



IRA OWNER AGREEMENT AND DISCLOSURE STATEMENT

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(If establishing a SEP-IRA, please read the IRS Form 5305-SEP.)

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an IRA, you are required to provide your name, residential address, date of birth, and tax identification number. The PENSCO Trust Company may also require other information that will allow it to identify you. As part of the account opening process, the PENSCO Trust Company will verify and validate this information using a third-party verification service.

INDIVIDUAL RETIREMENT ACCOUNT CUSTODIAL AGREEMENT

PENSCO Trust Company ("PENSCO Trust") is a trust company qualified to serve as a custodian of individual retirement accounts ("IRAs"). PENSCO Trust has established the following individual retirement account custodial agreement ("Custodial Agreement") in accordance with the requirements of Section 408(a) of the Internal Revenue Code of 1986 ("Code") and the regulations thereunder. This Custodial Agreement governs the individual retirement account ("Custodial Account") established upon the signing by the person who establishes the Custodial Account (the "Depositor") and PENSCO Trust's acceptance of the same. The Depositor and PENSCO Trust hereby agree as follows:

ARTICLE I

Except in the case of a rollover contribution described in Code section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), an employer contribution to a simplified employee pension plan as described in Code section 408(k), or a recharacterized contribution described in section 408A(d)(6), PENSCO Trust will accept only cash contributions up to \$4,000 for tax year 2007 and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to 5,000 for 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

ARTICLE II

The Depositor'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 Code section 408(a)(5)).

2. No part of the Custodial Account funds may be invested in collectibles (within the meaning of Code section 408(m)) except as otherwise permitted by Code 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 Custodial Agreement to the contrary, the distribution of the Depositor's interest in the Custodial Account shall be made in accordance with the following requirements and shall otherwise comply with Code section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference.

2. The Depositor's entire interest in the Custodial Account must be, or begin to be, distributed not later than the Depositor's required beginning date, April 1 following the calendar year in which the Depositor reaches age 70½. By that date, the Depositor may elect, in a manner acceptable to PENSCO Trust, 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 Depositor or the joint lives of the Depositor and his or her designated beneficiary.

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

- (a) If the Depositor dies on or after the required beginning date and:
(i) the designated beneficiary is the Depositor'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 Depositor'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 Depositor 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 Depositor as determined in the year of the Depositor's death and reduced by 1 for each subsequent year.

(b) If the Depositor 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 Depositor's death. If,

however, the designated beneficiary is the Depositor's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Depositor would have reached age 70½. But, in such case, if the Depositor'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 Depositor's death.

4. If the Depositor dies before his or her entire interest has been distributed and if the designated beneficiary is not the Depositor's surviving spouse, no additional contributions may be accepted in the Custodial Account.

5. The minimum amount that must be distributed each year, beginning with the year containing the Depositor'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 Depositor reaches age 70½, is the Depositor's Custodial 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 Depositor's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the Depositor's Custodial 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 Depositor's (or, if applicable, the Depositor 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 Depositor's death (or the year the Depositor 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 Depositor 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 traditional IRAs may satisfy the minimum distribution requirements described above by taking from one traditional IRA the amount required to satisfy the requirement for another in accordance with the regulations under Code section 408(a)(6).

ARTICLE V

1. The Depositor agrees to provide PENSICO Trust with all information necessary for PENSICO Trust to prepare any reports required by Code section 408(i) and Regulations sections 1.408-5 and 1.408-6.

2. PENSICO Trust agrees to submit reports to the Internal Revenue Service and the Depositor as prescribed by the Internal Revenue Service.

ARTICLE VI

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

ARTICLE VII

This Custodial 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 PENSICO Trust and the Depositor.

ARTICLE VIII

Article VIII consists of the additional provisions set out in the Additional Provisions immediately following the Roth Individual Retirement Account Custodial Agreement and are fully incorporated herein by reference.

ROTH INDIVIDUAL RETIREMENT ACCOUNT CUSTODIAL AGREEMENT
PENSICO Trust Company ("PENSICO Trust") is a trust company qualified to serve as custodian of individual retirement accounts ("IRAs"). PENSICO Trust has established the following Roth individual retirement account custodial agreement ("Custodial Agreement") in accordance with the requirements of Section 408(a) and 408A of the Internal Revenue Code of 1986 ("Code") and the regulations thereunder. This Custodial Agreement governs the individual retirement account ("Custodial Account") established upon the signing by the person who establishes the Custodial Account (the "Depositor") and PENSICO Trust's acceptance of the same. The Depositor and PENSICO hereby agree as follows:

ARTICLE I

Except in the case of a rollover contribution described in Code section 408A(e), a recharacterized contribution described in Code section 408A(d)(6), or an IRA Conversion Contribution, PENSICO Trust will accept only cash contributions up to \$ 4,000 for tax year 2007 and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$5,000 for 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

ARTICLE II

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

2. In the case of a joint return, the AGI limits in the preceding paragraph apply to the combined AGI of the Depositor and his or her spouse.

ARTICLE III

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

ARTICLE IV

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 Code section 408(a)(5)).

2. No part of the Custodial Account funds may be invested in collectibles (within the meaning of section 408(m) of the Code except as otherwise permitted by Code 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 V

1. If the Depositor dies before his or her entire interest is distributed to him or her and the Depositor's surviving spouse is not the designated beneficiary, the remaining interest will be distributed in accordance with (a) below or, if elected or there is no designated beneficiary, in accordance with (b) below:

(a) The remaining interest will be distributed, starting by the end of the calendar year following the year of the Depositor's death, over the designated beneficiary's remaining life expectancy as determined in the year following the death of the Depositor.

(b) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Depositor's death.

2. The minimum amount that must be distributed each year under paragraph 1(a) above is the Custodial 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 designated beneficiary using the attained age of the beneficiary in the year following the year of the Depositor's death and subtracting 1 from the divisor for each subsequent year.

3. If the Depositor's spouse is the designated beneficiary, such spouse will then be treated as the Depositor.

ARTICLE VI

1. The Depositor agrees to provide the PENSICO Trust with information necessary to prepare any reports required by Code sections 408(i) and 408A(d)(3)(E), Regulations sections 1.408-5 and 1.408-6, or other guidance published by the Internal Revenue Service.

2. PENSICO Trust agrees to submit reports to the Internal Revenue Service and the Depositor prescribed by the Internal Revenue Service.

ARTICLE VII

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

ARTICLE VIII

This Custodial 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 PENSICO Trust and the Depositor.

ARTICLE IX

Article IX consists of the additional provisions set out the Additional Provisions immediately following this Roth Individual Retirement Account Custodial Agreement and are fully incorporated herein by reference.

ADDITIONAL PROVISIONS

(Article VIII of Individual Retirement Account Custodial Agreement; Article IX of Roth Individual Retirement Account Custodial Agreement)

BY SIGNING THE ACCOMPANYING IRA APPLICATION, THE DEPOSITOR ACKNOWLEDGES THAT HE OR SHE HAS RECEIVED, HAS READ, UNDERSTANDS AND AGREES TO ALL PROVISIONS OF THIS CUSTODIAL AGREEMENT, THE FOLLOWING DISCLOSURE STATEMENT AND MISCELLANEOUS INFORMATION, THE IRA APPLICATION AND THE CURRENT FEE SCHEDULE

1. Designated Representative; Authorized Interested Party

(a) The Depositor, by providing such information in any form or manner that is otherwise acceptable to PENSICO Trust, may designate a representative ("Designated Representative") through whom PENSICO Trust shall be authorized to accept instructions for the Custodial Account and or designate or identify any person ("Authorized Interested Party") who shall be authorized to access Custodial Account information, but who shall not be authorized to give investment instructions. The Depositor (and not PENSICO Trust) shall be responsible for investigating, selecting, instructing and monitoring the Designated Representative or Authorized Interested Party, and to perform whatever investigation or due diligence as may be appropriate before selecting, designating or retaining the Designated Representative or Authorized Interested Party. The Designated Representative or Authorized Interested Party shall be the authorized agent of the Depositor and shall not be, and shall not be treated for any purpose as, an employee, agent or affiliate of PENSICO Trust, or as controlled, approved, recommended or endorsed by PENSICO Trust. PENSICO Trust shall have no duty to, and shall not, supervise or monitor the Designated Representative or any investments or transactions the Designated Representative instructs PENSICO Trust to make. PENSICO Trust may construe any and all investments and transactions requested or directed by the Designated Representative, whether written or oral, as having been duly authorized by the Depositor. PENSICO Trust may rely on any communication from any employee of the Designated Representative as having been delivered on behalf of the Designated Representative and shall have no obligation or duty to investigate or determine whether that employee was authorized to deliver those instructions. The Depositor may remove a Designated Representative or Authorized Interested Party by written notice to PENSICO Trust, provided, however, that removal of a Designated Representative shall not have the effect of canceling any notice, instruction, direction or approval received by PENSICO Trust from the removed Designated Representative before PENSICO Trust has received written notice of removal of the Designated Representative and has had a reasonable opportunity to implement such cancellation.

(b) If the Depositor designates a Designated Representative who is a registered investment advisor (RIA), these additional provisions shall apply: PENSICO Trust may accept instructions from the Designated Representative who is a RIA for investment and other transactions concerning the Custodial Account as having been duly authorized by the Depositor, whether pursuant to any power of attorney, investment management agreement or similar document or instrument pursuant to which the Depositor has given authority to the RIA with respect to assets such as the Custodial Account. PENSICO Trust may rely on and implement such instructions from a Designated Representative

who is an RIA without obtaining, reviewing or requiring such Designated Representative to provide a copy of any power of attorney, investment management agreement or similar document signed by Depositor, and without determining the existence or scope of any restrictions on the authority of the Designated Representative. Depositor agrees that it (and not PENSICO Trust) is responsible for monitoring the instructions and authorizations issued by the Designated Representative. (c) If Depositor appoints a Designated Representative who is a RIA, the Depositor agrees that PENSICO may communicate with the Designated Representative as the principal point of contact with respect to all matters concerning the Custodial Account of the Depositor and that PENSICO Trust shall have no obligation to copy the Depositor on its communications with the Designated Representative. The Depositor also authorizes PENSICO Trust to provide copies of all correspondence, reports and statements with respect to the Custodial Account and any related information about the Custodial Account to a Designated Representative who is a RIA.

2. The Depositor's Responsibilities for Investment Decisions and Authorization

(a) The Depositor (or the Depositor's Designated Representative) may direct PENSICO Trust to invest Custodial Account assets in any lawful investment acceptable to PENSICO Trust, in a format prescribed by PENSICO Trust. Cash balances in the Custodial Account for which no investment instructions have been received shall be placed in an interest-bearing account, subject to the provisions of Paragraph 4 below. PENSICO Trust and PENSICO INC. shall have no investment responsibility with respect to the investment of assets in the Custodial Account. The Depositor and the Depositor's Designated Representative have the sole authority and responsibility to direct the investment of Custodial Account assets. PENSICO TRUST AND PENSICO INC. SHALL NOT BE RESPONSIBLE OR LIABLE FOR TAXES, LOSSES OR OTHER CONSEQUENCES RESULTING FROM INVESTMENTS MADE OR TRANSACTIONS ENTERED INTO AT THE DIRECTION OF THE DEPOSITOR OR THE DEPOSITOR'S DESIGNATED REPRESENTATIVE, OR FROM FOLLOWING INSTRUCTIONS OR DIRECTIONS FROM THE DEPOSITOR OR THE DEPOSITOR'S DESIGNATED REPRESENTATIVE.

(b) The Depositor shall be solely responsible for determining the suitability, nature, prudence, value, viability, risk, safety, legality, tax consequences and merit of, and to perform any "due diligence" or other investigation with respect to, any particular investment, strategy or transaction involving Custodial Account assets. PENSICO Trust and PENSICO Inc. shall have no responsibility for, and shall not undertake, any such determination, performance or investigation. PENSICO Trust and PENSICO Inc. shall render no tax, legal investment or other advice (and no statement, communication or other act by PENSICO Trust or PENSICO Inc. or any of their employees or agents shall be deemed to constitute or may be relied upon as any such advice) with respect to any investment or transaction involving Custodial Account assets. PENSICO Trust shall be authorized, and shall have the responsibility, only to acquire, hold and dispose of such investments as directed by the Depositor and/or the Depositor's Designated Representative or as expressly provided in this Custodial Agreement.

(c) The Depositor shall be solely responsible for monitoring Custodial Account investments. PENSICO Trust and PENSICO Inc. shall have no responsibility whatsoever for supervising or monitoring investments or transactions of the Custodial Account,

ensuring the receipt of Custodial Account disbursements or engaging in any collections or related activities.

(d) The Depositor shall be solely responsible for the success, failure or other consequences of any investment or transaction directed by the Depositor or the Depositor's Designated Representative. PENSICO Trust and PENSICO Inc. shall not be liable or otherwise accountable for taxes, losses, expenses or other consequences resulting from investments made or transactions entered into, or acts taken or omitted in accordance with the Depositor's and/or the Depositor's Designated Representative's directions or for taking or failing to take any actions in reliance on the instructions or representations of the Depositor or the Depositor's Designated Representative, and PENSICO Trust shall have no liability or responsibility for monitoring or confirming the scope of authority granted by the Depositor to any Designated Representative of the Depositor. Without limiting the generality of the indemnification obligation of the Depositor pursuant to Paragraph 11, the Depositor agrees to hold PENSICO Trust and PENSICO Inc. and their employees and agents harmless from all losses, liabilities and expenses incurred, including attorney's fees, arising out of their administration of the Custodial Account or in connection with any actions taken or failures to act in reliance upon the Depositor's or Designated Representative's instructions.

(e) The Depositor acknowledges that certain investments or types of investments or transactions may pose administrative or other burdens to PENSICO Trust and/or PENSICO Inc., and therefore PENSICO Trust reserves the right not to process or accept such investments or transactions. The decision not to act on investment directions that PENSICO Trust deems unacceptable for administrative or other reasons shall in no way be construed as a determination by PENSICO Trust or PENSICO Inc. concerning the suitability, nature, prudence, value, viability, risk, safety, legality, tax consequences or merit of the investment or transaction. The Depositor further acknowledges that (1) any administrative review performed by PENSICO Trust and/or PENSICO Inc. is solely for their benefit and is not a "due diligence" or other review with regard to the investment or transaction and (2) the conducting or results of such a review shall not constitute, may not be relied upon as, or in any way obligate PENSICO Trust or PENSICO Inc. or their employees or agents to provide, an opinion, recommendation or prediction or advice regarding the suitability, nature, prudence, value, viability, risk, safety, legality, tax consequences, merit or any other aspect of the investment or transaction.

(f) The Depositor acknowledges that certain types of investments or transactions directly or indirectly involving or relating to the Custodial Account or its assets or income may (1) constitute prohibited transactions, within the meaning of Code section 4975, resulting in tax consequences to the Depositor and/or other persons, (2) generate "unrelated business taxable income tax," as defined in the Code, for the Custodial Account, (3) constitute "listed transactions or "reportable transactions," as defined in the Code and regulations or other pronouncements issued by the United States Treasury or Internal Revenue Service, resulting in reporting requirements, and adverse consequences for failing to comply with any applicable reporting or other requirements, for the Depositor and/or other persons and/or (4) may otherwise result in adverse tax consequences to the Custodial Account or the Depositor. IT IS THE DEPOSITOR'S RESPONSIBILITY TO DETERMINE, AND TO CONSULT HIS OR HER

OWN ADVISOR AS THE DEPOSITOR DEEMS NECESSARY OR ADVISABLE IN ORDER TO DETERMINE, WHETHER AN INVESTMENT OR TRANSACTION INVOLVING THE CUSTODIAL ACCOUNT OR ITS ASSETS OR INCOME DOES OR MAY CONSTITUTE A PROHIBITED TRANSACTION, GENERATE UNRELATED BUSINESS TAXABLE INCOME, CONSTITUTE A LISTED OR REPORTABLE TRANSACTION, OR RESULT IN ANY OTHER TAX OR ADVERSE CONSEQUENCE, AND THE CONSEQUENCES, REQUIREMENTS AND OBLIGATIONS RESULTING THEREFROM. PENSICO TRUST AND PENSICO INC. AND THEIR EMPLOYEES AND AGENTS SHALL NOT BE RESPONSIBLE FOR MAKING ANY SUCH DETERMINATION, OR FOR NOT ADVISING THE DEPOSITOR TO MAKE ANY SUCH DETERMINATION. PENSICO TRUST AND PENSICO INC. SHALL NOT BE HELD LIABLE FOR LOSSES, TAXES, PENALTIES OR OTHER CONSEQUENCES RESULTING FROM ANY CUSTODIAL ACCOUNT INVESTMENT OR TRANSACTION THAT CONSTITUTES A PROHIBITED TRANSACTION, GENERATES UNRELATED BUSINESS INCOME TAXABLE INCOME, IS A LISTED TRANSACTION OR REPORTABLE TRANSACTION, OR OTHERWISE RESULTS IN ANY ADVERSE CONSEQUENCE TO ANY PERSON.

3. Limited Duties of PENSICO Trust

(a) PENSICO Trust shall act as custodian of the Custodial Account, and PENSICO Trust and its agents shall have the duty and authority with respect to the Custodial Account, to:

- (i) receive all contributions and, except as otherwise provided in this Custodial Agreement, invest them pursuant to the instructions of the Depositor or the Depositor's Designated Representative;
- (ii) purchase, sell, transfer, hypothecate, mortgage, encumber, take title to, record, and obtain title and other insurance for, real or personal property, anywhere situated, according to the instructions of (and only if instructed by) the Depositor or Depositor's Designated Representative, to the extent not inconsistent with the other terms of the Custodial Agreement or applicable law;
- (iii) to pay insurance premiums, real property and other taxes, and other expenses associated with any assets of the Custodial Account, according to the instructions of (and only if instructed by) the Depositor or the Depositor's Designated Representative;
- (iv) reinvest all dividends and capital gains distributions from Custodial Account investments according to (and only according to) the instructions of the Depositor or the Depositor's Designated Representative;
- (v) produce and furnish to the Depositor and (if the Designated Representative is a RIA) to the Depositor's Designated Representative, a statement showing contributions, investments, deductions, distributions and other disbursements made under this Custodial Agreement or to or from the Custodial Account for any reason including fees, withdrawals and returns of excess contributions; and
- (vi) file and provide to Depositor and (if the Designated Representative is a RIA) to the Depositor's Designated Representative, reports and information required under the Code, the Regulations thereunder or the Internal Revenue Service.

(b) Neither PENSICO Trust nor PENSICO Inc. shall have any duties except for those duties expressly imposed under this Custodial Agreement, the Code, the Regulations thereunder, the Internal Revenue Service and other applicable law. PENSICO Trust and PENSICO Inc. shall have NO duty, to, among other things:

- (i) ascertain whether any contribution to the Custodial

Account is properly made under applicable provisions of the Code or otherwise;

(ii) determine whether the amount of contributions exceeds any limitation contained in any applicable provision of the Code or otherwise;

(iii) determine the permissibility or tax or other consequences of any distribution requested by the Depositor or any beneficiary;

(iv) perform any "due diligence," investigation or other review of the suitability, nature, prudence, value, viability, risk, safety, legality, tax consequences or merits of any investment the Depositor or the Depositor's Designated Representative instructs PENSICO Trust to make;

(v) monitor or supervise the activities of, or confirm or determine to scope of authority granted by the Depositor to, the Depositor's Designated Representative;

(vi) question the Depositor's or the Depositor's Designated Representative's

instructions regarding any investment or transaction;

(vii) determine the market or other value of any illiquid or non-publicly traded asset held in the Custodial Account;

(viii) act as an investment adviser to the Depositor or review or make suggestions with regard to investments or transactions involving the assets of the Custodial Account; or

(ix) determine whether any transaction or investment would constitute a prohibited transaction, generate unrelated business taxable income, or constitute a listed transaction or reportable transaction, as any of those foregoing terms are defined in the Code and Regulations thereunder, or to inform the Depositor of the consequences and reporting requirements with respect to same.

(c) Whenever the Depositor or Designated Representative gives any direction, notice, warranty, representation or instruction under this Custodial Agreement, PENSICO Trust and PENSICO Inc. shall be entitled to assume the truth of any statement made by the Depositor or Designated Representative, or believed to have been made by the Depositor or Designated Representative, in connection therewith, and PENSICO Trust and PENSICO Inc. shall be under no duty of further inquiry with respect thereto, and shall have no liability with respect to any action taken in reliance upon such statement. Furthermore, if any direction, notice or instruction from the Depositor or the Depositor's Representative is incomplete, ambiguous or unclear, PENSICO Trust may, in its discretion, request completion or clarification and not act in accordance with such direction, notice or instruction until adequate completion or clarification is provided.

(d) NEITHER PENSICO TRUST NOR PENSICO, INC. IS A FIDUCIARY WITH RESPECT TO THE DEPOSITOR OR THE CUSTODIAL ACCOUNT. NOTHING IN THIS AGREEMENT IS INTENDED TO OR SHALL IMPOSE OR CONFER, BY IMPLICATION OR OTHERWISE, ANY FIDUCIARY DUTY OR RESPONSIBILITY ON PENSICO TRUST OR PENSICO INC. THE DEPOSITOR UNDERSTANDS AND AGREES THAT PENSICO TRUST AND PENSICO INC. HAVE NO DUTY, FIDUCIARY OR OTHERWISE, TO: (1) EVALUATE ANY INVESTMENT OPPORTUNITY OR (2) INVESTIGATE, EVALUATE OR REPORT TO THE DEPOSITOR ANY INFORMATION THAT PENSICO TRUST MAY POSSESS OR MAY BECOME AWARE OF REGARDING ANY INVESTMENT OPPORTUNITY, ENTITY OR ENTERPRISE IN WHICH THE CUSTODIAL ACCOUNT IS INVESTING OR HAS INVESTED OR ANY SPONSOR OR MANAGEMENT OF SUCH INVESTMENT OPPORTUNITY. THE

DEPOSITOR ACKNOWLEDGES THAT PENSCO TRUST AND PENSCO INC. HAVE NO DUTIES OF ANY KIND, EXPRESS OR IMPLIED, TO THE DEPOSITOR, EXCEPT AS ARE EXPRESSLY SET FORTH IN THIS AGREEMENT.

4. Minimum Cash Balance; Cash Reserve Account

Notwithstanding any other provision to the contrary in this Custodial Agreement, the Depositor shall maintain a minimum balance of \$100 (or such reasonably greater amount as PENSCO Trust may require upon appropriate notice to the Depositor) of un-invested cash in the Custodial Account. PENSCO Trust may, in its discretion, elect to disregard any direction of the Depositor, or of the Depositor's Designated Representative, to the extent necessary for such minimum balance to be maintained in the Custodial Account. Any cash in the Custodial Account in excess of such minimum balance shall be invested in accordance with the instructions of the Depositor, or his or her Designated Representative, subject to the other terms of this Custodial Agreement. The Depositor hereby directs PENSCO Trust to sweep all undirected and un-invested cash from any source, including but not limited to contributions, transfers and income cash from assets in the Custodial Account, into a cash reserve account ("CRA"), and then deposit such CRA-swept cash into one or more FDIC-insured banks that PENSCO Trust chooses. The Depositor acknowledges that each bank chosen will provide FDIC insurance up to the legal limit (currently \$250,000 per accountholder), and that any amount in excess of \$250,000 may not be insured. The Depositor acknowledges that depository banks must be considered "well-capitalized" by the FDIC and are selected on the basis of strength and performance. Interest earned on such CRA cash balance, net of the CRA fee described in paragraph 16 below, shall be credited to the CRA as of the end of each quarter, provided the average account balance for the quarter is equal to or greater than the required minimum balance of \$100. If the Custodial Account's average quarterly balance is less than the required minimum balance of \$100, the Custodial Account will not receive interest for the quarter.

5. The Depositor's Responsibility to Ensure Proper Tax Treatment, Payment of Liabilities and Compliance with Reporting Requirements

The Depositor shall be solely and fully responsible for ensuring proper payment of any taxes, tax penalties and other liabilities, and compliance with the Depositor's reporting obligations, in connection with contributions to, disbursements from, or investments or transactions with respect to the Custodial Account, and for the consequences of such payment (or nonpayment) or of any noncompliance with applicable reporting requirements. Among other things, it shall be the sole and full responsibility of the Depositor:

- (a) to ensure that any contribution intended to be tax-deductible under Code section 219 or any corresponding provision of state law is so deductible;
- (b) to ensure that Custodial Account earnings intended by the Depositor to be tax-deferred qualify for tax-deferred treatment;
- (c) to ensure that contributions intended as tax-free rollover contributions, recharacterized contributions, conversion contributions or transfers, as the case may be, qualify as such;
- (d) for any year that the Custodial Account has "unrelated business taxable income," within the meaning of the Code, before deductions, of more than one thousand dollars (\$1,000),
 - (1) obtain a taxpayer identification number from the Internal

Revenue Service for the Custodial Account, (2) to prepare or have prepared on behalf of the Custodial Account and submit to PENSCO Trust fully completed federal, state and other tax return forms, including requests for filing extensions, and any other documents required to be filed with the Internal Revenue Service or other agency in connection with such forms, at least five (5) business days before the filing deadline for each such form and (3) at the time such forms are submitted to PENSCO Trust, to provide PENSCO Trust with a written directive (or directive in another manner acceptable to PENSCO Trust) authorizing and directing PENSCO Trust to sign such forms on behalf of the Custodial Account and to pay to the Internal Revenue Service or other agency all amounts which the applicable form reports are due to it.

(e) to ensure that all taxes and penalties due are properly and timely paid and that all tax and other reporting requirements, other than those which under this Custodial Agreement PENSCO Trust has expressly undertaken to satisfy, are properly and timely complied with. Notwithstanding the foregoing, PENSCO Trust, in its sole discretion, may sell or liquidate assets in the Custodial Account, in reverse order of purchase of assets, to the extent necessary to satisfy any tax deficiency with respect to the Custodial Account reported to PENSCO Trust by the Internal Revenue Service, or of any liability properly chargeable to the Custodial Account, and shall not be liable for any consequences of such sale, liquidation or payment.

6. PENSCO Trust Agents

PENSCO Trust may engage agents and organizations, including but not limited to PENSCO Inc., for the purpose of performing administrative or other custodial-related services in connection with the Custodial Account or this Custodial Agreement. The limitations on the duties of PENSCO Trust to the Depositor under this Custodial Agreement or otherwise shall also apply to each agent or organization so engaged.

7. Transfers; Roth IRA Conversions; Recharacterizations and Reconversions; Non-spouse Rollover Contributions

(a) If the Custodial Account is not a Roth IRA, the Depositor may, in the form and manner prescribed by or otherwise accepted by PENSCO Trust, direct that assets of the Custodial Account be transferred to another IRA of the Depositor that is not a Roth IRA, or, subject to the consent of PENSCO Trust, direct that the Custodial Account accept a transfer of assets from another IRA of the Depositor that is not a Roth IRA, whether or not PENSCO Trust is the custodian of such other IRA. If the Custodial Account is a Roth IRA, the Depositor may, in the form and manner prescribed by or otherwise accepted by PENSCO Trust, direct that assets of the Custodial Account be transferred to another Roth IRA of the Depositor, or, subject to the consent of PENSCO Trust, direct that the Custodial Account accept a transfer of assets from another Roth IRA of the Depositor, whether or not PENSCO Trust is the custodian of such other Roth IRA. The Depositor acknowledges that if a transfer of assets to the Custodial Account is from an IRA of which the Depositor was a death beneficiary (1) the rules relating to required minimum distributions to the Depositor as necessary to comply with the requirements of Code section 401(a)(9) and the Regulations thereunder are different from the required minimum distributions otherwise applicable to the Depositor under this Custodial Agreement, (2) compliance with applicable required minimum requirements may depend on information not in the possession of or available to PENSCO Trust

and (3) the Depositor shall be solely responsible for compliance with applicable distribution requirements.

(b) If the Custodial Account is not a Roth IRA, the Depositor may, in a form and manner prescribed by or otherwise accepted by PENSCO Trust, convert all or a portion of the Custodial Account to, or redesignate the entire Custodial Account as, a Roth IRA in a manner and time that complies with Code section 408A, the Regulations thereunder and any other applicable guidance. Upon such conversion or redesignation, the Custodial Account (or such portion, as the case may be) shall be subject to all provisions of the foregoing Roth Individual Retirement Account Custodial Agreement instead of the foregoing Individual Retirement Account Custodial Agreement.

(c) The Depositor may, in a manner and at a time that complies with Code section 408A, the Regulations thereunder, and any other applicable guidance, and in a form and manner prescribed by or otherwise accepted by PENSCO Trust, (1) recharacterize all or any portion of a contribution to the Custodial Account that is not a Roth IRA as a contribution to a Roth IRA, (2) recharacterize all or any portion of a contribution to a Custodial Account that is a Roth IRA as a contribution to an IRA that is not a Roth IRA or (3) reconvert any portion of any Custodial Account that had been converted to or designated as a Roth IRA as being held by an IRA that is not a Roth IRA. Amounts so recharacterized or reconverted shall then be subject to (1) in the case of a recharacterization as a contribution to an IRA that is not an IRA or a reconversion, all provisions of the foregoing Individual Retirement Account Custodial Agreement instead of the foregoing Roth Individual Retirement Account Custodial Agreement and (2) in the case of a recharacterization as a Roth IRA contribution, all provisions of the foregoing Roth Individual Retirement Account Custodial Agreement instead of the foregoing Individual Retirement Account Custodial Agreement.

(d) PENSCO Trust shall have no responsibility for determining whether any transfer described in (a) above complies with the requirements for a tax-free transfer or whether the custodian, other than PENSCO Trust, or trustee of any IRA involved in such transfer is qualified to serve as such, or of any tax consequences or loss resulting from any attempted or completed transfer. PENSCO Trust's transfer to, or acceptance of a transfer, under this Custodial Agreement shall in no way constitute, or be deemed to be or relied upon as, any such determination, and PENSCO Trust shall have no liability for any tax consequence or loss resulting from any such attempted or completed transfer. Furthermore, PENSCO Trust shall have no responsibility for determining whether the Depositor is eligible to make a conversion, redesignation, recharacterization, or reconversion (each of which is hereinafter referred to as an "IRA Change") described in (b) or (c) above, whether any attempted or completed IRA Change complies with applicable requirements for such IRA Change or of any tax consequences or loss resulting from any such attempted or completed IRA Change. PENSCO Trust's implementation of an IRA Change in accordance with the instructions of the Depositor under this Custodial Agreement shall in no way constitute, or be deemed to be or relied upon as, any such determination. PENSCO Trust shall have no liability for any tax consequence or loss resulting from any attempted or completed IRA Change.

(e) The Depositor may, with the consent of PENSCO Trust, make

a rollover contribution described in Code section 402(c)(11) (relating to a distribution from an eligible retirement plan, within the meaning of that section, to a non-spouse beneficiary under that plan) to the Custodial Account, provided that no other contribution is made to the Custodial Account. Notwithstanding any provision of this Custodial Agreement to the contrary, minimum distributions from a Custodial Account to which a rollover contribution described in Code section 402(c)(11) has been made shall be made in accordance with the minimum distribution requirements of the Code and regulations applicable to such contributions. The Depositor acknowledges that if such a rollover contribution to the Custodial Account is made (1) the rules relating to required minimum distributions to the Depositor as necessary to comply with the requirements of Code sections 401(a)(9) and 402(c)(11) and the Regulations thereunder are different from the required minimum distributions otherwise applicable to the Depositor under this Custodial Agreement, (2) compliance with applicable required minimum requirements may depend on information not in the possession of or available to PENSCO Trust and (3) the Depositor shall be solely responsible for compliance with applicable distribution requirements.

8. Death Beneficiary

The Depositor may, in a form and manner prescribed by or otherwise accepted by PENSCO Trust, designate any person, including an individual, trust, estate, charitable institution or private foundation, as beneficiary or beneficiaries who shall be paid the portion of the Custodial Account that is undistributed at the time of the Depositor's death. The Depositor may, in a form and manner prescribed by or otherwise acceptable to PENSCO Trust, revoke or change a designation of beneficiary. The designation of beneficiary last executed by the Depositor and accepted by PENSCO Trust prior to the Depositor's death shall be considered his or her effective designation of beneficiary. If at the time of the Depositor's death the Depositor had failed to designate a beneficiary, or if the Depositor's designation of beneficiary is inoperative or ineffective for any reason, then, for all purposes of the Custodial Agreement, the Depositor's surviving spouse, if any, shall be deemed to be the Depositor's designated beneficiary; or if there is no surviving spouse, the Depositor's then living issue, by right of representation, shall be deemed to be the Depositor's designated beneficiary; or if there are none, the Depositor's estate shall be deemed to be the Depositor's designated beneficiary. If any beneficiary to whom a distribution is to be made is reasonably believed by PENSCO Trust to be a minor or legally incompetent, PENSCO Trust may, in its sole discretion, pay all or any portion of such distribution to such individual's parent, guardian, conservator or other legal representative, or, if the individual is a minor, to an account established for the benefit of such individual under the Uniform Transfers to Minors Act, in which event PENSCO Trust shall not be liable to any person on account of any such distribution so made in good faith.

9. Custodial Account Following Death of Depositor

(a) If, upon the death of the Depositor, the Depositor's surviving spouse is the sole designated beneficiary of the Custodial Account other than a Custodial Account to which a rollover contribution described in Paragraph 7(e) has been made, he or she may elect, in a form and manner prescribed by or otherwise accepted by PENSCO Trust, to treat the Custodial Account as his or her own. Upon making such an election, the

surviving spouse shall thereafter be treated as the Depositor for all purposes of this Custodial Agreement. Notwithstanding the foregoing, if the IRA is a Roth IRA, and if the Depositor's spouse is the designated beneficiary, such spouse shall be treated as the Depositor without regard to whether he or she makes an election to that effect.

(b) If, upon the death of the Depositor, the Depositor's surviving spouse is not the sole designated beneficiary of the Custodial Account, or if the surviving spouse is not treated as the Depositor for purposes of this Agreement pursuant to (a) above, then (1) if there is more than one designated beneficiary, the Custodial Account shall be divided, in a manner consistent with the designation of beneficiary, into as many subaccounts as there are designated beneficiaries, (2) no additional contributions shall be made to the Custodial Account, (3) the provisions of the preceding Paragraph 8 shall apply to Custodial Account (or the designated beneficiary's subaccount, as the case may be) for any designated beneficiary of the Depositor ("original designated beneficiary") who is an individual and any beneficiary designated or deemed to be designated by the original beneficiary ("successor designated beneficiary") who is an individual, provided however, that notwithstanding any other provision of this Custodial Agreement to the contrary, any portion of the Custodial Account (or subaccount) that is undistributed at the time of the Depositor's death shall be distributed in accordance with the minimum distribution requirements applicable if the original designated beneficiary had not died and (4) the provisions of this Custodial Agreement, other than the provisions of Paragraph 7(b) and (c) and provisions relating to required minimum distributions, shall be applicable to and binding upon any beneficiary as if the beneficiary were the Depositor.

10. Withdrawals from Custodial Account.

All requests for withdrawals from the Custodial Account shall be in writing on a form provided by or acceptable to PENSICO Trust. The reason for the withdrawal and the method of distribution must be stated in writing. The tax identification number of the recipient must be provided to PENSICO Trust before PENSICO Trust is obligated to make a distribution. Any withdrawals shall be subject to all applicable tax and other laws and regulations including possible early withdrawal penalties and withholding requirements.

11. Indemnification of PENSICO Trust and PENSICO Inc.

The Depositor agrees to defend, indemnify and hold harmless PENSICO Trust, PENSICO Inc., their employees, directors, shareholders, officers, agents and representatives, and any successors or assigns of the foregoing, from and against any and all damages, losses, liabilities, claims, actions, costs and expenses, including but not limited to attorneys' fees, court costs and witness fees, that PENSICO Trust and PENSICO Inc., or any of such persons may be subject to, incur or pay out, based on, as a result of, arising out of or otherwise related in any way to:

(a) any act of PENSICO Trust or PENSICO Inc. or any other such person with respect to the Custodial Account,

(b) any claim, suit, action or liability that may be alleged or asserted against PENSICO Trust or PENSICO Inc. or any such person in connection with any investment made by PENSICO Trust or with respect to any act taken by PENSICO Trust or PENSICO Inc. or any such person pursuant to any direction from the Depositor or the Designated Representative or for failing to

act in the absence of any such direction,

(c) the investment or any transaction involving any Custodial Account asset by PENSICO Trust or any claims or allegations relating to any such investment or transaction, or

(d) any lawsuit, action, arbitration, formal inquiry or other legal proceeding in which PENSICO Trust or PENSICO Inc. or any other such person is named as a party (except for any action in which PENSICO Trust or PENSICO Inc. is named as a defendant by the Depositor alleging a breach of this Custodial Agreement by PENSICO Trust).

12. Account Statements; Valuation of Assets

(a) PENSICO Trust and PENSICO Inc. shall have no responsibility for the accuracy, or for determining the accuracy, of any account statement information based on information provided to PENSICO Trust or PENSICO Inc. by the Depositor and/or the Depositor's Designated Representative, or for the particular tax treatment of any amounts reflected on PENSICO Trust's records.

(b) Illiquid and non-publicly traded assets (such as limited partnership interests and stock that are not publicly traded) generally shall be reported on account statements at the purchase price unless PENSICO Trust receives an updated statement or opinion of the asset's fair market value from the issuer or sponsor of the asset. PENSICO Trust shall have no responsibility to conduct or arrange for any appraisal of any asset or to verify any value reported to it by the issuer or sponsor of the asset. An account statement reflecting the value of any such asset may not be relied upon as a basis for determining the intrinsic, current or market value of such asset, or for making, retaining or disposing of any investment or of entering into any transaction, or of the value of such asset for income tax purposes, or for purposes of calculating required or other distributions from or with respect to the Custodial Account. The Depositor shall have sole responsibility for determining the value of any such asset for any of the foregoing purposes.

13. Assignment and Alienation

Neither the Depositor nor any beneficiary may assign, alienate, transfer or hypothecate his or her interest in the Custodial Account or any portion thereof except (a) as required by law or an order of a court of competent jurisdiction, (b) to his or her spouse or former spouse in a transfer that, under and by virtue of Code section 408(d)(6), is not a taxable transfer or (c) as may otherwise be expressly permitted in the Custodial Agreement.

14. Proxies

PENSICO Trust shall not, except as directed by the Depositor or his or her Designated Representative, vote proxies.

15. Recorded Phone Lines

PENSICO Trust and PENSICO Inc. reserve the right to install automatic telephone recording equipment on certain telephone lines used by Custodial Account servicing personnel who handle trading functions and client inquiries. By signing this Custodial Agreement, Depositor grants PENSICO Trust and PENSICO Inc. consent to record and play back such calls.

16. Fees and Expenses

(a) In consideration for services under this Custodial Agreement, PENSICO Trust shall be paid the fees specified on the applicable Fee Schedule included in, or provided with, this Custodial Agreement. Such fees may include, but are not limited to, account establishment, account maintenance, account termination and other account administrative fees, as identified in the applicable Fee Schedule, as well as transaction processing fees and cash reserve account ("CRA") service

fees. Account establishment fees shall be paid by the Depositor at the time a completed and executed IRA Application is submitted to PENSICO Trust. Account maintenance, account termination and other account administrative fees shall be paid by deducting cash from the Custodial Account or by charging the credit card of the Depositor that is on file with PENSICO Trust in accordance with paragraph (c) below. All transaction fees associated with activities within the Custodial Account shall be charged to, and paid from, the Custodial Account only. The CRA fee associated with Custodial Account services including, but not limited to, cash management activities such as account maintenance, depository bank selection, transaction processing and sub-accounting and any other services performed for CRA accounts shall be deducted from interest earned on CRA cash prior to the crediting of such interest to the Custodial Account. The CRA fee is charged as a percentage, up to a maximum per annum rate of 3.50%, of the daily balance of Custodial Account cash held in a CRA, as described in paragraph 4 above. Account maintenance fees will be charged for any calendar quarter during which the Custodial Account is maintained by PENSICO Trust. Account maintenance fees are not prorated for partial quarters. Termination fees shall be charged upon closure of the Custodial Account, regardless of whether the account's assets are distributed to the Depositor or transferred to another custodian or trustee. PENSICO Trust may change its Fee Schedule at any time, with any such change being effective upon 30 days written notice to the Depositor, with the exception of CRA fees which may be changed and effected by PENSICO Trust at any time without notice.

(b) PENSICO Trust may charge the Depositor, and/or the Custodial Account, and shall be reimbursed by the Depositor or the Custodial Account, for any reasonable expense incurred by PENSICO Trust in connection with any services or activities that PENSICO Trust determines are necessary or advisable, or which are expressly directed by the Depositor, and which are not included in the services provided by PENSICO Trust for its normal fees. Examples of the foregoing include, but are not limited to, attorney's fees and other legal costs and expenses (including, without limitation, filing and other court fees; arbitration; mediation; investigation; expert witness, and court reporter fees and similar expenses): (1) in defense of, or otherwise on behalf of, the Custodial Account or the Depositor's interest therein in any arbitration, litigation, investigation or request by a governmental or regulatory agency, involving or relating to the Custodial Account or any of its assets or transactions; (2) in defense of PENSICO Trust, if PENSICO Trust is named in any proceeding involving the Depositor or the Custodial Account, or (3) in connection with any other judicial proceeding filed with respect to all or any portion of the Custodial Account.

(c) Upon establishment of a Custodial Account, the Depositor shall furnish PENSICO Trust with a valid credit card account number and shall authorize PENSICO Trust to charge that account for fees and expenses in accordance with this Paragraph 16. If such credit card account expires, or otherwise ceases to be valid, the Depositor shall immediately so inform PENSICO Trust, provide PENSICO Trust with another valid credit card account number and authorize PENSICO Trust to so charge that account. In the absence of cash or money market shares in the Custodial Account sufficient to pay the appropriate fees or expenses when due, PENSICO Trust shall

charge the valid credit card on file for such fees or expenses. If such charge can not be consummated, PENSICO Trust shall invoice the Depositor for all outstanding fees and expenses and shall assess invoice print fees and applicable late charges, as disclosed in the Fee Schedule, and/or may liquidate investments in the Custodial Account, in reverse order of purchase, as necessary for the Custodial Account to pay such fees and expenses. In the event of an overdraft in the Custodial Account, PENSICO Trust shall provide the Depositor with written notice to immediately pay PENSICO Trust or the Custodial Account directly to remedy such overdraft. Upon failure of the Depositor to pay outstanding fees or expenses or to remedy an overdraft in the Custodial Account within the time specified, PENSICO Trust may employ a collection agency to recover all unpaid fees or expenses or unpaid overdrafts.

17. Resignation and Removal of PENSICO Trust; Successor Custodian or Trustee

(a) PENSICO Trust may resign as custodian of the Custodial Account by giving 30 days written notice to the Depositor at the Depositor's last known address, or may be removed as custodian by the Depositor giving PENSICO Trust written notice and instructions regarding disposition of assets of the Custodial Account. Upon the Depositor's receipt of PENSICO Trust's written notice of resignation, the Depositor shall make arrangements to transfer the assets of the Custodial Account to an IRA or Roth IRA, as the case may be, maintained by another custodian or trustee. PENSICO Trust shall have no responsibility for determining or advising the Depositor if the custodian or trustee designated by the Depositor is qualified to act as such or if the recipient account designated by the Depositor qualifies as an IRA or Roth IRA, as the case may be. If the Depositor does not complete such a transfer within 30 days of PENSICO Trust's written notice to the Depositor, PENSICO Trust has the right to select a successor custodian or trustee at its discretion and complete the transfer or to distribute the assets of the Custodial Account to the Depositor. PENSICO Trust shall not be liable for any action or failure of action by any successor custodian or trustee or for any tax consequences that may occur as a result of a distribution or transfer of the Custodial Account assets.

(b) If this Custodial Agreement is terminated by either the Depositor or PENSICO Trust, PENSICO Trust may withhold and/or apply Custodial Account assets to pay any fees, expenses, taxes or liabilities properly chargeable to the Custodial Account.

(c) If PENSICO Trust is merged with another organization or if PENSICO Trust is purchased, or substantially all of its assets are acquired by another organization, or if PENSICO Trust assigns the Custodial Account to a successor custodian or trustee (assuming such successor is qualified to serve as such), that organization shall then become the custodian or trustee of the Custodial Account.

18. Conflicting Claims

In the event that conflicting claims arise, or in the reasonable opinion of PENSICO Trust may arise, to any assets or rights with respect to all or any portion of the Custodial Account, PENSICO Trust may, in its discretion, cause a court action to be filed with respect to the Custodial Account (or portion thereof) in accordance with applicable law and the other provisions of this Custodial Agreement. PENSICO Trust shall in no way be liable to any person for any diminution in value of the Custodial Account or any asset, or of any loss to any person, as a result of any such

action which PENSICO Trust in good faith causes to be filed.

19. Mandatory Arbitration

All claims and disputes of every type and matter in any way associated or connected with this Custodial Agreement or the Custodial Account which may arise between the Depositor and PENSICO Trust and/or PENSICO Inc. shall be submitted to binding arbitration pursuant to JAMS' Comprehensive Arbitration Rules and Procedures. Such arbitration shall be conducted only at JAMS in Boston, Massachusetts or San Francisco, California, at PENSICO Trust's option, before a former judge. The Depositor expressly waives any right he or she may have to institute or conduct litigation in any other forum or location. The Depositor understands that arbitration is final and binding on the parties and that an award rendered by the arbitrator(s) may be entered by any court having proper jurisdiction. The Depositor acknowledges that applicable arbitration rules may disallow or restrict pre-arbitration discovery, including depositions, written interrogatories or document production, and may not require the arbitration award to include factual findings or legal reasoning, and that any party's right to appeal or seek modifications of rulings by the arbitrator(s) is strictly limited.

20. Attorney's Fees

In the event of any dispute or controversy between PENSICO Trust or PENSICO Inc. and the Depositor (or the Designated Representative) with regard to the Custodial Account or this Custodial Agreement or any provision hereof, or its interpretation, construction or implementation, or relating to the respective duties of the parties hereunder, the prevailing party in such dispute shall be entitled to recover from the non-prevailing party all reasonable fees, costs and expenses, including without limitation, attorneys' fees, costs and expenses incurred by or on behalf of the prevailing party, all of which shall be in addition to any award of damages or other relief to which such party is entitled.

21. Definition of IRA Conversion Contribution

For purposes of the Roth Individual Retirement Account Custodial Agreement, an "IRA Conversion Contribution" shall mean amounts or assets rolled over, transferred, converted or redesignated to a Roth IRA from an IRA that is not a Roth IRA, or, on or after January 1, 2008, an eligible retirement plan, as defined in Code section 402(c)(8)(B), in a time and manner that complies with Code section 408A, the Regulations thereunder and other applicable guidance.

22. Indexing of Adjusted Gross Income Limits for Roth IRA Contributions

The adjusted gross income amounts of \$95,000, \$110,000, \$150,000 and \$160,000 in Article II of the Roth Individual Account Custodial Agreement shall be adjusted in accordance with the dollar amount adjustment provisions of Code section 408A(c)(3).

23. Additional Contributions for Certain Depositors Participating in 401(k) Plan of Bankrupt Employers

If for any year the Depositor is an "applicable individual" described in Code section 219(b)(5)(C)(ii), the Depositor may make the additional contributions for such year to the Custodial Account in accordance with the provisions of Code section 219(b)(5)(C).

24. Non-deposit Investments Not Insured by FDIC

Depositor acknowledges that non-deposit investments, such as, but not limited to, stocks, bonds, mutual funds, notes, real estate and private placements, of the Custodial Account are not insured by the Federal Deposit Insurance Corporation and are

subject to investment risks, including the loss of principal.

25. Verification of Depositor Identification

Depositor acknowledges that to comply with federal law, PENSICO Trust may request as a condition for establishing the Custodial Account the name, address, date of birth and tax identification number of Depositor, may require other information that will allow PENSICO Trust to identify Depositor, and will verify the information provided by Depositor using a third-party verification service.

26. Governing Law

Except to the extent governed by or subject to the requirements of the Code or other applicable federal law, or preempted by federal law, this Custodial Agreement shall be governed by and construed and administered under the laws of the State of New Hampshire, without giving effect to any state's choice of law provisions.

27. Effective Date

This Custodial Agreement shall take effect upon the Depositor's execution of the accompanying IRA Application.

28. Termination

This Custodial Agreement shall terminate upon the earliest of (1) the date Custodial Account assets have been disposed of as the result of the Depositor's removal of PENSICO Trust as custodian in accordance with Paragraph 17 above, (2) the date all assets of the Custodial Account have been distributed, (3) the date the Custodial Account ceases to meet the requirements of Code section 408 (and section 408A, if the Custodial Account is a Roth IRA) or (4) the date all Custodial Account assets have been transferred to and accepted by a successor custodian or trustee as the result of the resignation of PENSICO Trust as custodian in accordance with Paragraph 17 above.

29. Entire Agreement

This Custodial Agreement, the following Individual Retirement Account Disclosure Statement and Roth Individual Retirement Account Disclosure Statement, the accompanying IRA Application and Fee Schedule constitute the entire agreement between PENSICO Trust and the Depositor with respect to the subject matter hereof and supersede all oral and written agreements, negotiations, understandings and communications regarding such subject matter. Except as otherwise provided in this Custodial Agreement, this Custodial Agreement may not be modified or amended except in a writing signed by both PENSICO Trust and the Depositor or upon reasonable notice by PENSICO Trust.

INDIVIDUAL RETIREMENT ACCOUNT DISCLOSURE STATEMENT

The following information is provided in accordance with the requirements of the Internal Revenue Service (IRS). Additional information can be obtained from IRS Publication 590, which is available at the IRS website at www.irs.gov.

A. In General

Contributions to a traditional IRA (an IRA which is not a Roth IRA) and earnings on them are generally not subject to federal income tax until you or your beneficiary actually begin to receive distributions from it.

The state income tax treatment of your traditional IRA may differ. Information regarding applicable state income tax rules should be available from your state taxing authority or a tax professional. Neither PENSICO Trust nor its agents act as your tax, legal or investment adviser for your IRA.

B. Right of Revocation

You are entitled to revoke a newly-established PENSICO Trust IRA within seven days of the date you receive this Disclosure Statement. Upon revocation, your entire contribution, plus the establishment fees, will be returned without adjustment for such items as sales commissions or administrative expenses. To make an effective revocation, a written notification of revocation must be mailed or hand-delivered to PENSICO Trust on or before seven days after the date you receive this Disclosure Statement. If the written notification is mailed by regular first-class mail, it will be deemed mailed on the date of postmark. If it is sent by certified or registered mail, it will be deemed mailed on the date of certification or registration. If mailed, the written notice of revocation must be mailed in the United States by at least first class mail, with postage prepaid, and addressed to:

PENSICO Trust Company	Overnight Delivery Address:
P.O. Box 26903	450 Sansome Street, 14th Floor
San Francisco, CA	San Francisco, CA
94126-6903	94111-3306
(415) 274-5600 • Fax (415) 956-3016 • (800) 969-4IRA (4472)	

C. Statutory Requirements for a Traditional IRA

The statutory requirements for a traditional IRA, which are described in Section 408(a) of the Internal Revenue (Code), are as follows:

1. Except in the case of a rollover contribution from another IRA (other than a Roth IRA) or an eligible rollover from a tax-qualified plan, governmental "eligible deferred compensation plan" under Code section 457(b) or annuity described in Code section 403(a) or 403(b), or a recharacterized contribution from a Roth IRA, no contribution will be accepted unless it is in cash.
2. Contributions on behalf of any individual will not be accepted for the taxable year in excess of the limits discussed below.
3. No part of the IRA may be invested in life insurance or be commingled with other property, except in a common trust fund or common investment fund.
4. The entire IRA balance must be nonforfeitable (vested).
5. No part of the IRA may be invested in collectibles, which is defined in Code section 408(m) to include any work of art, rug, antique, metal, gem, stamp, alcoholic beverage, or any other tangible property specified by the IRS. There are exceptions for certain coins and bullion.
6. You must begin to take distributions from the IRA, in at least minimum amounts specified in the tax laws, by April 1 of the year following the year you attain age 70½. If any portion of your IRA is undistributed when you die, the balance of your IRA must be distributed to your death beneficiary(ies) in compliance with the tax laws. However, different required distribution rules apply if you established the IRA through a rollover of an amount you were entitled to receive as the non-spouse death beneficiary under an eligible retirement plan or other arrangement.

D. Traditional IRA Contributions and Deductions

1. Types of Contributions

You may make contributions to a traditional IRA by either personal contributions, rollover contributions, transfers or recharacterized contributions from a Roth IRA. If your traditional IRA is established under a simplified employee pension (SEP) adopted by your employer, your employer may contribute amounts on your behalf. All these types of contributions and their applicable rules and restrictions are discussed below. Personal

contributions and employer contributions under a SEP must be made in cash or a cash equivalent.

2. Limits on Personal Contributions

Except for rollover contributions, recharacterized contributions from a Roth IRA and contributions under a SEP, the amount allowable as a personal contribution to a traditional IRA for any tax year may not exceed the lesser of 100% of your "earned income" that is includable in your gross income for that tax year or the applicable limit for that year, as listed below. Combat pay qualifies as earned income for this purpose, even though it may not be includable in your gross income.

Year Applicable Limit

2007 \$4,000

2008 \$5,000

2009 and following years \$5,000, increased periodically by the IRS in increments of \$500 to reflect increases in the cost of living. Individuals who will have attained age 50 or older in any year may make additional catchup contributions for that year. The maximum catch-up contribution which may be made for any year is \$1,000.

If you participated in a 401(k) plan and your contributions were matched at least 50% with your employer's stock, and your employer was a debtor in a bankruptcy and was subject to an indictment or conviction as a result of business transactions related to the bankruptcy, you may be able to make a deductible contribution of an additional amount equal to three times the annual catch-up amount for years 2007 through 2009. You must have participated in the 401(k) plan six months before the filing of the bankruptcy case. However, if you make such a contribution for a year, you will not be eligible to make the age 50 or older "catch-up" contribution for that year.

If you are married and file a joint return with your spouse, contributions may be made to IRAs for each of you, even if one of you has little or no compensation for that year. In such a situation, the maximum aggregate contribution that can be made to the IRA of the spouse with the greater amount of compensation for the year is as described above. The maximum contribution which may be made for the spouse with the lesser amount of compensation for the year is the lesser of (1) the applicable limit for that year or (2) the aggregate compensation of both spouses that is includable in gross income for that year, reduced by the IRA contributions made for the spouse with the greater amount of compensation that is includable in gross income for that year. No contributions, other than rollover contributions, will be allowed for any individual for any tax year during or after the tax year in which he or she attains age 70½. No contribution to a spousal IRA will be allowed for the tax year (a) during or after the tax year in which the spouse on whose behalf the contribution is made reaches age 70½, (b) during which the individual and spouse are divorced or legally separated before the end of the tax year or (c) for which a joint income tax return is not filed. The deadline for making a personal contribution to a traditional IRA is the deadline (not including extensions) for filing your federal income tax return for that year. For example, if you are a calendar year taxpayer, you must make your traditional IRA contribution for any year by April 15 of the following year. However, retroactive contributions based on combat pay for 2004 and 2005 may be made as late as May 28, 2009.

3. Limits on SEP Contributions

If your IRA is established by your employer under a SEP, the

maximum amount your employer can contribute to it on your behalf is the lesser of 25% of your compensation for that year or \$45,000 for 2007 (\$46,000 for 2008). The maximum amount of annual compensation which may be taken into account for this purpose is \$225,000 for 2007, (\$230,000 for 2008). The IRS may raise these dollar and compensation limits in future years to reflect increases in the cost of living. The deadline for employer contributions to an IRA established under a SEP is the deadline (including extensions) for filing the employer's federal income tax return for that year. For example, if you are a calendar year, self-employed sole proprietor taxpayer, and you obtain an extension for filing your 2007 tax return until October 15, 2008, you may make a SEP-IRA contribution for 2007 by October 15, 2008.

4. Limits on Deductibility of Personal Contributions

If neither you nor your spouse is an active participant in an employer-maintained retirement plan during the year, you may deduct the full amount of your traditional IRA contributions for the year. If you are an active participant, you may still be able to deduct all or a portion of an otherwise eligible contribution, depending on your federal adjusted gross income for the year. The deduction is phased out when your federal adjusted gross income is in the following phase-out ranges.

Phase-Out Ranges

Taxable Years	Single Taxpayers	Married Taxpayers Filing Jointly
2007	\$52,000 - \$62,000	\$83,000 - \$103,000
2008	\$53,000 - \$63,000	\$85,000 - \$105,000

If you and your spouse live apart at all times during the taxable year, you are treated as single for purposes of these phase-out ranges. If you live together at any time during the taxable year, the phase-out range is \$0 to \$10,000. If you are not an active participant in an employer-maintained retirement plan, but your spouse is, the phase-out range is \$156,000 to \$166,000 (joint adjusted gross income) for 2007 and \$159,000 to \$169,000 (joint adjusted gross income) for 2008.

The IRS may periodically increase these phase-out range amounts in the future to reflect increases in the cost of living. These "phase-out" ranges apply for federal income tax purposes. The phase-out ranges under your state's income tax laws may differ.

5. Nondeductible Personal Contributions

For any year that you are not eligible to fully deduct your traditional IRA contribution, you may still contribute the nondeductible amount to your traditional IRA. If you choose to do so, you are required to report the nondeductible contribution to the IRS by filing Form 8606 with your tax return.

6. Rollover Contributions and Transfers

A traditional IRA may also be funded with rollover contributions or transfers. A rollover contribution is a tax-free contribution of amounts distributed to you in an "eligible rollover distribution" from "an eligible retirement plan." The contribution to the IRA must be made within 60 days of the eligible rollover distribution. (The IRS may, but it is not required to, waive this 60-day requirement in very limited situations, such as where a casualty or disaster prevented you from making the contribution within the 60-day period.) An "eligible rollover distribution" is generally any distribution, other than a required minimum distribution, hardship distribution, distribution to a death beneficiary or distribution that is one of a series of substantially equal periodic payments made at least annually over your lifetime or over the joint lifetime of you and your beneficiary, or over a specified

period of 10 years or more. An "eligible retirement plan" is generally any tax-qualified plan, qualified annuity plan, tax-sheltered annuity, governmental eligible deferred compensation plan, deceased spouse's IRA (other than a Roth IRA) or another IRA (other than a Roth IRA) of yours. The rollover contribution may be in the form of the cash that was distributed, the property that was distributed, or, if the distribution was from other than another IRA, cash proceeds from the sale of the distributed property. A "direct rollover" is an eligible rollover distribution that is paid directly from the eligible retirement plan to the receiving IRA. Direct rollovers can avoid income tax withholding that would otherwise apply. Beginning in 2007, a "rollover contribution" to an IRA may be made in the following situation: If you are a non-spouse death beneficiary of a participant in an "eligible retirement plan," within the meaning of the tax laws, you may be eligible to roll over your death benefits under that plan to an IRA. The rollover may be made only through a "direct rollover." Special distribution rules apply to these rollovers, as described below. If you make a rollover from one IRA to another, you may not make another tax-free rollover from either IRA during the twelve months following the distribution. There is no maximum dollar amount or age restriction for rollover contributions.

A transfer consists of the transmittal of assets from one traditional IRA directly to another for the same individual (whether or not the IRA custodian or trustee is the same for both IRAs). There is no restriction on the time, number or frequency of transfers. Rollovers and transfers to your PENSCO Trust IRA are subject to the acceptance of PENSCO Trust.

7. Recharacterized Contributions

If you have made a personal contribution to a Roth IRA for any year, you may later elect to treat all or part of it as having been made to a traditional IRA instead, as long as you are eligible to have contributed the recharacterized amount to the traditional IRA in the first place. A recharacterization is accomplished by directing a transfer of the amount, plus earnings, from the Roth IRA to the traditional IRA, and notifying the custodian or trustee of each IRA. The deadline for recharacterizing a contribution is generally the due date, including extensions, for filing your income tax return for the year to which the contribution relates, although you may have additional time to recharacterize if certain conditions are met. You are required to report a recharacterized contribution on your federal income tax return in accordance with the instructions to IRS Form 8606.

E. Distribution Requirements

The tax rules require that, beginning no later than April 1 following the close of the calendar year in which you attain age 70½, and by each December 31 thereafter, you take a distribution from your traditional IRA of at least the required minimum amount. In general, the required minimum amount for any year is your IRA account balance as of the December 31 of the preceding year divided by the applicable divisor set out in IRS life expectancy tables. The applicable divisor under the table is the joint life expectancy of you and a beneficiary presumed to be 10 years younger than you. However, if the sole designated beneficiary is your spouse, and he or she is more than 10 years younger than you, then the applicable divisor will be the joint life expectancies, under IRS tables, of you and your spouse based on your actual ages. If you have more than one traditional IRA, then your required minimum distribution must be calculated separately for each, but you may take the aggregate of the

required minimum distributions from any one or combination of your traditional IRAs as you choose.

If you die on or after April 1 following the close of the year in which you attain age 70½, any balance remaining in your traditional IRA generally must be distributed to your beneficiary as rapidly as under the method of distribution applicable during your lifetime. If you die before that April 1, any balance remaining in the IRA must be distributed to your beneficiary either (i) in full by the end of the year which contains the five-year anniversary of your death, or (ii) in annual amounts, starting in the year following the year of your death. If distribution is made under (ii), each year's annual amount must be at least a minimum amount, based on the amount in your IRA and the beneficiary's life expectancy, as detailed in tax regulations.

However, if your surviving spouse is your beneficiary, he or she may delay distributions until the later of December 31 of the year following the year of your death or December 31 of the year you would have attained age 70½. Also, your surviving spouse may roll over the funds to his or her own traditional IRA or treat your IRA as his or her own. Different distribution rules apply if the IRA consists of amounts you rolled over from an "eligible retirement plan" (other than an IRA) under which you were a non-spouse death beneficiary. In general, if you started taking required minimum distributions based on your life expectancy from the plan before the rollover was made, you may continue to take required minimum distributions in the same life expectancy manner as you did under the plan. If you make the rollover no later than the year following the year of the death of the plan participant of whom you were the death beneficiary, you may take minimum required distributions, beginning in the year following the year of death, in annual installments based on your life expectancy in the year of death. Otherwise, the balance in the IRA must be distributed in full by the end of the year which contains the five-year anniversary of the participant's death.

F. Tax Consequences

1. Tax-Exempt Status of IRA

Earnings in your traditional IRA are not taxed until they are distributed to you, except to the extent the earnings are "unrelated business taxable income," discussed below.

2. Income Taxes on Distributions

Except for the return of excess contributions discussed below, and except for amounts rolled over to another IRA (other than a Roth IRA) or a qualified or other plan that accepts tax-free rollovers, distributions from a traditional IRA are generally fully taxable as ordinary income. If you roll over a distribution (or a portion of it) to another IRA (other than a Roth IRA) or plan, the distribution (or portion) will not be taxable. If you have made nondeductible contributions to the IRA, a certain percentage of your distributions will be nontaxable. The nontaxable portion of your distributions for any year is calculated as follows:

$$\text{Nontaxable distributions} = \frac{\text{Total nondeductible contributions less previous nontaxable distributions}}{\text{Distributions during the year}}$$

Total account balance of all traditional IRAs at year end plus total distributions during the year

Taxable distributions from your traditional IRA are subject to federal income tax withholding. You may, however, elect not to have withholding apply. If withholding is applied, not less than 10% of the amount withdrawn must be withheld.

3. Penalty Tax for Excess Contributions

Contributions to your traditional IRA in excess of the limits discussed above will be subject to a 6% nondeductible penalty (excise) tax under Code section 4973. You must pay this tax for each year the excess remains in the IRA. However, if the excess contribution and all its income are returned to you before the due date (including extensions) for filing your income tax return for the year for which the excess contribution was made, the 6% tax will not be assessed. The income earned on the excess contribution is taxable as income and will be treated as earned and taxable in the tax year for which the excess contribution was made. If you do not withdraw the excess contribution by this deadline, you can still avoid or reduce the 6% tax for future years by withdrawing the excess contribution from your IRA before the end of the future tax year or, alternatively, by treating the excess as a traditional IRA contribution for that future year. The excess contribution returned will not be subject to income tax or the 10% premature distribution penalty discussed below as long as no deduction was taken for the excess contribution. You are required to file IRS Form 5329 for any year for which an excise tax is due because of an excess contribution.

4. Penalty Tax for Premature Distribution

A distribution from your IRA before you reach age 59½ is subject to a nondeductible federal penalty tax, unless one of the exceptions discussed below is applicable. The amount of the penalty tax is 10% of the taxable amount withdrawn (which will still be subject to ordinary income tax in the year withdrawn).

There is no penalty tax if a withdrawal is made:

- following your death or your becoming disabled at any age,
- to effect a timely rollover to another IRA or a qualified plan that accepts tax-free rollovers,
- to correct an excess contribution before the due date of your tax return,
- to pay medical expenses which exceed 7.5 percent of your adjusted gross income,
- to pay for health insurance if you are unemployed and have received federal or state unemployment compensation for at least 12 months,
- as part of a series of substantially equally periodic payments (made at least annually) over your life expectancy or the joint life expectancies of you and your beneficiaries,
- to pay "qualified higher education expenses" of yourself, your spouse or your or your spouse's child or grandchild,
- to correct an excess rollover contribution which was caused by erroneous tax information supplied by your employer on which you reasonably relied,
- as a "qualified first-time homebuyer distribution," as defined in the Code, or
- as a "qualified reservist distribution," as defined in the Code.

In general, a "qualified reservist distribution" is a distribution made to an individual who is ordered or called to active armed service duty after September 11, 2001 and before December 31, 2007 for at least 180 days or indefinitely. You are required to file IRS Form 5329 for any year for which this 10% penalty tax is due.

5. Penalty Tax for Insufficient or Late Distribution

You or your beneficiary may be subject to penalty (excise) taxes if distributions from your IRA are not taken in accordance with the distribution requirements discussed above. If any required minimum is not timely distributed, a penalty (excise) tax may be

imposed. The tax is equal to 50% of the amount by which the required minimum distribution exceeds the amount actually distributed on time. However, the IRS may waive the tax if the failure to distribute the required minimum amount was due to a reasonable error and steps are being taken to remedy the shortfall. You (or your beneficiary) are required to file IRS Form 5329 for any tax year for which this penalty tax is due.

6. Unrelated Business Taxable Income

If your IRA conducts an active trade or business, or invests in a partnership or limited liability company (LLC) taxed as a partnership that conducts an active trade or business, or if the IRA or a partnership or LLC taxed as a partnership in which the IRA invests realizes investment gains through debt-financing, the IRA may have "unrelated business taxable income." Unrelated business taxable income, net of any allowable deductions, in excess of \$1,000 in any year may be taxable to your IRA. Applicable taxes are an expense of your IRA and must be paid with IRA funds. Subject to the contribution rules and limits discussed above, you may be able to contribute funds to your IRA to pay taxes in order to avoid liquidation of an asset.

For any year that your IRA has unrelated business taxable income, before deductions, of more than \$1,000, (1) you must obtain a tax identification number from the Internal Revenue Service for your IRA, (2) you must prepare or have prepared on behalf of the IRA and submit to PENSICO Trust fully completed federal, state and other tax return forms, including requests for filing extensions, and any other documents required to be filed with the Internal Revenue Service or other agency in connection with such forms, at least 5 business days before the filing deadline for each such form and (3) at the time such forms are submitted to PENSICO Trust, you must provide PENSICO Trust with a written directive (or directive in another manner acceptable to PENSICO Trust) authorizing and directing PENSICO Trust to sign such forms on behalf of the IRA and to pay to the Internal Revenue Service or other agency all amounts which the applicable form reports are due to it. PENSICO Trust is not responsible for preparing any required return or form. PENSICO Trust may, at its sole discretion, liquidate any assets in your PENSICO Trust IRA to pay such taxes if PENSICO Trust is notified of a tax deficiency by the Internal Revenue Service or other agency. Assets will be liquidated in reverse order of purchase.

7. Prohibited Transactions

An IRA can lose its exemption from federal income tax if the individual establishing the IRA or a beneficiary engages in a "prohibited transaction." If any other "disqualified person" engages in a prohibited transaction with your IRA, he or she will be subject to an excise tax equal to 15% of the amount involved each year until the transaction is corrected. Prohibited transactions generally include any direct or indirect:

- a. Sale, exchange or lease of any property between the IRA and a disqualified person;
- b. Lending of money or any other extension of credit between the IRA and a disqualified person;
- c. Furnishing of goods, services or facilities between the IRA and a disqualified person;
- d. Transfer to or use for the benefit of a disqualified person of the income or assets of the IRA;
- e. Act by a disqualified person who is a fiduciary whereby he or she deals with the income or assets of the IRA in his or her own

interest or for his or her own account; or

f. Receipt of any consideration for the personal account of any disqualified person who is a fiduciary dealing with the IRA in connection with a transaction involving the income or assets of the IRA. In general, a "disqualified person" includes the individual establishing the IRA, certain members of his or her family, any person who is a fiduciary or who provides services to the IRA, and certain related partnerships (and certain of their partners and employees), corporations (and certain of their shareholders, officers, directors and employees), and trusts and estates (and certain of their beneficiaries). If the IRA loses its tax exemption because you (or your beneficiary) engaged in a prohibited transaction, the fair market value of the IRA assets (net of any nondeductible contributions remaining in the IRA) as of the first day of the year of the transaction must be included in your gross income for the taxable year in which the loss of exemption occurs. If this takes place before you have attained age 59½, you will also be subject to the 10% premature distribution penalty tax, discussed above, on the amount so included in gross income unless there is applicable exception. If you pledge any part of your IRA as security for a loan, the part so pledged will be treated as a distribution in the taxable year in which the pledging occurs, and will be taxed accordingly.

8. Federal Estate Tax and Gift Tax

All funds held within an IRA will be included in your gross estate for estate tax purposes, regardless of the named beneficiary or manner of distribution. However, an estate tax deduction may apply for amounts distributed to a beneficiary that is your spouse, a marital trust which meets certain conditions or a charity. Contributions to an IRA for a spouse who has no earned income will not be subject to gift tax.

9. Miscellaneous Information. Please refer to the "MISCELLANEOUS INFORMATION" that appears after the following Roth Individual Retirement Account Disclosure Statement for important additional information about your PENSICO Trust IRA.

ROTH INDIVIDUAL RETIREMENT ACCOUNT DISCLOSURE STATEMENT
The following information is provided in accordance with the requirements of the Internal Revenue Service (IRS). Additional information can be obtained from IRS Publication 590, which is available at the IRS website at www.irs.gov.

A. In General

Contributions to a Roth IRA are with already-taxed amounts. Earnings on them generally accumulate tax-free. Distributions from a Roth IRA will not be subject to federal income tax if certain conditions, discussed below, are met. The state income tax treatment of your Roth IRA may differ. Information regarding applicable state income tax rules should be available from your state taxing authority or a tax professional. Neither PENSICO Trust nor its agents act as your tax, legal or investment adviser for your Roth IRA.

B. Rights of Revocation

You are entitled to revoke a newly-established PENSICO Trust Roth IRA within seven days of the date you receive this Disclosure Statement. Upon revocation, your entire contribution, plus the establishment fees, will be returned without adjustment for such items as sales commissions or administrative expenses. To make an effective revocation, a written notification of revocation must be mailed or hand-delivered to PENSICO Trust on or before seven

days after the date you receive this Disclosure Statement. If the written notification is mailed by regular first-class mail, it will be deemed mailed on the date of postmark. If it is sent by certified or registered mail, it will be deemed mailed on the date of certification or registration. If mailed, the written notice of revocation must be mailed in the United States by at least first class mail with postage prepaid, and addressed to:

PENSCO Trust Company	Overnight Delivery Address:
P.O. Box 26903	450 Sansome Street, 14th Floor
San Francisco, CA	San Francisco, CA
94126-6903	94111-3306
(415) 274-5600 • Fax (415) 956-3016 • (800) 969-4IRA (4472)	

C. Statutory Requirements for a Roth IRA

The statutory requirements for a Roth IRA, which are described in sections 408(a) and 408A of the Internal Revenue Code (Code), are as follows:

1. Except in the case of a rollover contribution from another Roth IRA, a recharacterized contribution from a traditional (non-Roth) IRA, or a conversion contribution from a traditional IRA, no contribution will be accepted unless it is in cash.
2. Contributions on behalf of any individual will not be accepted for the taxable year in excess of the limits discussed below.
3. No part of the Roth IRA may be invested in life insurance or be commingled with other property, except in a common trust fund or common investment fund.
4. The entire Roth IRA balance must be nonforfeitable (vested).
5. No part of the Roth IRA may be invested in collectibles, which is defined in Code section 408(m) to include any work of art, rug, antique, metal, gem, stamp, alcoholic beverage, or any other tangible property specified by the IRS. There are exceptions for certain coins and bullion.
6. You are not required to take distributions from the Roth IRA during your lifetime. However, if any portion of your Roth IRA is undistributed when you die, the balance of your Roth IRA must be distributed to your death beneficiary(ies) in compliance with the tax laws.

D. Contributions to a Roth IRA

1. Types of Contributions

Subject to the contribution restrictions discussed below, you may make contributions to a Roth IRA by either personal contributions, rollover contributions or transfers from another Roth IRA, conversion contributions from a traditional IRA or recharacterized contributions from a traditional IRA. All these types of contributions and their applicable rules and restrictions are discussed below. Personal contributions must be made in cash or a cash equivalent.

2. Personal Contributions

The total amount of personal contributions to a Roth IRA for any taxable cannot exceed the lesser of 100% of the earned income that is includible in your gross income for that tax year or the applicable limit for that year, as listed below. Combat pay qualifies as earned income for this purpose, even though it may not be includible in your gross income.

Year Applicable Limit

2007 \$4,000

2008 \$5,000

2009 and following years \$5,000, increased periodically by the IRS in increments of \$500 to reflect increases in the cost of living. Individuals who will have attained age 50 or older in any year

may make additional catch-up contributions for that year. The maximum catch-up contribution which may be made for any year is \$1,000. For any year that you make a personal contribution to a traditional IRA, the maximum personal contribution to your Roth IRA is reduced by the amount of your personal contributions to the traditional IRA.

The amount of your personal Roth IRA contribution for 2007 (and 2008) is further limited if either (1) your adjusted gross income (AGI) for 2007 exceeds \$156,000 (\$159,000 for 2008) and you are a married individual filing jointly or (2) your AGI for 2007 exceeds \$99,000 (\$101,000 for 2008) and you are single. Married individuals filing jointly with AGI for 2007 that exceeds \$166,000 (\$169,000 for 2008) may not make personal contributions to a Roth IRA for that year. A married individual who files a separate tax return and has AGI in excess of \$10,000 for a year may not make a personal contribution for that year if he or she lives with his or her spouse anytime during the year. Single individuals with AGI for 2007 exceeding \$114,000 (\$116,000 for 2008) may not make a personal contribution to a Roth IRA for that year. The IRS may periodically increase these AGI limits amounts in the future to reflect increases in the cost of living. If you are married, but file a separate return and do not live with your spouse at any time during the year, you are treated as single for purposes of applying all limitations for that year.

Examples: If you are married, filing jointly, and your AGI for 2007 is between \$156,000 and \$166,000, your maximum personal Roth IRA contribution for the year is determined as follows: (1) Subtract your AGI from \$166,000, (2) divide the difference by \$10,000, and (3) multiply the result in step (2) by the applicable dollar limit (including the catch-up amount, if you are eligible) for the year. For example, if you are married filing jointly for 2007, and your and your spouse's joint AGI for that year is \$161,000, and you will be age 50 or older in 2007, your maximum personal Roth IRA contribution for 2007 is \$2,500 (or your 2007 earned income, if less). The \$2,500 amount is determined as follows: $((\$166,000 \text{ minus } \$161,000) \text{ divided by } \$10,000) \text{ multiplied by } (\$4,000 \text{ plus } \$1,000)$. If you are single and your AGI for 2008 is between \$101,000 and \$116,000, your maximum personal Roth IRA contribution for the year is determined as follows: (1) Subtract your AGI from \$116,000, (2) divide the difference by \$15,000, and (3) multiply the result in step (2) by the applicable dollar limit (including the catch-up amount, if you are eligible) for the year. For example, if you are a single taxpayer for 2008, and your AGI for 2008 is \$104,000, and you will be age 50 or older in 2008, your maximum personal Roth IRA contribution for 2008 is \$4,000 (or your compensation for 2008, if less). This amount is determined as follows: $((\$116,000 \text{ minus } \$104,000) \text{ divided by } \$15,000) \text{ multiplied by } (\$4,000 \text{ plus } \$1,000)$. If you are married and file a separate tax return and live with your spouse at anytime during the year and your AGI is less than \$10,000 for the year, your maximum personal Roth IRA contribution is determined as follows: (1) Subtract your AGI from \$10,000, (2) divide the difference by \$10,000, and (3) multiply the result in step (2) by the applicable dollar limit (including the catch-up amount, if you are eligible) for the year. These dollar amounts apply for federal income tax purposes. The amounts under your state's income tax laws may differ.

If you participated in a 401(k) plan and your contributions were matched at least 50% with your employer's stock, and your employer was a debtor in a bankruptcy and was subject to an indictment or conviction as a result of business transactions related to the bankruptcy, you may be able to make a

deductible contribution of an additional amount equal to three times the annual catch-up amount for years 2007 through 2009. You must have participated in the 401(k) plan six months before the filing of the bankruptcy case. However, if you make such a contribution for a year, you will not be eligible to make the age 50 or older "catch-up" contribution for that year.

If you are married and file a joint return with your spouse, personal contributions may be made to Roth IRAs for each of you, even if one of you has little or no compensation for that year, but are subject to the restrictions discussed above. In such a situation, the maximum aggregate personal contribution that may be made to the Roth IRA of the spouse with the greater amount of compensation for the year is as described above. The maximum personal contribution which may be made for the spouse with the lesser amount of compensation for the year is the lesser of (1) the applicable limit for that year or (2) the aggregate compensation of both spouses that is includible in gross income for that year, reduced by the contributions made for the spouse with the greater amount of

compensation that is includible in gross income for that year. Your Roth IRA contribution is not limited by your participation in an employer-sponsored retirement plan. In addition, unlike the case with a traditional IRA, you may continue to make personal contributions to a Roth IRA after age 70½ so long as you have earned income and your AGI is below the applicable maximum for that year. The deadline for making a personal contribution to a Roth IRA is the deadline (not including extensions) for filing your federal income tax return for that year. For example, if you are a calendar year taxpayer, the deadline for making a Roth IRA contribution for any year is April 15 of the following year. However, retroactive contributions based on combat pay for 2004 and 2005 may be made as late as May 28, 2009.

3. Rollover and Conversion Contributions; Transfers

a. Roth IRA to Roth IRA Rollover – Amounts distributed from one of your Roth IRAs may be rolled over to another Roth IRA of yours if the requirements of Code section 408(d)(3) are met. Cash or non-cash property must be contributed to the recipient Roth IRA within 60 days of your receipt of the distribution. (The IRS may, but is not required to, waive this 60-day requirement in very limited situations, such as where a casualty or disaster prevented you from making the contribution within the 60-day period.) If the distribution consists of non-cash property, property rolled over must be the same as the property distributed. If you make a rollover from one Roth IRA to another, you may not make another tax-free rollover from either Roth IRA during the twelve months following the distribution. Distributions from a Roth IRA may not be rolled over to another type of IRA. There is no maximum dollar amount or age restriction for rollover contributions. You may not roll over distributions from a tax-qualified plan or other employer-maintained retirement plan to a Roth IRA (unless that plan is a SEP or SIMPLE IRA and the rollover is part of a conversion, discussed below). Rollovers and transfers to your PENSCO Trust Roth IRA are subject to the acceptance of PENSCO Trust.

b. Traditional IRA or Plan to Roth IRA Rollover or Conversion – In any year that your adjusted gross income (or if you are married filing a joint return, your and your spouse's combined adjusted gross income) does not exceed \$100,000, you are eligible to roll over or convert all or any portion of your existing traditional, SEP, or SIMPLE IRA into a Roth IRA. If you are married and file a separate return, but lived with your spouse anytime during the

year, you are not eligible to make such a conversion, regardless of your adjusted gross income for that year. If you are married, file a separate return and did not live with your spouse anytime during the year, you will be treated as not married for purposes of determining eligibility. If you have a Roth IRA funded with personal contributions, a separate one generally should be established to hold conversion amounts. A conversion may be accomplished by either rolling over a distribution from a non-Roth IRA to a Roth IRA within the general 60-day rollover period, transferring amounts from the non-Roth IRA to a Roth IRA (maintained by either the same or another IRA trustee or custodian), or redesignating an existing traditional IRA as a Roth IRA without any actual movement of assets. The deadline for making a conversion for any tax year is the last day of that year. (If the conversion is made by way of actual distribution in one year followed by a timely rollover in the following year, the conversion will be treated as made in the year of the distribution.) When you make a conversion by way of a rollover to a PENSCO Trust Roth IRA, you must designate in writing your election to treat that contribution as a Roth IRA conversion. Once made, the rollover election is irrevocable. However, you may reconvert your Roth IRA back to a traditional IRA by the deadline for filing your income tax return (including extensions) for the year in which the conversion to the Roth IRA was made. You may be eligible to roll over to a Roth IRA your Roth 401(k) or other Roth elective deferral contributions, and earnings on them, that you have made under an employer-sponsored plan or tax-sheltered annuity, if you are eligible to receive a distribution of those contributions from that plan or annuity, and all other requirements for a rollover contribution are met. Also, beginning in 2008, you may also make a rollover of other amounts directly from an "eligible retirement plan" if you are eligible to receive a distribution from that plan or annuity and you otherwise satisfy the eligibility requirements for a rollover or conversion to a Roth IRA explained above. The amount of the rollover or conversion to your Roth IRA will be treated as a distribution for income tax purposes and is includible in your gross income (except for any nondeductible contributions). However, it is disregarded in determining your adjusted gross income for purposes of the \$100,000 limitation. Also, if you make the rollover or conversion before you attain age 59½, the 10% premature distribution penalty tax will not apply, unless you take a distribution from the Roth IRA within the five-year period beginning with the year of the rollover or conversion and no exceptions to that penalty apply.

c. Roth IRA to Roth IRA Transfer – A transfer consists of the transmittal of assets from one Roth IRA directly to another for the same individual (whether or not the IRA custodian or trustee is the same for both IRAs). There is no restriction on the time, number or frequency of transfers. There is no maximum dollar amount or age restriction for transfers.

4. Recharacterized Contributions

If you have made a personal contribution to a traditional IRA for any year, you may later elect to treat all or part of it as having been made to a Roth IRA instead, as long as you are eligible to have contributed the recharacterized amount to the Roth IRA in the first place. A recharacterization is accomplished by directing a transfer of the amount, plus earnings, from the traditional IRA to the Roth IRA, and notifying the custodian or trustee of each IRA. The deadline for recharacterizing a contribution is generally the due date, including extensions, for filing your income tax

return for the year to which the contributions relate, although you may have additional time to recharacterize if certain conditions are met. You must report a recharacterized contribution on your federal income tax return in accordance with the instructions to IRS Form 8606. You may not recharacterize Roth IRA contributions as contributions to a SEP or SIMPLE IRA.

E. Distribution Requirements

1. No Required Lifetime Distributions - You are not required to take distributions from your Roth IRA while you are alive.

2. Required Distributions Following Death - Any amount remaining in your Roth IRA following your death must be distributed to your beneficiary either (i) in full by the end of the year which contains the five-year anniversary of your death, or (ii) in annual amounts, starting in the year following the year of your death. If distribution is made under (ii), each year's annual amount must be at least a minimum amount, based on the amount in your Roth IRA and the beneficiary's life expectancy, as detailed in tax regulations. However, if your surviving spouse is your sole beneficiary, the Roth IRA will be treated as his or her own Roth IRA and he or she will not be required to take any distributions while alive.

F. Tax Consequences

1. Contributions Not Deductible

No income tax deduction is allowable for any type of Roth IRA contribution.

2. Tax-Deferred Earnings

The investment earnings of your Roth IRA are not subject to federal income tax as they accumulate in your Roth IRA, except to the extent the earnings are "unrelated business taxable income," discussed below.

3. Income Tax Consequences of a Roth IRA Distribution

The tax consequences of a Roth IRA distribution depend on whether or not the distribution is a "qualified distribution."

Qualified distributions - Qualified distributions from your Roth IRA are not included in gross income. A qualified distribution is a distribution that is both made after the end of the applicable five-year period and upon one of the following events:

- your attainment of age 59½
- your disability,
- your purchase of a first home (up to a \$10,000 lifetime limit), or
- your death.

The applicable five-year period begins on the first day of the first year for which you first made a Roth IRA contribution of any type. For example, if your first contribution to a Roth IRA is a contribution made for 2005 (even if it is a personal contribution made in early 2006), the applicable five-year period will begin January 1, 2005 and end December 31, 2009. You will have the same applicable five-year period for all contributions of all types to all your Roth IRAs. Distributions that are not qualified distributions - If a distribution from your Roth IRA is not a qualified distribution, then distributions are first treated as recovery of your after-tax contributions to all your Roth IRAs and will not be subject to federal income tax. Distributions in excess of your total contributions will be taxable as ordinary income, and, if you are under age 59½, may be subject to a premature distribution penalty tax, discussed below. Special rules may apply to the distribution of conversion amounts. Taxable distributions from your Roth IRA are subject to federal income tax withholding. You may, however, elect not to have withholding apply. If withholding is applied, not less than 10% of the amount

withdrawn must be withheld.

4. Penalty Tax for Excess Contributions

Contributions to your Roth IRA in excess of the limits discussed above will be subject to a 6% nondeductible penalty (excise) tax under Code section 4973. You must pay this tax for each year the excess remains in the Roth IRA. However, if the excess contribution and all its income are returned to you before the due date (including extensions) for filing your income tax return for the year for which the excess contribution was made, the 6% tax will not be assessed. The income earned on the excess contribution is taxable as income and will be treated as earned and taxable in the tax year for which the excess contribution was made. If you do not withdraw the excess contribution by this deadline, you can still avoid or reduce the 6% excess contribution tax for future years by withdrawing the excess contribution from your Roth IRA before the end of the future tax year or, alternatively, by treating the excess as a Roth IRA contribution for that future year. The excess contribution returned will not be subject to income tax or the 10% premature distribution penalty discussed below. You are required to file IRS Form 5329 for any year for which a tax is due because of an excess contribution.

5. Penalty Tax for Premature Distribution

A distribution from your Roth IRA before you reach age 59½ is subject to a nondeductible federal penalty tax, unless one of the exceptions discussed below is applicable. The amount of the penalty tax is 10% of the taxable amount withdrawn (which will still be subject to ordinary income tax in the year withdrawn). There is no penalty tax if a withdrawal is made:

- following your death or your becoming disabled at any age,
- to effect a timely rollover to another Roth IRA,
- to correct an excess contribution before the due date of your tax return,
- to pay medical expenses which exceed 7.5 percent of your adjusted gross income,
- to pay for health insurance if you are unemployed and have received federal or state unemployment compensation for at least 12 months,
- as part of a series of substantially equally periodic payments (made at least annually) over your life expectancy or the joint life expectancies of you and your beneficiaries,
- to pay "qualified higher education expenses" of yourself, your spouse or your or your spouse's child or grandchild,
- to correct an excess rollover contribution which was caused by erroneous tax information supplied by your employer on which you reasonably relied,
- as a "qualified first-time homebuyer distribution," as defined in the Code, or
- as a "qualified reservist distribution," as defined in the Code. In general, a "qualified reservist distribution" is a distribution made to an individual who is ordered or called to active armed service duty after September 11, 2001 and before December 31, 2007 for at least 180 days or indefinitely.

You are required to file IRS Form 5329 for any tax year for which this 10% penalty tax is due.

6. Penalty Tax for Late Distribution to Death Beneficiary

Your beneficiary may be subject to tax penalties if, following your death, he or she does not take distributions from your Roth IRA in accordance with IRS regulations, as discussed above. The tax is equal to 50% of the amount by which the required minimum distribution exceeds the amount actually distributed on

time. However, the IRS may waive the tax if the failure to distribute the required minimum amount was due to a reasonable error and steps are being taken to remedy the shortfall. Your beneficiary is required to file IRS Form 5329 for any year for which this penalty is due.

7. Unrelated Business Taxable Income

If your Roth IRA conducts an active trade or business, or invests in a partnership or limited liability company (LLC) taxed as a partnership that conducts an active trade or business, or if the Roth IRA or a partnership or LLC taxed as a partnership in which the Roth IRA invests realizes investment gains through debt-financing, the Roth IRA may have "unrelated business taxable income." Unrelated business taxable income, net of any allowable deductions, in excess of \$1,000 in any year may be taxable to your Roth IRA. Applicable taxes are an expense of your Roth IRA and must be paid with IRA. Subject to the contribution rules and limits discussed above, you may be able contribute funds to your IRA to pay taxes in order to avoid liquidation of an asset. For any year that your Roth IRA has unrelated business taxable income, before deductions, of more than \$1,000, (1) you must obtain a tax identification number from the Internal Revenue Service for your Roth IRA, (2) you must prepare or have prepared on behalf of the Roth IRA and submit to PENSICO Trust fully completed federal, state and other tax return forms, including requests for filing extensions, and any other documents required to be filed with the Internal Revenue Service or other agency in connection with such forms, at least 5 business days before the filing deadline for each such form and (3) at the time such forms are submitted to PENSICO Trust, you must provide PENSICO Trust with a written directive (or directive in another manner acceptable to PENSICO Trust) authorizing and directing PENSICO Trust to sign such forms on behalf of the Roth IRA and to pay to the Internal Revenue Service or other agency all amounts which the applicable form reports are due to it. PENSICO Trust is not responsible for preparing any required return or form. PENSICO Trust may, at its sole discretion, liquidate any assets in your PENSICO Trust Roth IRA to pay such taxes if PENSICO Trust is notified of a tax deficiency by the Internal Revenue Service or other agency. Assets will be liquidated in reverse order of purchase.

8. Prohibited Transactions

A Roth IRA can lose its exemption from federal income tax if the individual establishing the Roth IRA or a beneficiary engages in a "prohibited transaction." If any other "disqualified person" engages in a prohibited transaction with your Roth IRA, he or she will be subject to an excise tax equal to 15% of the amount involved each year until the transaction is corrected. Prohibited transactions generally include any direct or indirect:

- a. Sale, exchange or lease of any property between the Roth IRA and a disqualified person;
- b. Lending of money or any other extension of credit between the Roth IRA and a disqualified person;
- c. Furnishing of goods, services or facilities between the Roth IRA and a disqualified person;
- d. Transfer to or use for the benefit of a disqualified person of the income or assets of the Roth IRA;
- e. Act by a disqualified person who is a fiduciary whereby he or she deals with the income or assets of the Roth IRA in his or her own interest or for his or her own account; or
- f. Receipt of any consideration for the personal account of any disqualified person who is a fiduciary dealing with the Roth IRA

in connection with a transaction involving the income or assets of the Roth IRA.

In general, a "disqualified person" includes the individual establishing the Roth IRA, certain members of his or her family, any person who is a fiduciary or who provides services to the Roth IRA, and certain related partnerships (and certain of their partners and employees), corporations (and certain of their shareholders, officers directors and employees), and trusts and estates (and certain of their beneficiaries). If the Roth IRA loses its tax exemption because you (or your beneficiary) engaged in a prohibited transaction, the fair market value of the Roth IRA assets (net of any nondeductible contributions remaining in the Roth IRA) as of the first day of the year of the transaction must be included in your gross income for the taxable year in which the loss of exemption occurs. If this takes place before you have attained age 59½, you will also be subject to the 10% premature distribution penalty tax, discussed above, on the amount so included in gross income unless there is applicable exception. If you pledge any part of your Roth IRA as security for a loan, the part so pledged will be treated as a distribution in the taxable year in which the pledging occurs, and will be taxed accordingly.

9. Federal Estate Tax and Gift Tax

All funds held within a Roth IRA will be included in your gross estate for estate tax purposes, regardless of the named beneficiary or manner of distribution. However, an estate tax deduction may apply for amounts distributed to a beneficiary that is your spouse, a marital trust which meets certain conditions or a charity. Contributions to a Roth IRA for a spouse who has no earned income will not be subject to gift tax.

MISCELLANEOUS INFORMATION

A. Amendments

PENSICO Trust may amend, change or terminate the Custodial Agreement at any time. PENSICO Trust will furnish copies of any such amendment to you within 30 days of the date the amendment becomes effective or is adopted. Other amendments may be made by written agreement of PENSICO Trust and you.

B. No Prediction, Representation or Guarantee of Future Value

The value of your IRA at any time will depend on the amount of contributions to it, the performance of its investments as selected by you or your Designated Representative, and the time and amount of charges to and payments from it. PENSICO Trust does not predict, represent or guarantee the value of your IRA or at any future time.

C. Non-deposit Investments Not Insured by FDIC

Non-deposit investments, such as, but not limited to, stocks, bonds, mutual funds, real estate and private placements, of the IRA are not insured by the Federal Deposit Insurance Corporation and are subject to investment risks, including the loss of principal.

D. Use of IRS Model Language

Articles I through VII of the PENSICO Trust Individual Retirement Account Custodial Agreement that establishes an IRA that is not a Roth IRA uses the precise language of the corresponding articles of the IRS IRA Model Custodial Agreement (Form 5305-A). Articles I through VIII of the PENSICO Trust Roth Individual Retirement Account Custodial Agreement that establishes a Roth IRA uses the precise language of the corresponding articles of the IRS Roth IRA Model Custodial Agreement (Form 5305-RA).

For that reason, your PENSICO Trust Individual Retirement

Account Custodial

Agreement or PENSCO Trust Roth Individual Account Custodial Agreement is treated as satisfying all applicable IRS requirements as to the form of the IRA, without the need for specific IRS approval. Because this treatment relates to the form of the IRA only, nothing in your Custodial Agreement constitutes a determination or opinion of the merits or consequences of any action in connection with Roth IRA or of any investments made.

E. Service Fees

PENSCO Trust is entitled to charge reasonable fees for services it provides to Depositors and, therefore, charges service fees for the administration of your IRA. The complete schedule of fees applicable to your PENSCO Trust IRA is being given to you along with this Disclosure Statement and is a part of your Custodial Agreement. If different or additional fees are charged in the future, PENSCO Trust will furnish you with a written notice, stating the nature and amount of the different or additional fees, at least 30 days before such fees take effect, with the exception of cash reserve account (CRA) fees which may be changed and effected by PENSCO Trust at any time without notice (PENSCO Trust charges a service fee for the handling of CRAs – refer to paragraph 16 of the Additional Provisions of your Custodial Agreement). The CRA fee is charged as a percentage, up to a maximum per annum rate of 3.50%, of the daily balance of Custodial Account cash held in a CRA. CRA fees are deducted from interest on CRA deposits before CRA interest is credited to any IRAs, and therefore they do not appear on your IRA statements or fee invoices. You are responsible for making sure that the \$100 minimum balance is maintained in your Custodial Account. You must also provide PENSCO Trust with a valid credit card account number and authorize PENSCO Trust to charge fees to that account. If your credit card account expires or becomes invalid for any other reason, you must so inform PENSCO Trust, provide PENSCO Trust with another, valid credit card account number and authorize PENSCO Trust to charge fees to that new account. If PENSCO Trust must produce a written invoice for any fees, because such fees are not paid directly from your account or charged to your credit card, you will be charged an invoice print fee. All invoices are due and payable upon receipt. If payment of an invoice is not received within the first billing cycle, PENSCO Trust will deduct fees owed from your IRA's cash balance or CRA balance. If there is insufficient cash to satisfy such outstanding fees owed, PENSCO Trust will send you a second invoice with notice that PENSCO Trust will exercise its right to resign as custodian of your IRA. If payment is not received within 75 days of the original invoice date, then PENSCO Trust will terminate the Custodial Account and distribute its assets to you. This distribution may result in taxes and penalties to you, and you will remain liable for all unpaid charges owed to PENSCO Trust. In addition, PENSCO Trust may liquidate investments in the Custodial Account, in reverse order of purchase, as necessary for the Custodial Account to pay fees or expenses chargeable to it; PENSCO Trust may also employ a collection agency to recover any unpaid charges from you. By signing the accompanying IRA Application, you have agreed to relieve PENSCO Trust of any claims for costs, taxes, penalties and extra fees you may incur as a result of your failure to timely pay fees due and of PENSCO Trust's consequent actions.

F. Telephone Authorization

PENSCO Trust is authorized, at its option, to honor telephone transaction requests placed by you or your Designated

Representative with respect to your Custodial Account. These requests may include purchases, sales and exchanges of assets whose sponsors accept telephone authorizations from PENSCO Trust on your behalf. PENSCO Trust may require you to complete and provide a Telephone Authorization Form. PENSCO Trust may require the use of a special identification number and Social Security number for each transaction. PENSCO Trust is not responsible for determining whether or not a caller is authorized other than verifying that such caller is using the proper identification number for the account. You agree that PENSCO Trust is not responsible for unauthorized transactions in your Custodial Account by callers who provide the proper identification number for your account.

G. Statements/Accounting

Each year PENSCO Trust will furnish you a statement of account which will state the amount of the contributions to your Custodial Account, distributions from the Custodial Account and the total value of the Custodial Account as of the end of the year. Information relating to contributions and withdrawals must be reported annually to the Internal Revenue Service by you or, in the case of a spousal IRA, by your spouse. Statements will reflect information provided to PENSCO Trust by you and/or your Designated Representative. Therefore, statements will be only as accurate as the information provided. PENSCO Trust neither assumes any responsibility for the accuracy of information provided, nor guarantees the particular tax treatment of any amounts designated on its records..

H. Account Termination

You may terminate your PENSCO Trust IRA at any time upon written notice signed by you. The notice must identify your PENSCO Trust IRA account number, give instructions on the disposition of your IRA's assets and be sent to:

PENSCO Trust Company Overnight Delivery Address:

P.O. Box 26903

450 Sansome Street, 14th Floor

San Francisco, CA

San Francisco, CA

94126-6903

94111-3306

(415) 274-5600 • Fax (415) 956-3016 • (800) 969-4IRA (4472)

Your PENSCO Trust IRA will terminate upon the earliest of:

- The date the IRA assets have been disposed of in accordance with your instructions if you terminate PENSCO Trust as custodian;
- The date all the IRA's assets have been distributed;
- The date the IRA ceases to meet the requirements of Code section 408 (and section 408A, if the IRA is a Roth IRA); or
- The date the IRA assets have been transferred to and accepted by a successor custodian or trustee as a result of the resignation of PENSCO Trust and selection of a successor custodian or trustee.

I. Availability of Funds After Deposit

PENSCO Trust is not a check clearing depository bank, and relies on one of its depository banks to process and clear deposited checks through the Federal Reserve System. PENSCO Trust utilizes the funds availability schedule of that depository bank to make funds available to PENSCO Trust clients. In general, your deposited funds will be available on the second business day after the day PENSCO Trust receives your deposit. Depending on the bank from which your deposited check is drawn, your deposited funds may not be available until the third or fourth business day after the day PENSCO Trust receives your deposit. Also, depending on the type and amount of the deposit, PENSCO Trust may delay the availability of your funds for up to eleven business days. If the availability of funds is delayed,

PENSCO Trust will notify you as to when the funds will be available. A delay may occur for any of the following reasons:

- a. You deposited checks totaling more than \$5,000 in one day;
- b. You re-deposited a check that has been returned unpaid;
- c. PENSCO Trust believes, in good faith, that the deposited check will not be paid;
- d. You have overdrawn your account repeatedly in the last six months;
- e. There has been an unexpected event, such as an equipment failure, responsible for the delay.