference. I may split my contributions between my traditional IRAs and Roth IRAs, but the total contribution cannot exceed the maximum limit.

If I was a participant in a 401(k) plan of a certain employer in bankruptcy, then the applicable amount under the preceding paragraph is increased by \$3,000 for taxable years beginning after 2006 and before 2010 only. If I make a contribution under this provision, then I may not also make a "catch-up" contribution described in the preceding paragraph.

Nondeductible Contributions: Even if I am above the threshold level (see Section E) and thus may not make a deductible contribution based upon the contribution limitations listed in this Section D, I may still contribute up to the lesser of: (1) \$4,000 for years 2005–2007 and \$5,000 for 2008 and beyond (the limit will be increased in increments of \$500 for cost-of-living adjustments in subsequent years) or (2) an amount equal to the compensation includable in my gross income for the year. If I am age 50 or older in contribution years 2002–2005, I may contribute an additional \$500 catch-up contribution. For contribution years 2006 and beyond, an

additional \$1,000 catch-up contribution is allowed. The amount which I am not able to deduct may still be contributed to my traditional IRA or Roth IRA. When I file my tax return, I must designate the amount of nondeductible contributions to my traditional IRA for that tax year. Please see IRS Form 8606 (*Nondeductible IRAs*).

Spousal Contributions: If I am married, either or both of my spouse and I may make a contribution to a traditional IRA or Roth IRA, as long as we file a joint tax return for the year for which the contribution was made. The maximum annual contribution made between my and my spouse's traditional IRAs and Roth IRAs is limited to the lesser of 100% of our combined compensation or \$8,000 for years 2005–2007 and \$10,000 for 2008 (and the limit will be increased in increments of \$1,000 for cost-of-living adjustments in subsequent years). If my spouse or I are age 50 or older in contribution years 2002–2005, I may contribute to the IRAs of each of us who satisfies that condition an additional \$500 catch-up contribution and for contribution years 2006 and beyond an additional \$1,000 catch-up contribution. If my and my spouse's combined compensation for the year is less than the maximum traditional IRA or Roth IRA contribution limits in any one year, I cannot contribute more than the limit in that year or in later years to make up the difference.

I may split our contributions, between our traditional IRAs and Roth IRAs, but the total contribution cannot exceed the maximum limit.

Cash Contributions: Contributions to my traditional IRA must be made in cash (unless it is a rollover contribution as described in the Section G).

Contribution Deadline: My traditional IRA or Roth IRA contribution must be made by the due date of my federal income tax return not including extensions. The date that my federal income tax return is actually filed does not affect the contribution deadline.

Contributions After Age 70 ½: I am not allowed to make a traditional IRA contribution if I am age 70 ½ or older in the contribution year. I may make a Roth IRA contribution regardless of my age in the contribution year.

Contribution Interest and Earnings: Interest or other earnings on my traditional IRA contributions, whether deductible or nondeductible contributions, are not generally taxed until taken out of my traditional IRA and distributed to me. Exceptions may apply.

Nondeductible Contributions: Even if I am above the threshold level (see Section E) and thus may not make a deductible contribution based upon the contribution limitations listed in this Section D, I may still contribute up to the lesser of: (1) \$4,000 for years 2005–2007 and \$5,000 for 2008 and beyond (the limit will be increased in increments of \$500 for cost-of-living adjustment in subsequent years) or (2) an amount equal to the compensation includable in my gross income for the year.

If I am age 50 or older in contribution years 2002–2005, I may contribute an additional \$500 catch-up contribution. For contribution years 2006 and beyond, an additional \$1,000 catch-up contribution is allowed. The amount which I am not able to deduct may still be contributed to my traditional IRA or Roth IRA. When I file my tax return, I must designate the amount of nondeductible contributions to my traditional IRA for that tax year. Please see IRS Form 8606 (*Nondeductible IRAs*).

Excess Contributions: If I contribute more than the maximum allowable amount to my traditional IRA, I may be subject to an excise tax on the excess contribution. This excise tax may be avoided if I withdraw the excess contribution (and any income earned on such excess contribution) from my traditional IRA by my tax filing deadline including extensions. I cannot take a deduction for the excess contribution, and must report any income earned on the excess contribution as taxable income, in the year the excess contribution was made, which also is subject to a penalty on premature distributions if I am under age 59 ½.

The excise tax imposed on an excess contribution is equal to 6% of such excess. It will be due for every year that the excess contribution remains in the IRA. The cumulative effect of the excise tax can be avoided by making reduced contributions in future years. If I am subject to the excise tax, I must complete IRS Form 5329.

Recharacterization Contributions: I may be able to recharacterize part or all of my traditional IRA contributions as having been made to my Roth IRA so long as the contribution is recharacterized by my tax filing deadline including extensions.

E. Federal Income Tax Deduction Limited for Active Participant in a Retirement Plan:

If I am an "active participant" in a retirement plan, or if I am married and my spouse is, I may not be able to make a maximum deductible traditional IRA contribution (see Section D) unless my federal modified adjusted gross income (MAGI), (or my and my spouse's combined MAGI, if we file a joint income tax return), is below the threshold level. If the MAGI is above the threshold level, the amount of the deductible contribution I may make to my traditional IRA is phased down and eventually eliminated. If the MAGI exceeds the threshold level by more than the phase-out amount, for example, no deduction is available. However, if the MAGI exceeds the threshold level by less than the phase-out amount, the deduction limit can be determined under the following formula:

$$\text{Deduction Limit} = \frac{\text{Phase-out Amount} - (\text{MAGI} - \text{threshold Level})}{\text{Phase-out Amount}} \times \text{Maximum Dollar Limit}$$

The result is rounded up to the next highest \$10 level (the next highest number which ends in zero). For example, if the result is \$2,525, you must round it up to \$2,530. If the final result is below \$200 but above zero, the deduction limit is \$200. The deduction limit cannot, in any event, exceed 100% of compensation.

The threshold levels change every year until 2007, according to the following schedule:

Year	Single	Married Jointly	Married Separately
2005	\$50,000-\$60,000	\$70,000-\$80,000	\$0-\$10,000
2006	\$50,000-\$60,000	\$75,000-\$85,000	\$0-\$10,000
2007	\$52,000-\$62,000	\$83,000-\$103,000	\$0-\$10,000

The phase-out amount is \$10,000 for every year, except beginning in 2007 for married taxpayers filing jointly, when the phase-out amount increases to \$20,000. If my spouse is an active participant in a retirement plan, but I am not, separate limits apply to my IRA contribution (but not my spouse's) if we file a joint income tax return - the threshold limit is \$156,000, and the phase-out amount is \$10,000 for all years.

I am an "active participant" for a year if I am covered by a retirement plan - that is, if my employer or union has a retirement plan under which money is added to my account or I am eligible to earn retirement credits. For example, if I am covered under a profit-sharing plan, certain government plans, a salary reduction arrangement (such as a tax sheltered annuity arrangement or 401(k) plan), a Simplified Employee Pension (SEP), a SIMPLE IRA or SIMPLE 401(k), or a plan which promises me a retirement benefit based upon the number of years of service I have with the employer, I am likely to be an active participant. My Form W-2 for the year should indicate my participation status.

I am an active participant for a year even if I am not yet vested in my retirement benefit. Also, if I make required contributions or voluntary employee contributions to a retirement plan, I am an active participant. In certain plans, I may be an active participant even if I am only with the employer for part of the year.

F. Transfers

Generally, a transfer is a movement of assets (money or securities) between like retirement plans from one trustee/custodian to another.

My traditional IRA funds may be transferred directly from one traditional IRA trustee/custodian to another. This type of transfer will not be counted as a "rollover" if no funds are distributed to me. I am allowed unlimited transfers between my traditional IRAs within the same 12 month period.

I am not permitted to transfer my SIMPLE IRA assets into my traditional IRA unless it has been more than two years from the date I first received a contribution into the SIMPLE IRA on my behalf.

G. Rollover Contributions

Generally, a rollover is a distribution to me of cash or other assets from one retirement plan that I contribute to another retirement plan.

If I have any questions about whether I am eligible to make a rollover contribution to my IRA, I will contact my employer, the Internal Revenue Service (IRS), or my tax advisor for assistance.

Traditional IRA to Traditional IRA Rollover: I may roll over a distribution of all or part of my traditional IRA cash or assets so long as I deposit the same assets into the same or another traditional IRA within 60 days after the date I receive my distribution. If I make a rollover contribution of any part of a distribution from my traditional IRA, I cannot, within a 12-month period, make a rollover contribution of any later distribution from that same IRA. Also, I cannot take a rollover contribution of any amount distributed (within the same 12-month period) from the IRA into which I made the rollover contribution. I do understand that this is a tax reportable event.

If applicable, an individual may make a repayment of a qualified reservist distribution during the 2-year period beginning on the day after the end of the active duty period or by August 17, 2008, if later. This repayment does not affect the individual's annual maximum contribution limit.

Rollovers of Distributions from My Employer's Qualified Plan: I may roll over both the taxable (pre-tax) and nontaxable (after tax) part of the distribution from my qualified plan or tax-sheltered annuity into my traditional IRA. I may choose a direct rollover or indirect rollover of all or any portion of my benefit payment that is eligible to be rolled over. An eligible rollover distribution is defined generally as any distribution from a qualified plan, tax-sheltered annuity, or 457(b) governmental deferred compensation plan. Distributions to a non-spouse beneficiary or a required minimum distribution, hardship distributions or any series of substantially equal periodic distributions paid at least once a year for my life or life expectancy, the joint lives (or life expectancy) of me and my beneficiary or for a period of 10 years or more are not eligible rollover distributions.

If I choose a direct rollover, the entire eligible rollover distribution is paid directly from the plan to my traditional IRA. If I choose an indirect rollover, my plan administrator will generally withhold 20% as prepayment for federal income taxes. The full distribution (100%) is taxed to me in the year I receive the distribution unless I roll it over into my traditional IRA or another plan that accepts rollover contributions. I may choose to make up the amount withheld (20%) "out of pocket," when completing the rollover contribution. On the other hand, if I only roll over the 80% I received, I will be taxed on the remaining 20%. I may claim the withheld amount as income and pay any applicable tax. Any portion of my distribution not rolled over may be subject to a 10% penalty if I am under the age of 59 1/2 (unless an exception to the penalty applies). Indirect rollovers must be deposited into my traditional IRA within 60 days after the date I receive the eligible rollover distribution.

Traditional IRA to Employer Plans: I can roll over the part of a distribution (beginning January 1, 2002) that would be includable in my income from my traditional IRA into a qualified plan, tax-sheltered annuity or 457(b) governmental plan within 60 days after the date I receive the distribution. If I have any questions about whether I am eligible to make a rollover contribution to my employer plan, I may contact my employer, the Internal Revenue Service (IRS), or my tax advisor for assistance.

Traditional IRA to Roth IRA Rollovers/Conversions: I can convert (roll over) amounts from my traditional IRA to my Roth IRA if my MAGI is \$100,000 or less and I am not married filing a separate return. I may withdraw all or part of my traditional IRA assets so long as I deposit the same assets into my Roth IRA within 60 days after the date of distribution. The amount of my distribution from my traditional IRA will generally be included as taxable income to me (except for any nondeductible contributions). Although the converted amount is generally taxable, the 10% early distribution penalty shall not apply to rollovers or conversions from a traditional IRA to a Roth IRA. If I have any questions about whether I am eligible to make a rollover/conversion, I may contact the Internal Revenue Service (IRS) or my tax advisor for assistance.

I understand that if I am subject to a required minimum distribution, that amount must be satisfied for the year prior to converting my traditional IRA to a Roth IRA.

H. Distributions from My IRA

Required Minimum Distributions (RMD): I am required to take a RMD from my traditional IRA for the year I attain age 70 1/2 and each subsequent year. My first RMD must be taken by April 1st, (Required Beginning Date) following the year in which I turned 70 1/2. The RMD for any year after my 70 1/2 year must be taken by December 31st of that later year and each year thereafter. If I fail to take my RMD for each year after I reach age 70 1/2, I must pay a nondeductible excise tax on the "excess accumulation amount." The tax is equal to 50% of the excess accumulation.

Figuring My Required Minimum Distributions (RMD): I must calculate my RMD according to the methods allowed by the Internal Revenue Service (IRS) and the methods allowed in my Edward Jones Traditional IRA Custodial Agreement. If I

die before or after my required beginning date, my beneficiary(ies) must take distributions from my IRA according to the methods allowed by the IRS and the methods allowed in my Edward Jones Traditional IRA Custodial Agreement. If I have any questions in regard to calculating required distributions, I may contact the Internal Revenue Service (IRS) or my tax advisor for assistance.

Tax Treatment of Distributions: The full amount of any distribution from my traditional IRA ordinarily is taxable to me in the year received, unless I roll over the distribution as described above. However, because I already have paid tax on nondeductible IRA contributions, the portion of an IRA distribution which represents a return of the nondeductible contributions will not be taxed again when received. If I have made nondeductible contributions, a portion of each distribution from my traditional IRA will represent a return of such contributions. The following formula is used to determine the nontaxable portion of my distributions for a year:

$$\text{Nontaxable Portion} = \frac{\text{Nondeductible Contributions Not Previously Distributed}}{\text{IRA Balances at Year End} + \text{Total Distributions During Year}} \times \text{Total Distributions During Year}$$

All traditional IRAs that I maintain must be treated as "one" traditional IRA for this purpose. If I take a distribution from my traditional IRA before I reach 59 ½, I must pay an additional 10% penalty on the taxable portion of the distribution, unless one of the following exceptions apply:

- 1) Death
- 2) Disability
- 3) Using the distribution for first-time home buyer expenses
- 4) Withdrawing a series of substantially equal periodic payments over my life expectancy or the joint life expectancy of me and my beneficiary
- 5) Higher education expenses
- 6) Certain medical expenses
- 7) Distribution to an unemployed individual for health insurance premiums

I can refer to IRS Publication 590 or my tax advisor for a detailed explanation to ensure that I qualify for the above exceptions.

If my beneficiary is my spouse, he/she may choose to roll over the amount received as a distribution from my traditional IRA under the rules discussed above for rollovers.

Withholding from Distributions: Federal income tax will be withheld from the amounts distributed from my IRA unless I elect not to have tax withheld. If I do not want withholding to apply, I will be sure to notify Edward Jones at the time of the distribution. The federal income tax withholding rate is 10% unless I elect a greater amount. State income tax withholding, if applicable, is subject to the state's minimum withholding requirements.

Special Provisions for Checkwriting: I understand that any checks I write on my IRA are considered to be taxable distributions and will be reported by Edward Jones to me and to the IRS on IRS Form 1099R. All distributions will be reported as made on the day Edward Jones posts the check to my Edward Jones IRA (provided sufficient funds are available), not on the day I wrote the check.

If enrolled in checkwriting, I will not have Federal and/or state income tax withheld on distributions resulting from the checks I write on my IRA. I understand that Edward Jones, will report all such distributions as subject to the IRS 10% penalty due to premature distribution unless I (the account holder) am age 59 ½ or older on the day on which the check clears my Edward Jones IRA. If I believe that the distribution is exempt from the 10% penalty, I must file IRS Form 5329 along with IRS Form 1040.

Checkwriting privileges are automatically discontinued upon death of the account holder.

Distribution to Beneficiaries: I understand that if I have designated a person and his or her "children," "issue," or "descendants" as beneficiaries of all or a portion of my account, and if it becomes necessary for Edward Jones to distribute assets to those living children or their descendants, then Edward Jones will require a judicial determination of the persons entitled to receive a distribution of assets before it delivers assets to any person. If Edward Jones does not receive such a determination within 270 days of my death it may ignore such beneficiary designation and it may distribute assets under Article 10.2 of the Custodial Agreement ("Absence of Beneficiaries"). In any situation where a distribution to living children or their descendants is required under the provisions of Article 10.2

of the Custodial Agreement, Edward Jones will require a judicial determination naming the living children or their descendants entitled to receive assets. I understand that court proceedings will be required in these situations. If Edward Jones does not receive a judicial determination within 270 days of the date upon which it receives a demand for delivery of assets under the provisions of Article 10.2, it will deliver assets in accordance with the applicable provisions of Article 10.2 of the Custodial Agreement.

Death Distributions: Upon my death, the assets in my Account will be automatically transferred to separate decedent IRAs in my name, care of the beneficiaries identified on my beneficiary designation form. Asset allocation will be based on my beneficiary designation as well. Any securities that cannot be divided per that allocation will be liquidated at the discretion of the custodian.

I. Prohibited Transactions

I may not pledge funds held in my traditional IRA as security for a loan or assign them to any other person. I may not borrow from my traditional IRA, sell property to it, receive compensation for managing it, or engage in any other transaction prohibited under the Internal Revenue Code. If I engage in a "prohibited transaction", I will lose the tax benefits of my traditional IRA. The account will cease to be treated as a traditional IRA and this will be treated as if I received a distribution equal to the fair market value of the account.

J. Reporting

Distributions from my traditional IRA will be reported to me and to the IRS on IRS Form 1099R. Contributions to my traditional IRA are reported to me and to the IRS on IRS Form 5498. Transfers are not reported. I may consult with the Internal Revenue Service (IRS) or my tax advisor for assistance with completing my individual tax return.

K. Special Provisions that Apply to My Edward Jones Self-Directed IRA

Because this is a "self-directed" IRA, I must direct Edward Jones with respect to the investments to be made with my IRA. I retain sole responsibility for my investment decisions, and I am expected to exercise independent judgment with respect to investments in my IRA. Investments shall be limited to those which are legally permissible for an IRA and which are obtainable from Edward Jones in the regular course of its business.

In the absence of other directions from me, all uninvested cash held in my traditional IRA may automatically be invested in an interest-bearing account, a money market mutual fund, or other similar investments. The exact details of this program may be obtained upon request from my Financial Advisor.

When making contributions to my traditional IRA, I must specify the tax year for which I am making the contribution; otherwise, Edward Jones will record the contribution as being made for the tax year in which it is received.

L. Fees and Expenses

A detailed fee schedule is provided with my Agreement. There may be an acceptance fee to establish my traditional IRA, an annual fee, and a termination fee. I will be notified of the due date of any fee, and the amount (or any change in the amount) of such fee, by means of brokerage statement message, first class mail, or other means. I may pay any fee, on or before the date it is due, separate from any retirement contribution. If I do not pay a fee before its due date, however, the fee amount will be deducted from my traditional IRA, and if my traditional IRA does not contain adequate cash or liquid funds to cover the fee, securities in my traditional IRA may be liquidated to make up the difference.

Taxes of any kind, as well as additional reasonable expenses which may be charged against my traditional IRA will be paid out of funds held in my traditional IRA.

M. Growth In Value

In a self-directed IRA, I have the responsibility for selecting investments and for monitoring their performance. Investment performance cannot be projected by and is not guaranteed by Edward Jones.

N. Miscellaneous

The Internal Revenue Code requires that the trustee/custodian of a traditional IRA must be a bank or other organization, such as Edward Jones, which has demonstrated to the Internal Revenue Service that it is capable of proper administration of trust/custodial accounts.

My interest in my traditional IRA is nonforfeitable.

No funds held in my account may be invested in life insurance contracts.

State tax laws may include provisions affecting traditional IRAs which are different from or in addition to federal requirements. Edward Jones recommends that I consult my tax advisor to determine if any special requirements or taxes apply in my state of residence.

O. Simplified Employee Pensions

In General: A Simplified Employee Pension ("SEP") is a plan which allows my employer to contribute to my IRA each year. Most of the traditional IRA rules discussed above also apply to a SEP, because the employer contribution is made to my traditional IRA. The following paragraphs explain some of the special rules that apply to a SEP.

Participation: If my employer maintains a SEP, my employer generally must include me in the SEP if I am age 21 or older and have worked for the employer during any 3 of the preceding 5 years. If I am a member of a collective bargaining unit or I am a nonresident alien, I may be excluded under certain circumstances. I also may be excluded if my compensation from my employer for the year is less than \$500 (as adjusted for cost-of-living changes).

I can be required to participate in a SEP as a condition of employment. A SEP can only be maintained if all eligible employees participate. If I am eligible but refuse to participate, this would prevent all other employees from participating in the SEP.

Employer Contribution: At a maximum, my employer may contribute the lesser of 25% of my compensation or \$44,000 for 2006 and \$45,000 for 2007 (as adjusted for cost-of-living changes) to my SEP IRA. The amount which my employer can contribute may be further reduced if I am also covered by a qualified retirement plan in addition to a SEP.

My employer does not have to contribute to a SEP every year. But, if a contribution is made, it must be allocated according to a written SEP Agreement. My employer must give me a copy of this Agreement. Except as discussed below under the section entitled "Permitted Disparity Provisions," contributions must be the same percentage of compensation for all employees, disregarding the compensation of any employee that exceeds \$220,000 for 2006 and \$225,000 for 2007 (may be adjusted for cost-of-living changes). Contributions cannot discriminate in favor of "highly compensated employees" as that term is defined in Internal Revenue Code Section 414(q).

My employer will pay contributions directly to the traditional IRA that I have set up with a qualified custodian/trustee. The money that my employer contributes belongs to me, even if I change jobs.

Tax Treatment of Contributions: The amount of my employer's contribution will not be included in my gross income to the extent that it does not exceed the applicable maximum employer contributions to a SEP generally are not subject to tax withholding and are not taxed under the Federal Insurance Contributions Act (FICA) or the Federal Unemployment Tax Act (FUTA).

An employer contribution to a SEP is not included in my gross income even if I otherwise would not be entitled to an IRA deduction for the year.

Permitted Disparity Provisions: Employer contributions under a SEP may be allocated among the eligible employees in accordance with the "permitted disparity" rules of Internal Revenue Code Section 401(l) (1). Under these rules, eligible employees will receive an allocation on their total compensation, plus an additional allocation solely on their compensation in excess of a specified "integration level." The integration level may be the Social Security taxable base

wage (as in effect at the beginning of the year under Section 230 of the Social Security Act) or a lesser amount set by the employer. The allocation made solely on compensation in excess of the integration level must be a uniform percentage for all eligible employees, which percentage may not exceed the lesser of (i) the allocation percentage on total compensation, or (ii) 5.7 percent (or, if greater, the tax rate in effect under Internal Revenue Code Section 3111(a) which is attributable to the old-age insurance portion of the OASDI). If the integration level set by the employer is less than the taxable wage base, the 5.7 percent factor specified above is reduced in accordance with IRS rules.

Type of IRA Used: An employer SEP contribution can only be made to a master or prototype IRA for which the IRS has issued a favorable opinion letter, or to an IRS model IRA established using Form 5305 or 5305-A or its equivalent.

If I am Covered By More Than One Plan: The amount that my employer can contribute to a SEP may be affected if I also am covered by any other retirement plan of my employer. If I am covered by another plan, I should consult my employer and a qualified tax advisor.

Information to Be Provided by My Employer: When I become eligible to participate in the SEP, my employer must furnish me with the following written information:

- The requirements for my participation in the SEP
- The formula used to allocate employer contributions under the SEP to my IRA
- The name or title of the person who my employer has designated to provide additional information concerning the SEP

In addition to the information provided to me by my employer at the time I become eligible to participate in the SEP, my employer, or the administrator of the SEP, must furnish me the following information:

- A copy of any amendment to the SEP and a clear written explanation of its effect. I should receive this information within 30 days of the effective date of the amendment.
- Written notification of contributions made under the SEP to my IRA no later than the later of (i) January 31 of the year following the year for which a contribution is made, or (ii) 30 days after the contribution is made.

Other IRA Accounts: IRAs other than the IRA into which my employer may make contributions to a SEP may provide different rates of return and may have different terms concerning, among other things, transfers and withdrawals of funds from the IRA(s).

If I am eligible to make a traditional IRA contribution or rollover to an IRA, such contribution or rollover can be made to an IRA other than the SEP. Depending on the terms of a SEP I may be able to make rollovers/transfers of funds from the SEP to another IRA.

I should be aware that different IRAs may charge different fees and sometimes include restrictions on contributions, transfers, and withdrawals. Every IRA sponsor is required to provide me with a Disclosure Statement, similar to this one, describing the terms of its IRA. I should always check the Disclosure Statement before investing funds.

P. Conclusion

The foregoing disclosures about my traditional IRA were prepared on the basis of current law and regulations and are believed by Edward Jones to be accurate. However, Edward Jones does not take responsibility for individual tax consequences related to traditional IRAs nor does it undertake to inform me of changes in the law or its interpretation.

EDWARD JONES SELF DIRECTED INDIVIDUAL RETIREMENT ACCOUNT - CUSTODIAL AGREEMENT

Article I - Introduction

This Custodial Agreement is made between Edward Jones and the person who has executed the Individual Retirement Account (IRA) Adoption Agreement incorporating the terms hereof. The traditional IRA is established for the exclusive benefit of the Account Owner or his/her Beneficiary(ies).

Article II - Definitions

For purposes of this Custodial Agreement, the following terms have the meaning set forth below unless the context plainly requires a different meaning:

2.1. "**Account**" means the custodial Account established hereunder, either as a Depositor Account or Spousal Account.

2.2. "**Account Owner**" means the individual on whose behalf the Account has been established, which will be either the Depositor, in the case of a Depositor Account, or the Depositor's spouse, in the case of a Spousal Account

2.3. "**Adoption Agreement**" means the IRA application form which is adopted by the Account Owner and by which the Account is established. The Adoption Agreement will form a part of the Custodial Agreement.

Article IV - Contributions

4.1. Contributions:

(a) The Depositor may contribute to the Account for any taxable year an amount not to exceed 1) the lesser of \$4,000 for the years 2005–2007 and \$5,000 for 2008 (after 2008, the limit will be adjusted by the Secretary of the Treasury for cost-of-living increases under Internal Revenue Code Section 219(b)(5)(D)). Such adjustments will be in multiples of \$500) or 100% of the Account Owner's annual Compensation or 2) the aggregate amount of the contributions for the tax year to all other IRAs maintained for the benefit of the Account Owner, provided that the limits specified in this Article 4.1 shall not apply to a rollover contribution described in Article 4.5 or a transfer of assets as described in Article 4.6. The maximum contribution an individual and a spouse may make for a tax year to all their IRAs in the aggregate, including Roth IRAs and traditional IRAs, is the lesser of 100% of their combined Compensation or \$8,000 for 2005–2007, and \$10,000 for 2008 (amounts will be increased in increments of \$1,000 for cost-of-living adjustments in subsequent years).

(b) In the case of an Account Owner who is age 50 or older, the annual contribution limit is increased by \$500 for any taxable year beginning in 2002 through 2005 and \$1,000 for any taxable year beginning in 2006 and years thereafter.

(c) In addition to the amounts described in paragraphs (a) and (b) above, an individual may make a repayment of a qualified reservist distribution described in Internal Revenue Code Section 72(t)(2)(G) during the 2-year period beginning on the day after the end of the active duty period or by August 17, 2008, if later.

(d) In addition to the amounts described in paragraphs (a) and (c) above, an individual who was a participant in an Internal Revenue Code Section 401(k) plan of a certain employer in bankruptcy described in Internal Revenue Code Section 219(c)(5)(C) may contribute up to \$3,000 for taxable years beginning after 2006 and before 2010 only. An individual who makes contributions under this paragraph (d) may not also make contributions under paragraph (b).

The Custodian shall not knowingly accept any contribution in excess of the limits specified in this Article 4.1, and will not accept a contribution for the year in which the Account Owner attains age 70 ½ or any subsequent year.

4.2. Employer Contributions: In the case of a contribution made under a SEP, the Employer may contribute to the Account for a taxable year any amount provided for under the SEP which does not exceed the lesser of (i) \$44,000 for 2006 and \$45,000 for 2007 (as adjusted under Internal Revenue Code Section 402(h)(2)(B)), (ii) 25 percent of the Account Owner's Compensation, within the meaning of Internal Revenue Code Section 402(h)(2)(a), for the year not in excess of \$220,000 for 2006 and \$225,000 for 2007, as adjusted for increase in the cost-of-living in accordance with Internal Revenue Code Section 401(a)(17)(b), (determined without regard to the Employer contribution to the SEP), or (iii) an amount that will satisfy the applicable limits of Internal Revenue Code Section 415(c), provided that, a contribution may not be made to the Account under a SEP if the Account is a Spousal Account.

No contributions will be accepted into the Account Owner's traditional IRA under a SIMPLE IRA plan established by any employer pursuant to Internal Revenue Code Section 408(p). Also, no transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan will be accepted from a SIMPLE IRA, that is, an IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the two year period beginning on the date the Account Owner first received the initial contribution into the employer's SIMPLE IRA plan.

4.3. Form of Contribution: Except in the case of a rollover contribution described in Article 4.5 or a transfer of assets described in Article 4.6, the Custodian shall accept contributions only in the form of cash.

4.4. Time of Contribution: Contributions made by the Depositor to the Account for a taxable year must be received by the Custodian no later than April 15th (or if April 15th is a Saturday or Sunday, the next Monday thereafter) of the calendar year after the calendar year with respect to which the contribution relates.

Contributions made by an Employer under a SEP to the Account for a taxable year must be received by the Custodian no later than the time prescribed by law (including extensions) for filing the return for the Employer's taxable year with respect to which the contribution relates. The Depositor or Employer, as the case may be, must specify the taxable year with respect to which a contribution relates and, in the absence of such specification, the Custodian shall assume that the

2.4. **"Beneficiary(ies)"** means the person(s) designated by the Account Owner to whom all or a portion of the Account balance is to be paid if the Account Owner dies before he/she receives complete payment of such balance.

2.5. **"Code"** means the Internal Revenue Code of 1986, as amended.

2.6. **"Compensation"** means, in the case of a self-employed individual, his/her "earned income" (as defined in Internal Revenue Code Section 401(c)(2)) (reduced by the deduction he/she takes for contributions made to a qualified pension or profit sharing plan), or, in the case of any other individual, his/her wages, salaries, professional fees, or other amounts derived from or received for personal services actually rendered (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, and bonuses).

Compensation does not include amounts derived from or received as earnings or profits from property (including, but not limited to, interest and dividends), or amounts not includable in gross income. Compensation also does not include any amount received as a pension or annuity or as deferred compensation. The term "Compensation" also shall include any amount includable in the individual's gross income under Internal Revenue Code Section 71 with respect to a divorce or separation instrument described in subparagraph (A) of Internal Revenue Code Section 71(b)(2).

2.7. **"Custodial Agreement"** means this Custodial Agreement made between the Custodian and the Account Owner, as it may be amended from time to time, including the Adoption Agreement.

2.8. **"Custodian"** means Edward D. Jones & Co., doing business as Edward Jones.

2.9. **"Depositor"** means the person, other than an Employer, who makes a contribution to the Account, either on behalf of himself/herself or, in the case of a Spousal Account, on behalf of his/her spouse.

2.10. **"Depositor Account"** means the Custodial Account established hereunder, if established for the benefit of the Depositor.

2.11. **"Employer"** means the current or former employer of the Account Owner, which maintains a SEP for the benefit of its eligible employees.

2.12. **"ERISA"** means the Employee Retirement Income Security Act of 1974, as amended.

2.13. **"SEP"** means a Simplified Employee Pension as described in Internal Revenue Code Section 408(k).

2.14. **"SIMPLE IRA Plan"** means a plan described in Internal Revenue Code Section 408(p) as a Savings Incentive Match Plan for Employees of Small Employers, and adopted by an Employer pursuant to the Small Business Job Protection Act of 1996.

2.15. **"Required Beginning Date"** means the April 1st of the calendar year after the calendar year in which the Account Owner attains age 70 ½.

2.16. **"Spousal Account"** means the Custodial Account established hereunder, if established for the benefit of the Depositor's spouse.

2.17. **"Traditional IRA"** means an individual retirement Account as described in Internal Revenue Code Section 408(a), which provides for potentially tax-deductible contributions and tax-deferred (but not tax-free) growth.

Article III - Eligibility and Participation

3.1. **Eligibility:** Any individual shall be eligible to establish an Account or, if lawfully married, a Spousal Account.

3.2. **Participation:** To establish an Account, an individual, and in the case of a Spousal Account, the individual's spouse, must complete an Adoption Agreement and agree to be governed by the terms of this Custodial Agreement.

3.3. **Owner of Account:** An Account hereby established shall be owned by the Account Owner and shall be for the exclusive benefit of the Account Owner or his/her Beneficiary(ies).

contribution relates to the taxable year in which the contribution is received.

4.5. **Rollover Contributions:** The Account Owner may contribute to the Account any amount distributed from a plan as permitted by Internal Revenue Code Sections 402(c), 402(e)(6), 403(a)(4), 403(b)(8), 403(b)(10), 403(d)(3) and 457(e)(16). The Custodian reserves the right to refuse to accept the rollover of assets which are not obtainable through the Custodian in its regular course of business.

It shall be the responsibility of the Account Owner to ensure that any contribution to the Account under this Article 4.5 is eligible for rollover treatment, and the Custodian assumes no responsibility for any such determination. If a rollover contribution is made to the Account, the Account Owner must designate such contribution as a rollover contribution, and the contribution and such designation, once made, shall be irrevocable.

4.6. **Transfers to Account:** The Account Owner may transfer to the Account any amount held in an IRA which satisfies the requirements of Internal Revenue Code Section 408(a); however, the Custodian reserves the right to refuse to accept the transfer of assets which are not obtainable through the Custodian in its regular course of business. The Account Owner may not transfer to the Account any amount held in a plan which satisfies the requirements of Internal Revenue Code Section 401(a), annuity which satisfies the requirements of Internal Revenue Code Section 403(a) or (b), or governmental deferred compensation plan which satisfies the requirements of Internal Revenue Code Section 457(b).

4.7. **Vesting in Account:** All contributions, rollovers or transfers to the Account, and earnings or increments thereof, shall be fully vested and nonforfeitable at all times.

Article V - Investment and Administration of Account

5.1. **Crediting Contributions:** All contributions made by the Depositor, or made by the Employer on behalf of the Account Owner under a SEP, and all rollovers/transfers to the Account, shall be credited to the Account when received by the Custodian.

5.2. **Investment Powers of Account Owner:** The Account Owner or the Account Owner's agent shall direct the Custodian with respect to the investment of all amounts credited to the Account. Investments shall be limited to securities obtainable through the Custodian in its regular course of business, either on a recognized exchange or "over-the-counter," and other investments, including, but not limited to, corporate bonds, mutual funds, money market funds, government securities, and certificates of deposit obtainable through the Custodian.

The Custodian shall not make or dispose of any investment, except upon the direction of the Account Owner or Account Owner's agent, and the Custodian shall be under no duty to question or review any such direction, or to make any recommendation or suggestion with respect to any investment, retention, or disposition of any asset.

5.3. **Administrative Powers of Custodian:** Subject to the express provisions of this Custodial Agreement, the Custodian shall have all powers in the administration of the Account as may be authorized by law, including, but not limited to, the following:

- (a) In accordance with the directions of the Account Owner or Account Owner's agent, to invest and reinvest the assets of the Account in securities and other investment vehicles which can be obtained through the Custodian, without any duty to diversify, and without regard to whether any such investment is authorized under the laws of any jurisdiction.
- (b) Pending the directions of the Account Owner or Account Owner's agent, or in accordance with such directions, to hold all or any part of the Account uninvested; provided that, the Custodian may, but need not, establish a program pursuant to which cash contributions or transfers in excess of a stated dollar amount will be invested in an interest bearing Account or a money market fund, pending directions of the Account Owner or the Account Owner's agent, and may change the terms and conditions of such program at any time at its discretion.
- (c) In accordance with the directions of the Account Owner or Account Owner's agent, to vote, in person or by proxy, any securities held in the Account, and consent to or participate in any dissolution, reorganization, merger, consolidation, or other transaction affecting any securities held in the Account.
- (d) In accordance with the directions of the Account Owner or Account Owner's agent, to exercise or sell any conversion or subscription right or privilege, and to make payments for any of

the above.

- (e) To hold any investments in its own name or in "street name" in accordance with established brokerage custom and procedures.
- (f) To make, execute, and deliver on behalf of the Account Owner any contracts or instruments necessary to exercise the powers described above.
- (g) To employ suitable agents and counsel and to pay their reasonable expenses and compensation.
- (h) To pay all taxes and expenses with respect to the Account, subject to the Custodian's right to reimbursement therefore.
- (i) To otherwise administer the Account in a manner consistent with the Code and ERISA, to the extent applicable. In accordance with ERISA Section 404(c), because the Account Owner retains control over the assets in the Account, the Custodian shall not be liable for any loss, or for breach of the duties imposed under ERISA, which results from the exercise by the Account Owner or the Account Owner's agent of such control.

5.4. **Investment Managers:** The Account Owner may appoint in writing one or more investment managers to manage the assets of the Account in accordance with Article 5.2; provided that, any investment manager so appointed must be registered as an "investment advisor" under the Investment Advisors Act of 1940. To appoint an investment manager, the Account Owner must file with the Custodian a copy of the instrument appointing the investment manager and a certificate evidencing the investment manager's current registration under such Act. The instrument appointing the investment manager must evidence the investment manager's acceptance of such appointment and acknowledgement that it is a fiduciary of the Account.

The Account Owner hereby agrees to indemnify the Custodian and hold it harmless from and against any claim or liability under ERISA or otherwise which may be asserted against the Custodian by reason of the Custodian's acting or not acting pursuant to the direction from an investment manager or failing to act in the absence of such direction. All fees, expenses, or other amounts due to an investment manager shall be paid in accordance with the instrument appointing the investment manager.

5.5. **Prohibited Investments:** Any contrary provision of this Custodial Agreement notwithstanding, no investments shall be allowed in life insurance contracts or any "collectible" (as defined in Internal Revenue Code Section 408(m) (2)), except as permitted under Internal Revenue Code Section 408(m) (3). The Account Owner or Account Owner's agent or investment manager may not direct any investment or transaction with respect to the Account which would constitute a prohibited transaction (as defined in Internal Revenue Code Section 4975 and ERISA Section 406).

5.6. **Minor Accounts:** A parent or legal guardian may execute the Adoption Agreement on behalf of an Owner who is a minor. In the event an IRA is established for a minor, the parent or legal guardian is authorized, on behalf of such minor, to take whatever actions are afforded the Owner of the IRA under the terms of this Agreement. The parent or legal guardian, by establishing an Account on behalf of a minor, agrees to indemnify and hold harmless the Custodian and its affiliates from any losses including court costs and reasonable attorney fees incurred by the Custodian or its affiliates as a result of establishing the Account in the name of the minor with the parent or legal guardian.

5.7. **Liability of Custodian:** The Custodian shall not be liable for any action taken at the direction of the Account Owner, the Account Owner's agent, or investment manager, or for any failure to act in the absence of such directions. The Custodian shall be entitled to act upon any instruction or notice, written or otherwise, which it believes in good faith to be genuine, and is under no duty to make any investigation or inquiry as to any statement contained in any such instruction or notice, but may accept the same as true and accurate. Investment instructions shall be accepted in accordance with established brokerage customs and practices.

Article VI - Distributions

6.1. **Distributions** - In General: The Account Owner may request a distribution of all or any portion of the Account at any time by providing the Custodian with oral or written notice that sets forth the requested amount, time, and manner of distribution and, if necessary the assets to be sold to provide for the distribution. Distributions shall be permitted either in cash or in-kind.

6.2. **Distributions Before 59 ½:** A request for a distribution that is to be made before the Account Owner attains age 59 ½, except on account of death or

disability (as defined in Internal Revenue Code Section 72(m)(7)), must be accompanied by a notice to the Custodian of the intended disposition of such distribution. The Account Owner shall be solely responsible to pay all taxes and penalties that may become due as a result of any such distribution.

6.3. Account Owner Required Distributions Before Death: Notwithstanding any provision of this traditional IRA to the contrary, the distribution of the Account Owner's interest in the Account shall be made in accordance with the requirements of Internal Revenue Code Section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference. The required minimum distributions calculated for this traditional IRA may be withdrawn from another IRA of the Account Owner in accordance with Q&A-9 of Section 1.408-8 of the Income Tax Regulations.

The entire value of the Account of the Account Owner for whose benefit the Account is maintained will commence to be distributed no later than the Required Beginning Date over the life of such Account Owner or the lives of such Account Owner and his/her Beneficiary(ies). The required minimum distribution for the year the individual attains age 70 ½ 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.

The amount to be distributed each year beginning with the calendar year in which the Account Owner attains age 70 ½ and continuing through the year of death, shall not be less than the quotient obtained by dividing the value of the traditional IRA (as determined under Article 6.6) as of the end of the preceding year by the distribution period in the Uniform Lifetime Table in Q&A-2 of Section 1.401(a)9-9 of the Income Tax Regulations, using the Account Owner's age as of his/her birthday in the year. However, if the Account Owner's sole Beneficiary is his/her surviving spouse and such spouse is more than 10 years younger than the Account Owner, then the distribution period is determined under the Joint and Last Survivor Table in Q&A-3 of Section 1.401(a)(9)-9, using the ages as of the Account Owner's and spouse's birthdays in the year.

6.4. Required Distributions Upon Death Before Required Beginning Date: If the Account Owner dies before the Required Beginning Date, his/her entire interest will be distributed at least as rapidly as follows:

(a) If the Beneficiary is someone other than the Account Owner's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Account Owner's death, over the remaining life expectancy of the Beneficiary(ies), with such life expectancy determined using the age of the Beneficiary as of his/her birthday in the year following the year of the Account Owner's death, or, if elected, in accordance with paragraph (c) below.

(b) If the Account Owner's sole Beneficiary is the Account Owner's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Account Owner's death (or by the end of the calendar year in which the Account Owner would have attained 70 ½, if later), over such spouse's life, or, if elected, in accordance with paragraph (c) below. If the surviving spouse dies before distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's designated Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his/her birthday in the year following the death of the spouse, or, if elected, in accordance with paragraph (c) below. If the surviving spouse dies after distributions are required to begin, any remaining interest will be distributed over the spouse's remaining life expectancy determined using the spouse's age as of his/her birthday in the year of the spouse's death.

(c) If there is no Beneficiary, or if applicable by operations of paragraph (a) or (b) above, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the Account Owner's death (or of the spouse's death in the case of the surviving spouse's death before distributions are required to begin under paragraph (b) above.)

(d) The amount to be distributed each year under paragraph (a) or (b) is the quotient obtained by dividing the value of the IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Section 1.401 (a) (9) of the Income Tax Regulations. If the distributions are being made to a surviving spouse as the sole Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the

Beneficiary's age in the year specified in paragraph (a) or (b) and reduced by 1 for each subsequent year.

6.5. Distributions upon Death on or After Required Beginning Date: If the Account Owner dies on or after the Required Beginning Date, the remaining portion of his/her interest will be distributed at least as rapidly as follows:

(a) If the Beneficiary is someone other than the Account Owner's surviving spouse, the remaining interest will be distributed over the remaining life expectancy of the Beneficiary(ies), with such life expectancy determined using the Beneficiary(ies) age of his/her birthday in the year following the year of the Account Owner's death or over the period described in paragraph (c) below, if longer.

(b) If the Account Owner's sole Beneficiary is the Account Owner's surviving spouse, the remaining interest will be distributed over such spouse's life, or over the period described in paragraph (c) below, if longer. Any interest remaining after such spouse's death will be distributed over such spouse's remaining life expectancy determined using the spouse's age as of his/her birthday in the year of the spouse's death, or, if the distributions are being made over the period described in paragraph (c) below, over such period.

(c) If there is no Beneficiary, or if applicable by the operation of paragraph (a) or (b) above, the remaining interest will be distributed over the Account Owner's remaining life expectancy determined in the year of the Account Owner's death.

(d) The amount to be distributed each year under paragraphs (a), (b) or (c) above, beginning with the calendar year following the calendar year of the Account Owner's death, is the quotient obtained by dividing the value of the traditional IRA as of the end of the preceding year by the remaining life expectancy specified in such paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Section 1.401(a)(9) of the Income Tax Regulations. If the distributions are being made to a surviving spouse as the sole Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary(ies)'s or Account Owner's age in the year specified in paragraph (a), (b) or (c) and reduced by one for each subsequent year.

6.6. Value of Account For Purposes of Calculating Required Distributions: The "value" of the traditional IRA includes the amount of any outstanding rollover, transfer and recharacterizations under Q&As-7 and -8 of Section 1.408-8 of the Income Tax Regulations.

6.7. IRA for Sole Spouse Beneficiary Treated as His/Her Own: If the sole Beneficiary is the Account Owner's surviving spouse, the spouse may elect to treat the IRA as his/her own IRA. This election will be made by notifying the Custodian in writing of such election and will be deemed to have been made if such surviving spouse makes a contribution to the IRA or fails to take required distributions as a Beneficiary.

6.8. Responsibility for Required Distributions: It shall be the sole responsibility of the Account Owner or Beneficiary(ies) to request the Custodian to calculate the required minimum distribution amount. The Custodian shall have no obligation to issue any minimum distribution amount unless requested by the Account Owner or Beneficiary(ies).

6.9. Distribution to Estate: Any distribution due to the Account Owner's estate shall be paid in a single-sum as soon as practicable after the Account Owner's death, but not later than December 31st of the calendar year of the fifth anniversary of the Account Owner's death.

Article VII - Records and Reports

7.1. Records: The Custodian shall maintain records of all transactions involving the Account in accordance with established brokerage customs and practices.

7.2. Reports: The Custodian shall furnish the Account Owner or Beneficiary(ies) with brokerage statements, and with an annual report prepared in accordance with the requirements of the Code, and with such information concerning required distributions as is prescribed by the Commissioner of Internal Revenue Service. Brokerage statements shall be provided for Accounts containing securities at a minimum of four times per year, plus for any other month that activity occurs in the account. The Custodian shall provide the Account Owner or Beneficiary(ies) with all notices, prospectuses, financial statements, proxy solicitations, and proxies relating to securities in the Account, in accordance with regulations of the Securities and Exchange Commission or the National

Association of Securities Dealers and the exchanges of which it is a member.

Article VIII - Custodian Compensation

8.1. **Administrative Fees:** The Custodian shall be entitled to reasonable fees for administrative services performed under the terms of this Custodial Agreement. The Custodian's compensation may include an acceptance fee, an annual fee, a termination fee, and/or such other fees and charges as may be agreed to between the Account Owner and the Custodian.

The applicable acceptance fee shall be due when the Account is established. The annual fee shall be due on an annual basis, as provided in Article 8.4 below. Any applicable termination fee shall be due upon the closing of the Account. Other fees and charges shall be due at such time or times as may be established by the Custodian and communicated to the Account Owner by means of brokerage statements or otherwise.

8.2. **Brokerage Fees:** The Custodian shall be entitled to reasonable fees for brokerage services performed under the terms of this Custodial Agreement.

8.3. **Expenses and Taxes:** The Custodian shall be entitled to reimbursement for taxes and reasonable expenses paid with respect to the Account.

8.4. **Terms of Payment:** The Account Owner agrees to pay all administrative fees, expenses, and taxes provided under Articles 8.1 and 8.3, and/or maintain adequate cash or liquid funds in the Account to cover such administrative fees, expenses, and taxes. The Custodian shall notify Account Owner of the amount and due date of the annual fee provided under Article 8.1 by means of brokerage statement message, first class mail, or other means. If the Account Owner does not make a fee payment before the due date, the fee will be deducted from the Account Owner's Account.

The cost of investment purchases, and all brokerage fees provided under Article 8.2, shall be paid out of cash or liquid funds held in the Account.

If the Account Owner fails to pay any administrative fees, expenses, or taxes provided under Articles 8.1 and 8.3 within a reasonable time after demand for such payments has been made by the Custodian, and/or the Account does not contain adequate cash to cover such items and/or the cost of investment purchases or brokerage fees provided under Article 8.2, the Custodian may liquidate such of the assets of the Account as it, in its sole discretion, deems appropriate for this purpose; provided that, the Custodian shall notify the Account Owner that the Custodian intends to liquidate securities in accordance with this Article. If the liquidation of all assets in the Account is not sufficient, the Custodian shall charge the Account Owner for such excess amounts.

Article IX - Amendment and Termination

9.1. **Amendment:** The Custodian may amend this Custodial Agreement prospectively for any reason, or retroactively if necessary to comply with changes to the law; provided that, no amendment shall be effective unless and until Custodian receives a favorable ruling from the Internal Revenue Service that the Custodial Agreement, as amended, continues to satisfy the requirements of Internal Revenue Code Section 408.

Within a reasonable time after its adoption, the Custodian shall provide Account Owner with a copy of any amendment to this Custodial Agreement.

9.2. **Termination by Participant:** The Account Owner may terminate this Agreement at any time by written notice to the Custodian with accompanying instructions regarding distribution of the Account. A distribution under this Article 9.2 shall be subject to Article VI. The Custodian shall deduct the amount of any fees, expenses, or taxes due to Custodian from Account Owner's Account prior to its distribution.

9.3. **Resignation of Custodian:** The Custodian may resign at any time by giving at least 30 days advance written notice to the Account Owner, and the Account Owner may remove the Custodian at any time by giving at least 30 days advance written notice to the Custodian. Upon the resignation or removal of the Custodian, the Account Owner, or in case of default by the Account Owner, a court of competent jurisdiction, shall appoint a successor custodian/trustee which shall have all powers and duties under this Custodial Agreement. The Custodian shall transfer the balance of the Account to the successor custodian/trustee as soon as practicable after written notice of resignation or removal, after deducting from the Account the amount of any fees or expenses due to the Custodian.

9.4. **Termination on Distribution:** This Custodial Agreement shall terminate upon complete distribution of the assets of the Account.

9.5. **Successor Trustee/Custodian:** No successor trustee or Custodian shall have any obligation or liability with respect to the acts or omissions of its

predecessors.

9.6. **Substitute Custodian:** If notification is given by the Commissioner of the Internal Revenue Service that a substitute Custodian must be appointed because the Custodian has failed to comply with the requirements of Section 1.408-2(e) of the Income Tax Regulations, or is not keeping such records, or making such returns or rendering such statements, as are required by forms or regulations, then the Account Owner or his/her Beneficiary(ies) shall appoint a substitute Custodian.

Article X - Beneficiaries

10.1. **Naming of Beneficiary(ies):**

(a) **Primary Beneficiaries:** The Account Owner may name in the Adoption Agreement one or more primary beneficiaries to whom the Account balance shall be paid if the Account Owner dies before full payment of such balance.

(b) **Contingent Beneficiaries:** The Account Owner may name one or more contingent beneficiaries to whom the Account balance shall be paid if no primary beneficiary is living at the death of the Account Owner, or if the primary Beneficiary(ies) disclaims.

(c) **Successor Beneficiaries:** The Account Owner may name one or more successor beneficiaries to whom the Account balance shall be paid if the Beneficiary living at the death of the Account Owner should die before full payment of such balance, and may provide that such successor beneficiary(ies) will receive such Account balance only if the deceased Beneficiary who was entitled immediately before death to receive such Account balance fails to designate a successor beneficiary to his/her interest in the Account. After the death of the Account Owner, unless otherwise provided by the Account Owner, an individual Beneficiary who is then entitled to receive payments from the Account balance may execute his/ her own beneficiary designation, in which case the successor beneficiary(ies) named in the beneficiary designation executed by the Beneficiary shall be entitled to the Account balance. If the Account Owner specifically provides in his/her beneficiary designation that the Account Owner's named successor beneficiary(ies) shall be entitled to the Account balance on the death of a Beneficiary, or if the Account Owner has named a trust which provides for successor beneficiaries and the Account has not been assigned to the individual Beneficiary(ies) of the trust, then the Beneficiary entitled to receive payments from the Account shall have no right to execute his/her own beneficiary designation.

(d) **Change of Beneficiary:** The Account Owner, or any Beneficiary entitled to name successor beneficiaries, may change the primary, contingent or successor beneficiary(ies) at any time by delivering to the Custodian a newly executed beneficiary designation.

(e) **Beneficiary Designations of Investments:** Any investment for the Account which incorporates a beneficiary designation of its own, including, but limited to fixed and variable annuity policies, must designate as its sole Beneficiary Edward Jones, Custodian, for the benefit of the Account Owner. The beneficiary designation on file with the Custodian supersedes any designation incorporated into an investment for the Account.

10.2. **Absence of Beneficiary:**

(a) **Primary Beneficiaries:** If no Beneficiary(ies) as listed on the beneficiary designation form survives the Account Owner, or there is no beneficiary designation form signed by the Account Owner on file with the Custodian, then the Beneficiary(ies) of the Account shall be designated in the following order of priority:

- 1) The Account Owner's spouse, if the Account Owner is married at the time of death
- 2) The Account Owner's living children, in equal shares, or their respective descendants, per stirpes
- 3) The Account Owner's estate.

(b) **Successor Beneficiaries:** After the death of the Account Owner, if the Beneficiary who is entitled to receive distributions of the Account balance dies before full payment of such balance and no successor Beneficiary as listed on a beneficiary designation survives the deceased Beneficiary, or there is no signed beneficiary designation form on file with the Custodian that names the successor Beneficiary(ies) to receive their remaining balance, then the Beneficiary(ies) of such remaining balance shall be designated in the following order of priority:

- 1) The deceased Beneficiary's spouse, if the deceased Beneficiary is married at the time of death
- 2) The deceased Beneficiary's living children, in equal shares, or their respective descendants, per stirpes
- 3) The deceased Beneficiary's estate.

10.3. **Trust Beneficiary(ies):** After the death of the Account Owner, it shall be the sole responsibility of the trustee(s)/successor trustee(s) of any trust named as a Beneficiary to oversee and monitor the Account in accordance with the provisions of the trust until the time that the Account is assigned by the trustee(s)/successor trustees free from trust to the Beneficiary(ies) thereof.

10.4. **Definitions Relating to Beneficiaries:**

(a) "Heirs" - If the Account Owner or any Beneficiary entitled to name a successor beneficiary designates the "heirs" of any person, as Beneficiaries of all or a portion of the Account, or uses words of similar effect, then the Account, or specified portion thereof, shall be distributed to the persons who would then inherit such person's personal property under the laws of the state of Missouri then in force relating to the succession of property, as if such person had died intestate at the time, domiciled in the state of Missouri, possessed only of the Account.

(b) "Children," "Issue" or "Descendants" - If the Account Owner, or any Beneficiary entitled to name a successor Beneficiary, designates the "children," "issue" or "descendants" of any person as Beneficiaries of all or a portion of the Account, or uses words of similar effect, then except as otherwise specifically provided, the Account or the specified portion thereof, shall be distributed to the person's children, grandchildren and their descendants of all generations, per stirpes, which shall require division of such property into as many equal shares as there are then living children of the deceased individual and deceased children of the deceased individual with then living descendants. The share of each deceased child with then living descendants shall be further divided in the same manner. For such purpose, the terms "children" and "descendants" include an adopted child and a child biologically descended from and acknowledged by any such descendant, but not a foster child or a step child, even if there is a parent-child relationship.

(c) Edward Jones shall not be liable for distributions made in reasonable, good faith.

Article XI - Miscellaneous

11.1. **Diversion Prohibited:** The Custodian may not take any action which would cause any part of the assets of the Account to be diverted to any purpose other than the exclusive benefit of the Account Owner or his/her Beneficiary(ies). Except to the extent otherwise required by law, none of the amounts held in the Account Owner's IRA shall be subject to the claims of any of the Account Owner's creditors or their creditors.

11.2. **Prohibited Transactions:** The Account Owner may not assign any portion of the Account to another person, or use any portion of the Account as security for a loan, or engage in any "prohibited transaction" (as defined in Internal Revenue Code Section 4975) involving the Account.

11.3. **Missing Account Owner or Beneficiary(ies):** The Custodian shall make reasonable means including the use of the Internal Revenue Service Letter Forwarding Program to locate a missing Account Owner or Beneficiary(ies).

11.4. **Facility of Payment:** If any person entitled to a distribution from the Account is in the sole judgment of the Custodian, under a legal disability or is incapacitated in such a way as to be unable to handle his/her affairs, the Custodian may cause all payments due to such person to be made for the benefit of such person to any other person designated by the Custodian or a court of competent jurisdiction. Any such payment shall operate as a complete discharge to the Custodian.

11.5. **Commingling Assets:** The assets of the Account may not be commingled with any other property, except in a common trust fund or common investment fund.

11.6. **Community Property Laws:** The terms and conditions of this Custodial Agreement shall be interpreted without regard to the community property laws of any state.

11.7. **Counterparts:** This Custodial Agreement may be executed in any number of counterparts, each of which shall be deemed to be the original.

11.8. **Governing Law:** To the extent not preempted by federal law, this Custodial

Agreement shall be governed by the internal laws of the state of Missouri.

11.9. **Right to Request Judicial Assistance:** The Custodian may apply to a court of competent jurisdiction to settle any dispute or to answer any question of construction arising under the terms of this Custodial Agreement. The only necessary party to such a proceeding shall be the Account Owner or Beneficiary(ies) of the Account. Costs and attorney's fees for any such action may be charged as an administrative expense to the Account.

11.10. **Gender and Number:** Pronouns in this Custodial Agreement stated in the masculine gender include the feminine gender, words in the singular include the plural, and words in the plural include the singular.

11.11. **Headings:** All headings in this Custodial Agreement are included solely for ease of reference and do not bear on the interpretation of the text.

11.12. **Arbitration:** This Agreement contains a predispute arbitration clause. By signing an arbitration agreement the parties agree as follows:

1. All parties to this Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
2. Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
3. The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
4. The arbitrators do not have to explain the reason(s) for their award.
5. The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
6. The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible in arbitration may be brought in court.
7. The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.

I agree that this Agreement shall be governed by the laws of the state of Missouri without giving effect to the choice of law or conflict of laws provisions thereof. However, these provisions are subject to the interpretation of the Internal Revenue Code and Regulations. Any controversy arising out of or relating to any of my Accounts or transactions with you, your officers, directors, agents and/or employees for me, or to this agreement, or the breach thereof, or relating to transactions or Accounts maintained by me with any of your predecessor or successor firms by merger, acquisition or other business combinations from the inception of such Accounts shall be settled by arbitration in accordance with the rules then in effect of the Boards of Directors of the New York Stock Exchange Inc., the American Stock Exchange, Inc., the Municipal Securities Rulemaking Board, or the National Association of Securities Dealers. Inc. as I may elect. If I do not make such election by registered mail addressed to you at your main office within five (5) days after demand by you that I make such an election, then you will have the right to elect the arbitration tribunal of your choice. Judgment upon any award rendered by the arbitrators may be entered in any court having jurisdiction thereof.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action, or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.

11.13. **IRS Opinion Letter**

The Edward Jones Self-Directed Traditional IRA Custodial Agreement has been approved as to form by the Internal Revenue Service (IRS). This approval means only that the IRS has checked that the plan meets the minimum requirements of the tax laws. It is not a guarantee that this is a good or safe plan. The IRS does not make financial evaluations of IRA Plans. Additional information can be obtained from any office of the Internal Revenue Service. A copy of IRS opinion letter opinion letter is reproduced below:

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

Plan Name: IRA Custodial Account 001
FFN: 50182070000-001 Case: 200500846 EIN: 43-0345811
Letter Serial No: K112756c

EDWARD D. JONES
201 PROGRESS PARKWAY
MARYLAND HEIGHTS, MO 63043

Contact Person
Ms. Arrington 50-00197
Telephone: (202) 283-8811
In Reference to: T:EP:RA:T3
Date: 05/05/2005

Dear Applicant:

In our opinion, the amendment to the form of the prototype trust, custodial account or annuity contract identified above does not adversely affect its acceptability under section 408 of the Internal Revenue Code, as amended through the Internal Revenue Service Restructuring and Reform Act of 1998.

Each individual who adopts this approved prototype will be considered to have an IRA that satisfies the requirements of Code section 408, provided the individual follows the terms of the approved prototype, does not engage in certain transactions specified in Code 408(e), and, if the arrangement is a trust or custodial account, the trustee or custodian is a bank within the meaning of Code section 408(n) or has been approved by the Internal Revenue Service pursuant to Code section 408(a)(2).

Code section 408(i) and related regulations require that the trustee, custodian or issuer of a contract provide a disclosure statement to each participant in this program as specified in the regulations. Publication 590, Individual Retirement Arrangements (IRAs), gives information about the items to be disclosed. The trustee, custodian or issuer of a contract is also required to provide each adopting individual with annual reports of all transactions related to the IRA.

The Internal Revenue Service has not evaluated the merits of this IRA and does not guarantee contributions or investments made under the IRA. Furthermore, this letter does not express any opinion as to the applicability of Code section 4975, regarding prohibited transactions.

This prototype IRA may have to be amended to include or revise provisions in order to comply with future changes in law or regulations.

If you have any questions concerning IRS processing of this case, call us at the above telephone number. Please refer to the File Folder Number (FFN) shown on the heading of this letter. Please provide those adopting this prototype with your telephone number, and advise them to contact your office if they have any questions about the operation of their IRA. Please provide a copy of this letter to each adopting individual.

You should keep this letter as a permanent recode. Please notify us if you terminate sponsorship of this prototype IRA.

Sincerely yours,

Mark F O'Donnell
Director,
Employee Plans Rulings & Agreements