

**Section One: Participant/Decedent Information**

Name	Social Security Number	Date of Birth	Member Number	
Home Address	City	State	Zip	
E-Mail Address	Contact Number	Marital Status <input type="radio"/> Married <input type="radio"/> Single <input type="radio"/> Widowed <input type="radio"/> Divorced		

**Section Two: Account Information**

**IRA Type:**

- Traditional IRA
- Roth IRA - Have you had a Roth IRA for more than 5 years?     No     Yes, Year Roth Established \_\_\_\_\_
- Rollover/Direct Rollover from an Employer's Plan (other than a Designated Roth Contribution Account)

**RMD Information**

If you've rolled over your IRA from another institution to SchoolsFirst and wish to take your RMD please specify the 12/31 Fair Market Value for the prior year below.

\_\_\_\_\_

**Beneficiary / Inherited IRA Type:** This section is used for newly established Beneficiary/Inherited IRA plans

- Beneficiary IRA:     Traditional IRA     Roth IRA
- Inherited IRA:     Traditional IRA     Roth IRA

**Section Three: IRA Custodian Contact Information**

**Mail:** SchoolsFirst FCU                                      **Phone:** 800.462.8328                                      **Fax:** 714.258.4262  
**Attn:** Member Retirement Services  
**P.O. Box 11547**  
**Santa Ana, CA 92711-9756**

**Section Four: Participant Agreement and Acknowledgement**

This SchoolsFirst Federal Credit Union Individual Retirement Account Plan Adoption Agreement (the "Adoption Agreement"), when executed by Participant and accepted by the below named Custodian ("Custodian"), hereby incorporates the SchoolsFirst Federal Credit Union Individual Retirement Account Custodial Agreement (the "Custodial Agreement and Disclosure Statement"), which together with this Adoption Agreement establishes the Participant's Individual Retirement Account ("IRA"). The Adoption Agreement may be accepted on behalf of the Custodian.

Participant and Custodian agree that the IRA created and established under this Adoption Agreement on behalf of Participant will be governed by the terms and conditions of the Custodian Agreement.

**Participant may revoke this IRA in writing at any time within seven (7) calendar days after receipt of the Custodial Agreement.**

The Participant further acknowledges that the Participant is solely liable for the tax and financial consequences of executing this Adoption Agreement and establishing an IRA. The type of IRA cannot be changed after executing this Adoption Agreement. The Participant is encouraged to consult with tax counsel before executing this Adoption Agreement. Participant hereby authorizes Custodian to accept the accompanying contribution, if any, and all subsequent contributions to be credited to the IRA. Participant further understand that Custodian has not and does not make any representations and warranties that, under state or federal law, contributions will qualify for any retirement savings deduction, earnings will be exempt or deferred for income taxation or that any rollover contributions will be excludable from gross income.

**Section Five: Participant Signature**

Under penalties of perjury, I certify that the above information (including my social security number) is correct. I hereby agree to participate in the Individual Retirement Custodial Account offered by the Custodian. I acknowledge receipt of a copy of the plan document under which this Individual Retirement Account is established, a copy of this Adoption Agreement, and a copy of the Disclosure Statement with respect to this Individual Retirement Account. In the event that this is a rollover contribution, the undersigned hereby irrevocably elects, pursuant to the requirement of Section 1.402(a)(5)-1T of the IRS regulations, to treat this contribution as a rollover contribution.

\_\_\_\_\_  
Participant Signature                                      Date

**Section Six: Witnessed and Accepted by SchoolsFirst FCU as Custodian By:**

SchoolsFirst FCU Representative Name	SchoolsFirst FCU Representative Signature	Date	Representative User ID
--------------------------------------	---	------	------------------------

For questions contact us at 800.462.8328

Form 5305-RA under Section 408(a) of the Internal Revenue Code  
FORM (REV. MARCH 2002)

The Depositor named on the Application is establishing a Roth Individual Retirement Account under section 408A to provide for his or her retirement and for the support of his or her beneficiaries after death. The Custodian named on the Application has given the Depositor the disclosure statement required by Regulations section 1.408-6. The Depositor has assigned the custodial account the sum indicated on the Application. The Depositor and the Custodian make the following agreement:

**ARTICLE I**

Except in the case of a rollover contribution described in section 408A(e), a recharacterized contribution described in section 408A(d)(6), or an IRA Conversion Contribution, the Custodian will accept only cash contributions up to \$3,000 per year for tax years 2002 through 2004. That contribution limit is increased to \$4,000 for tax years 2005 through 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 \$3,500 per year for tax years 2002 through 2004, \$4,500 for 2005, \$5,000 for 2006 and 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 \$15,000 and \$160,000; and for a married Depositor filing separately, between AGI of \$0 and \$10,000. In the case of a conversion, the Custodian will not accept IRA Conversion Contributions in a tax year if the Depositor's AGI for 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 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 section 408(a)(5)).

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

**ARTICLE 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 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 surviving spouse is the designated beneficiary, such spouse will then be treated as the Depositor.

**ARTICLE VI**

1. The Depositor agrees to provide the Custodian with all information necessary to prepare any reports required by 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 (IRS).

2. The Custodian agrees to submit to the IRS and Depositor the reports prescribed by the IRS.

**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 inconsistent with section 408A, the related regulations, and other published guidance will be invalid.

**ARTICLE VIII**

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

**ARTICLE IX**

**9.01 Definitions:** In this part of this Agreement (Article IX), the words "you" and "your" mean the Depositor, the words "we," "us" and "our" mean the Custodian, "Code" means the Internal Revenue Code, and "Regulations" means the Treasury Regulations.

**9.02 Notices and Change of Address:** Any required notice regarding this Roth IRA will be considered effective when we send it to the intended recipient at the last address which we have in our records. Any notice to be given to us will be considered effective when we actually receive it. You, or the intended recipient, must notify us of any change of address.

**9.03 Representations and Responsibilities:** You represent and warrant to us that any information you have given or will give us with respect to this Agreement is complete and accurate. Further, you agree that any directions you give us, or action you take will be proper under this Agreement, and that we are entitled to rely upon any such information or directions. If we fail to receivedirections from you regarding any transaction, or if we receive ambiguous directions regarding any transaction, or we, in good faith, believe that any transaction requested is in dispute, we reserve the right to take no action until further clarification acceptable to us is received from you or the appropriate government or judicial authority. We shall not be responsible for losses of any kind that may result from your directions to us or your actions or failures to act, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act. We shall not be responsible for any penalties, taxes, judgments or expenses you incur in connection with your Roth IRA. We have no duty to determine whether your contributions or distributions comply with the Code, Regulations, rulings or this Agreement. We may permit you to appoint, through written notice acceptable to us, an authorized agent to act on your behalf with respect to this Agreement (e.g., attorney-in-fact, executor, administrator, investment manager), however, we have no duty to determine the validity of such appointment or any instrument appointing such authorized agent. We shall not be responsible for losses of any kind that may result from directions, actions or failures to act by your authorized agent, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act by your authorized agent. You will have sixty (60) days after you receive any documents, statements or other information from us to notify us in writing of any errors or inaccuracies reflected in these documents, statements or other information. If you do not notify us within 60 days, the documents, statements or other information shall be deemed correct and accurate, and we shall have no further liability or obligation for such documents, statements, other information or the transactions described therein. By performing services under this Agreement we are acting as your agent. You acknowledge and agree that nothing in this Agreement shall be construed as conferring fiduciary status upon us. We shall not be required to perform any additional services unless specifically agreed to under the terms and conditions of this Agreement, or as required under the Code and the Regulations promulgated thereunder with respect to Roth IRAs. You agree to indemnify and hold us harmless for any and all claims, actions, proceedings, damages, judgments, liabilities, costs and expenses, including attorney's fees, arising from, or in connection with this Agreement. To the extent written instructions or notices are required under this Agreement; we may accept or provide such information in any other form permitted by the Code or applicable regulations.

**9.04 Service Fees:** We have the right to charge an annual service fee or other designated fees (e.g., a transfer, rollover or termination fee) for maintaining your Roth IRA. In addition, we have the right to be reimbursed for all reasonable expenses, including legal expenses, we incur in connection with the administration of your Roth IRA. We may charge you separately for any fees or expenses, or we may deduct the amount of the fees or expenses from the assets in your Roth IRA at our discretion. We reserve the right to charge any additional fee upon 30 days notice to you that the fee will be effective.

**9.05 Investment of Amounts in the Roth IRA:** You have exclusive responsibility for and control over the investment of the assets of your Roth IRA. All transactions shall be subject to any and all restrictions or limitations, direct or indirect, which are imposed by our charter, articles of incorporation, or bylaws; any and all applicable federal and state laws and regulations; the rules, regulations, customs and usages of any exchange, market or clearing house where the transaction is executed; our policies and practices; and this Agreement. After your death, your beneficiary(ies) shall have the right to direct the investment of your Roth IRA assets, subject to the same conditions that applied to you during your lifetime under this Agreement (including, without limitation, Section 9.03 of this article). We shall have no discretion to direct any investment in your Roth IRA. We assume no responsibility for rendering investment advice with respect to your Roth IRA, nor will we offer any opinion or judgment to you on matters concerning the value or suitability of any investment or proposed investment for your Roth IRA. In the absence of instructions from you, or if your instructions are not in a form acceptable to us, we shall have the right to hold any uninvested amounts in cash, and we shall have no responsibility to invest uninvested cash unless and until directed by you. We will not exercise the voting rights and other shareholder rights with respect to investments in your Roth IRA unless you provide timely written directions acceptable to us. You will select the type of investment for your Roth IRA assets, provided, however, that your selection of investments shall be limited to those types of investments that we are authorized by our charter, articles of incorporation, or bylaws to offer and do in fact offer for investment in Roth IRAs (e.g., term share accounts, passbook accounts).

**9.06 Beneficiary(ies):** If you die before you receive all of the amounts in your Roth IRA, payments from your Roth IRA will be made to your beneficiary(ies). You may designate one or more persons or entities as beneficiary of your Roth IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during your lifetime. Unless otherwise specified, each beneficiary designation you file with us will cancel all previous ones. The consent of a beneficiary(ies) shall not be required for you to revoke a beneficiary designation. If you have designated both primary and contingent beneficiaries and no primary beneficiary(ies) survives you, the contingent beneficiary(ies) shall acquire the designated share of your Roth IRA. If you do not designate a beneficiary, or if all of your primary and contingent beneficiary(ies) predecease you, your estate will be the beneficiary. If your surviving spouse is the designated beneficiary, your spouse may elect to treat your Roth IRA as his or her own Roth IRA, and would not be subject to the required minimum distribution rules. Your surviving spouse will also be entitled to such additional beneficiary payment options as are granted under the Code or applicable Regulations. We may allow, if permitted by state law, an original Roth IRA beneficiary(ies) (the beneficiary(ies) who is entitled to receive distribution(s) from an inherited Roth IRA at the time of your death) to name a successor beneficiary(ies) for the inherited Roth IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during the original Roth IRA beneficiary's(ies) lifetime. Unless otherwise specified, each beneficiary designation form that the original Roth IRA beneficiary(ies) files with us will cancel all previous ones. The consent of a successor beneficiary(ies) shall not be required for the original Roth IRA beneficiary(ies) to revoke a successor beneficiary(ies) designation. If the original Roth IRA beneficiary(ies) does not designate a successor beneficiary(ies), his or her estate will be the successor beneficiary. In no event shall the successor beneficiary(ies) be able to extend the distribution period beyond that required for the original Roth IRA beneficiary. If we so choose, due to the limitations of our charter or bylaws, we may require that a beneficiary(ies) of a deceased Roth IRA holder take total distribution of all Roth IRA assets by December 31 of the year following the year of death.

**9.07 Termination of Agreement, Resignation, or Removal of Custodian:** Either party may terminate this Agreement at any time by giving written notice to the other. We can resign as Custodian at any time effective 30 days after we mail written notice of our resignation to you. Upon receipt of that notice, you must make arrangements to transfer your Roth IRA to another financial organization. If you do not complete a transfer of your Roth IRA within 30 days from the date we mail the notice to you, we have the right to transfer your Roth IRA assets to a successor Roth IRA custodian or trustee that we choose in our sole discretion, or we may pay your Roth IRA to you in a single sum. We shall not be liable for any actions or failures to act on the part of any successor custodian or trustee, nor for any tax consequences you may incur that result from the transfer or distribution of your assets pursuant to this section. If this Agreement is terminated, we may charge to your Roth IRA a reasonable amount of money that we believe is necessary to cover any associated costs, including but not limited to, one or more of the following:

- any fees, expenses or taxes chargeable against your Roth IRA;
- any penalties or surrender charges associated with the early withdrawal of any savings instrument or other investment in your Roth IRA.

If we are required to comply with Regulations section 1.408-2(e), and we fail to do so, or we are not keeping the records, making the returns or sending the statements as are required by forms or Regulations, the IRS may, after notifying you, require you to substitute another trustee or custodian.

We may establish a policy requiring distribution of the entire balance of your Roth IRA to you in cash or property if the balance of your Roth IRA drops below the minimum balance required under the applicable investment or policy established.

**9.08 Successor Custodian:** If our organization changes its name, reorganizes, merges with another organization (or comes under the control of any federal or state agency), or if our entire organization (or any portion which includes your Roth IRA) is bought by another organization, that organization (or agency) shall automatically become the trustee or custodian of your Roth IRA, but only if it is the type of organization authorized to serve as a Roth IRA trustee or custodian.

**9.09 Amendments:** We have the right to amend this Agreement at any time. Any amendment we make to comply with the Code and related Regulations does not require your consent. You will be deemed to have consented to any other amendment unless, within 30 days from the date we mail the amendment, you notify us in writing that you do not consent.

**9.10 Withdrawals or Transfers:** All requests for withdrawal or transfer shall be in writing on a form provided by or acceptable to us. The method of distribution must be specified in writing. The tax identification number of the recipient must be provided to us before we are obligated to make a distribution. Withdrawals shall be subject to all applicable tax and other laws and regulations, including possible early withdrawal penalties or surrender charges and withholding requirements. You are not required to take a distribution from your Roth IRA at age 70½. At your death, however, your beneficiary(ies) must begin taking distributions in accordance with Article V and Section 9.06 of this Agreement. We will make no distributions to you from your Roth IRA until you provide us with a written request for a distribution on a form provided by or acceptable to us.

**9.11 Transfers from Other Plans:** We can receive amounts transferred to this Roth IRA from the custodian or trustee of another Roth IRA as permitted by the Code. We reserve the right not to accept any transfer.

**9.12 Liquidation of Assets:** We have the right to liquidate assets in your Roth IRA if necessary to make distributions or to pay fees, expenses, taxes, penalties or surrender charges properly chargeable against your Roth IRA. If you fail to direct us as to which assets to liquidate, we will decide, in our complete and sole discretion, and you agree not to hold us liable for any adverse consequences that result from our decision.

**9.13 Restrictions on the Fund:** Neither you nor any beneficiary may sell, transfer or pledge any interest in your Roth IRA in any manner whatsoever, except as provided by law or this Agreement. The assets in your Roth IRA shall not be responsible for the debts, contracts or torts of any person entitled to distributions under this Agreement.

**9.14 What Law Applies:** This Agreement is subject to all applicable federal and state laws and regulations. If it is necessary to apply any state law to interpret and administer this Agreement, the law of our domicile shall govern. If any part of this Agreement is held to be illegal or invalid, the remaining parts shall not be affected. Neither your nor our failure to enforce at any time or for any period of time any of the provisions of this Agreement shall be construed as a waiver of such provisions, or your right or our right thereafter to enforce each and every such provision.

## General Instructions

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

### Purpose of Form

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

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

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

### Definitions

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

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

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

## Specific Instructions

**Article I.** The Depositor may be subject to a 6% tax on excess contributions if (1) contributions to other individual retirement arrangements of the Depositor have been made for the same tax year, (2) the Depositor's adjusted gross income exceeds the applicable limits in Article II for the tax year, or (3) the Depositor's and spouse's compensation is less than the amount contributed by or on behalf of them for the tax year. The Depositor should see the Disclosure Statement or Pub. 590 for more information.

**Article V.** This article describes how distributions will be made from the Roth IRA after the Depositor's death. Elections made pursuant to this article should be reviewed periodically to ensure they correspond to the Depositor's intent. Under paragraph 3 of Article V, the Depositor's spouse is treated as the owner of the Roth IRA upon the death of the Depositor, rather than as the beneficiary. If the spouse is to be treated as the beneficiary, and not the owner, an overriding provision should be added to Article IX.

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

## DISCLOSURE STATEMENT

### RIGHT TO REVOKE YOUR ROTH IRA

You have the right to revoke your Roth IRA within seven (7) days of the receipt of the Disclosure Statement. If revoked, you are entitled to a full return of the contribution you made to your Roth IRA. The amount returned to you would not include an adjustment for such items as sales commissions, administrative expenses, or fluctuation in market value. You may make this revocation only by mailing or delivering a written notice to the Custodian at the address listed on the Application.

If you send your notice by first class mail, your revocation will be deemed mailed as of the postmark date.

If you have any questions about the procedure for revoking your Roth IRA, please call the Custodian at the telephone number listed on the Application.

## REQUIREMENTS OF A ROTH IRA

**A. CASH CONTRIBUTIONS** - Your contribution must be in cash, unless it is a rollover or conversion contribution.

**B. MAXIMUM CONTRIBUTION** - The total amount you may contribute to a Roth IRA for any taxable year cannot exceed the lesser of 100 percent of your compensation or \$3,000 for years 2002-2004, \$4,000 for years 2005-2007, and \$5,000 for 2008, with possible cost-of-living adjustments in years 2009 and thereafter. If you also maintain a Traditional IRA (i.e., an IRA subject to the limits of Internal Revenue Code (Code) sections 408(a) or 408(b)), the maximum contribution to your Roth IRAs is reduced by any contributions you make to your Traditional IRA. Your total annual contribution to all Traditional IRAs and Roth IRAs cannot exceed the lesser of the dollar amounts described above or 100 percent of your compensation. Your Roth IRA contribution is further limited if your modified adjusted gross income (MAGI) equals or exceeds \$150,000 if you are a married individual filing a joint income tax return, or equals or exceeds \$95,000 if you are a single individual. Married individuals filing a joint income tax return with MAGI equaling or exceeding \$160,000 may not fund a Roth IRA. Single individuals with MAGI equaling or exceeding \$110,000 may not fund a Roth IRA. Married individuals filing a separate income tax return with MAGI equaling or exceeding \$10,000 may not fund a Roth IRA. The MAGI limits described above are subject to cost-of-living increases for tax years beginning after 2006. If you are married filing a joint income tax return and your MAGI is between the applicable MAGI phaseout range for the year, your maximum Roth IRA contribution is determined as follows: (1) Begin with the appropriate MAGI phase-out maximum for the applicable year and subtract your MAGI from it; (2) divide the result by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable contribution for the year, including catch-up contributions if you are age 50 or older. For example, if you are age 30 and your MAGI is \$155,000, your maximum Roth IRA contribution for 2002 is \$1,500. This amount is determined as follows:  $[(\$160,000 \text{ minus } \$155,000) \text{ divided by } \$10,000] \text{ multiplied by } \$3,000$ . If you are single and your MAGI is between the applicable MAGI phaseout for the year, your maximum Roth IRA contribution is determined as follows: (1) Begin with the appropriate MAGI phase-out maximum for the applicable year and subtract your MAGI from it; (2) divide the result by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable contribution for the year, including catch-up contributions if you are age 50 or older. For example, if you are age 30 and your MAGI is \$98,000, your maximum Roth IRA contribution for 2002 is \$2,400. This amount is determined as follows:  $[(\$110,000 \text{ minus } \$98,000) \text{ divided by } \$15,000] \text{ multiplied by } \$3,000$ .

**C. CONTRIBUTION ELIGIBILITY** - You are eligible to make a regular contribution to your Roth IRA, regardless of your age, if you have compensation and your MAGI is below the maximum threshold. Your Roth IRA contribution is not limited by your participation in a retirement plan, other than a Traditional IRA.

**D. CATCH-UP CONTRIBUTION** - If you are age 50 or older by the close of the taxable year, you may make an additional contribution to your Roth IRA. The maximum additional contribution is \$500 for years 2002-2005 and \$1,000 for years 2006 and beyond.

**E. NONFORFEITABILITY** - Your interest in your Roth IRA is nonforfeitable.

**F. ELIGIBLE CUSTODIANS** - The Custodian of your Roth IRA must be a bank, savings and loan association, credit union, or a person or entity approved by the Secretary of the Treasury.

**G. COMMINGLING ASSETS** - The assets of your Roth IRA cannot be commingled with other property except in a common trust fund or common investment fund.

**H. LIFE INSURANCE** - No portion of your Roth IRA may be invested in life insurance contracts.

**I. COLLECTIBLES** - You may not invest the assets of your Roth IRA in collectibles (within the meaning of Code section 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or other tangible personal property specified by the Internal Revenue Service (IRS). However, specially minted United States gold and silver coins, and certain state issued coins are permissible investments. Platinum coins and certain gold, silver, platinum or palladium bullion (as described in Code section 408(m)(3)) are also permitted as Roth IRA investments.

**J. BENEFICIARY PAYOUTS** - Your designated beneficiary is determined based on the beneficiary(ies) designated as of the date of your death who remains your beneficiary(ies) as of September 30 of the year following the year of your death. The entire amount remaining in your account will, at the election of your beneficiary(ies), either

1. be distributed by December 31 of the year containing the fifth anniversary of your death, or
2. be distributed over the remaining life expectancy of your designated beneficiary(ies).

If your spouse is your sole designated beneficiary, he or she must elect either option (1) or (2) by the earlier of December 31 of the year containing the fifth anniversary of your death, or December 31 of the year you would have attained age 70½. Your designated beneficiary(ies), other than a spouse who is the sole designated beneficiary, must elect either option (1) or (2) by December 31 of the year following the year of your death. If no election is made, distribution will be calculated in accordance with option (2). In the case of distributions under option (2), distributions must commence by December 31 of the year following the year of your death. Generally if your spouse is the designated beneficiary, distributions need not commence until December 31 of the year you would have attained age 70½, if later. If a beneficiary(ies) other than an individual or qualified trust as defined in the Regulations is named, you will be treated as having no designated beneficiary(ies) of your Roth IRA for purposes of determining the distribution period. If there is no designated beneficiary of your Roth IRA, the entire Roth IRA must be distributed by December 31 of the year containing the fifth anniversary of your death. A spouse who is the sole designated beneficiary of your entire Roth IRA will be deemed to elect to treat your Roth IRA as his or her own by either (1) making contributions to your Roth IRA or (2) failing to timely remove a required minimum distribution from your Roth IRA. Regardless of whether or not the spouse is the sole designated beneficiary of your Roth IRA, a spouse beneficiary may roll over his or her share of the assets to his or her own Roth IRA.

## INCOME TAX CONSEQUENCES OF ESTABLISHING A ROTH IRA

**A. CONTRIBUTIONS NOT DEDUCTED** - No deduction is allowed for Roth IRA contributions, including transfers, rollovers and conversion contributions.

**B. CONTRIBUTION DEADLINE** - The deadline for making a Roth IRA contribution is your tax return due date (not including extensions). You may designate a contribution as a contribution for the preceding taxable year in a manner acceptable to us. For example, if you are a calendar year taxpayer, and you make your Roth IRA contribution on or before April 15, your contribution is considered to have been made for the previous tax year if you designate it as such.

**C. TAX CREDIT FOR CONTRIBUTIONS** - You may be eligible to receive a tax credit for your Roth IRA contributions. This credit may not exceed \$1,000 in a given year. You may be eligible for this tax credit if you are

- age 18 or older as of the close of the taxable year,
- not a dependent of another taxpayer, and
- not a full-time student.

The credit is based upon your income (see chart below), and will range from 0 to 50 percent of eligible contributions. In order to determine the amount of your contributions, add all of the contributions made to your Roth IRA and reduce these contributions by any distributions that you have taken during the testing period. The testing period begins two years prior to the year for which the credit is sought and ends on the tax return due date (including extensions) for the year for which the credit is sought. In order to determine your tax credit, multiply the applicable percentage from the chart below by the amount of your contributions that do not exceed \$2,000.

Joint Return	Adjusted Gross Income*		Applicable Percentage
	Head of a Household	All Other Cases	
\$1 - 30,000	\$1 - 22,500	\$1 - 15,000	50
30,001 - 32,500	22,501 - 24,375	15,001 - 16,250	20
32,501 - 50,000	24,376 - 37,500	16,251 - 25,000	10
Over 50,000	Over 37,500	Over 25,000	0

\*Adjusted gross income includes foreign earned income and income from Guam, America Samoa, North Mariana Islands and Puerto Rico. AGI limits are subject to cost-of-living adjustments for tax years beginning after 2006.

**D. TAX-DEFERRED EARNINGS** - The investment earnings of your Roth IRA are not subject to federal income tax as they accumulate in your Roth IRA. In addition, distributions of your Roth IRA earnings will be free from federal income tax if you take a qualified distribution, as described below.

**E. TAXATION OF DISTRIBUTIONS** - The taxation of Roth IRA distributions depends on whether the distribution is a qualified distribution or a nonqualified distribution.

- 1. Qualified Distributions** - Qualified distributions from your Roth IRA (both the contributions and earnings) are not included in your income. A qualified distribution is a distribution which is made after the expiration of the five-year period beginning January 1 of the first year for which you made a contribution to any Roth IRA (including a conversion from a Traditional IRA), and is made on account of one of the following events:
  - attainment of age 59½,
  - disability,
  - the purchase of a first home, or
  - death.

For example, if you made a contribution to your Roth IRA for 1998, the five year period for determining whether a distribution is a qualified distribution is satisfied as of January 1, 2003.

- 2. Nonqualified Distributions** - If you do not meet the requirements for a qualified distribution, any earnings you withdraw from your Roth IRA will be included in your gross income and, if you are under age 59½, may be subject to an early distribution penalty. However, when you take a distribution, the amounts you contributed annually to any Roth IRA account will be deemed to be removed first, followed by conversion contributions made to any Roth IRA on a first-in, first-out basis. Therefore, your nonqualified distributions will not be taxable to you until your withdrawals exceed the amount of your annual contributions and your conversion contributions. However, the 10 percent early distribution penalty may apply to conversion contributions distributed within the five-year period beginning with the year in which the conversion occurred. These “ordering rules” are complex. If you have any questions regarding the taxation of distributions from your Roth IRA, please see a competent tax advisor.

**F. REQUIRED MINIMUM DISTRIBUTIONS** - You are not required to take distributions from your Roth IRA at age 70½ (as required for Traditional and SIMPLE IRAs). However, your beneficiary(ies) is generally required to take distributions from your Roth IRA after your death. See the section titled *Beneficiary Payouts* in this Disclosure Statement regarding beneficiary's(ies) required minimum distributions.

**G. ROLLOVERS AND CONVERSIONS** - Your Roth IRA may be rolled over to another Roth IRA of yours, may receive rollover contributions, or may receive conversion contributions provided that all of the applicable rollover or conversion rules are followed. Rollover is a term used to describe a tax-free movement of cash or other property to your Roth IRA from another Roth IRA. Conversion is a term used to describe the movement of Traditional IRA or SIMPLE IRA assets to a Roth IRA. A conversion is generally a taxable event. The rollover and conversion rules are generally summarized below. These transactions are often complex. If you have any questions regarding a rollover or conversion, please see a competent tax advisor.

- 1. Roth IRA to Roth IRA Rollovers** - Funds distributed from your Roth IRA may be rolled over to a Roth IRA of yours if the requirements of Code section 408(d)(3) are met. A proper Roth IRA to Roth IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another Roth IRA to Roth IRA rollover from the distributing Roth IRA during the 12 months preceding the date you receive the distribution. Further, you may roll over the same dollars or assets only once every 12 months. Roth IRA assets may not be rolled over to other types of IRAs (e.g., Traditional IRA, SIMPLE IRA).
- 2. Traditional IRA to Roth IRA Conversions** - If your MAGI is not more than \$100,000 and you are not married filing a separate income tax return, you are eligible to convert all or any portion of your existing Traditional IRA(s) into your Roth IRA(s). Beginning in 2010, the \$100,000 MAGI limit and the married filing separate tax filing restriction will be eliminated for conversion eligibility. If you are age 70½ or older you must remove your required minimum distribution prior to converting your Traditional IRA. The amount of the conversion from your Traditional IRA to your Roth IRA shall be treated as a distribution for income tax purposes, and is includible in your gross income (except for any nondeductible contributions). Although the conversion amount is generally included in income, the 10 percent early distribution penalty shall not apply to conversions from a Traditional IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent penalty.
- 3. SIMPLE IRA to Roth IRA Conversions** - If your MAGI is not more than \$100,000 and you are not married filing a separate income tax return, you are eligible to convert all or any portion of your existing savings incentive match plan for employees of small employers (SIMPLE) IRA(s) into your Roth IRA(s), provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. Beginning in 2010, the \$100,000 MAGI limit and the married filing separate tax filing restriction will be eliminated for conversion eligibility. If you are age 70½ or older you must remove your required minimum distribution prior to converting your SIMPLE IRA. The amount of the conversion from your SIMPLE IRA to your Roth IRA shall be treated as a distribution for income tax purposes and is includible in your gross income. Although the conversion amount is generally included in income, the 10 percent early distribution penalty shall not apply to conversions from a SIMPLE IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent penalty.
- 4. Rollovers of Roth Elective Deferrals** - Roth elective deferrals distributed from a 401(k) cash or deferred arrangement or 403(b) tax-sheltered annuity may be rolled into your Roth IRA.
- 5. Rollovers from Employer-Sponsored Retirement Plans** - Distributions taken from your qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) governmental deferred compensation plan after December 31, 2007 may be rolled over to your Roth IRA. Roth IRA conversion rules, as described above, will apply, including the requirement to include the taxable portion in income in the year distributed.
- 6. Nonspouse Beneficiary Rollovers from 401(k) or 403(b) Plans Containing Roth Elective Deferrals** - If you are a nonspouse beneficiary of a deceased 401(k) or 403(b) plan participant who had made Roth elective deferrals to the plan, you may directly roll over the Roth elective deferrals, and their earnings, to an inherited Roth IRA. The Roth IRA must be maintained as an inherited Roth IRA, subject to the beneficiary distribution requirements, (i.e., you may not roll these assets to your own Roth IRA).
- 7. Qualified HSA Funding Distribution** - If you are eligible to contribute to a health savings account (HSA), you may be eligible to take a one-time tax-free HSA funding distribution from your Roth IRA and directly deposit it to your HSA. The amount of the qualified HSA funding distribution may not exceed the maximum HSA contribution limit in effect for the type of high deductible health plan coverage (i.e., single or family coverage) that you have at the time of the deposit, and counts toward your HSA contribution limit for that year. For further detailed information, you may wish to obtain IRS Publication 969, *Health Savings Accounts and Other Tax-Favored Health Plans*.
- 8. Written Election** - At the time you make a proper rollover or conversion to a Roth IRA, you must designate in writing to us, your election to treat that contribution as a rollover or conversion. Once made, the election is irrevocable. information, you may wish to obtain IRS Publication 969, *Health Savings Accounts and Other Tax-Favored Health Plans*.

**H. TRANSFER DUE TO DIVORCE** - If all or any part of your Roth IRA is awarded to your spouse or former spouse in a divorce or legal separation proceeding, the amount so awarded will be treated as the spouse's Roth IRA (and may be transferred pursuant to a court-approved divorce decree or written legal separation agreement to another Roth IRA of your spouse), and will not be considered a taxable distribution to you. A transfer is a tax-free direct movement of cash and/or property from one Roth IRA to another.

**I. RECHARACTERIZATIONS** - If you make a contribution to a Traditional IRA and later recharacterize either all or a portion of the original contribution to a Roth IRA along with net income attributable, you may elect to treat the original contribution as having been made to the Roth IRA. The same methodology applies when recharacterizing a contribution from a Roth IRA to a Traditional IRA. If you have converted from a Traditional IRA to a Roth IRA you may recharacterize the conversion along with net income attributable back to the Traditional IRA. The deadline for completing a recharacterization is your tax filing deadline (including any extensions), for the year for which the original contribution was made or conversion completed.

## LIMITATIONS AND RESTRICTIONS

**A. SPOUSAL ROTH IRA** - If you are married and have compensation, you may contribute to a Roth IRA established for the benefit of your spouse, regardless of whether or not your spouse has compensation. You must file a joint income tax return for the year for which the contribution is made. Your contribution may be further limited if your MAGI falls within the minimum and maximum thresholds.

The amount you may contribute to your Roth IRA and your spouse's Roth IRA is the lesser of 100 percent of your combined compensation or \$6,000 for 2002- 2004, \$8,000 for 2005-2007 and \$10,000 for 2008. This amount may be increased with cost-of-living adjustments in 2009 and beyond. However, you may not contribute more than the individual contribution limit to each Roth IRA. Your contribution may be further limited if your MAGI falls within the minimum and maximum thresholds.

If your spouse is age 50 or older by the close of the taxable year, and is otherwise eligible, you may make an additional contribution to your spouse's Roth IRA. The maximum additional contribution is \$500 for years 2002-2005, and \$1,000 for years 2006 and beyond.

**B. GIFT TAX** - Transfers of your Roth IRA assets to a beneficiary made during your Life and at your request may be subject to federal gift tax under Code section 2501.

**C. SPECIAL TAX TREATMENT** - Capital gains treatment and 10-year forward income averaging authorized by Code section 402 do not apply to Roth IRA distributions.

**D. INCOME TAX TREATMENT** - Any nonqualified withdrawal of earnings from your Roth IRA may be subject to federal income tax withholding. You may, however, elect not to have withholding apply to your Roth IRA withdrawal. If withholding is applied to your withdrawal, not less than 10 percent of the amount withdrawn must be withheld.

**E. CHARITABLE DISTRIBUTIONS** - If you are age 70½ or older, you may make tax-free distributions of up to \$100,000 per year directly from your Roth IRA to certain charitable organizations. Special tax rules may apply. For further detailed information you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements* from the IRS. This provision applies to distributions during tax years 2006 and 2007.

**F. PROHIBITED TRANSACTIONS** - If you or your beneficiary engage in a prohibited transaction with your Roth IRA, as described in Code section 4975, your Roth IRA will lose its tax-deferred or tax-exempt status, and you must generally include the value of the earnings in your account in your gross income for the taxable year you engage in the prohibited transaction. The following transactions are examples of prohibited transactions with your Roth IRA: (1) taking a loan from your Roth IRA; (2) buying property for personal use (present or future) with Roth IRA funds; or (3) receiving certain bonuses or premiums because of your Roth IRA.

**G. PLEDGING** - If you pledge any portion of your Roth IRA as collateral for a loan, the amount so pledged will be treated as a distribution, and may be included in your gross income for the taxable year in which you pledge the assets to the extent it represents earnings.

## FEDERAL TAX PENALTIES

**A. EARLY DISTRIBUTION PENALTY** - If you are under age 59½ and receive a nonqualified Roth IRA distribution, an additional tax of 10 percent will generally apply to the amount includible in income in the year of the distribution. If you are under age 59½ and receive a distribution of conversion amounts within the five-year period beginning with the year in which the conversion occurred, an additional tax of 10 percent will generally apply to the amount of the distribution. The additional tax of 10 percent will generally not apply if a distribution is made on account of 1) death, 2) disability, 3) a qualifying rollover, 4) the timely withdrawal of an excess contribution, 5) a series of substantially equal periodic payments (at least annual payments) made over your life expectancy or the joint life expectancy of you and your beneficiary, 6) medical expenses which exceed 7.5 percent of your adjusted gross income, 7) health insurance payments if you are separated from employment and have received unemployment compensation under a federal or state program for at least 12 weeks, 8) certain qualified education expenses, 9) first-home purchases (up to a life-time maximum of \$10,000), 10) a levy issued by the IRS, or 11) active military duty (see *Qualified Reservist Distributions*, below).

**B. EXCESS CONTRIBUTION PENALTY** - An additional tax of six percent is imposed upon any excess contribution you make to your Roth IRA. This additional tax will apply each year in which an excess remains in your Roth IRA. An excess contribution is any amount that is contributed to your Roth IRA that exceeds the amount that you are eligible to contribute.

**C. EXCESS ACCUMULATION PENALTY** - As previously described, your beneficiary(ies) is generally required to take certain required minimum distributions after your death. An additional tax of 50 percent is imposed on the amount of the required minimum distribution which should have been taken but was not.

**D. PENALTY REPORTING** - You must file IRS Form 5329 along with your income tax return to the IRS to report and remit any additional taxes.

## OTHER

**A. IRS PLAN APPROVAL** - The Agreement used to establish this Roth IRA has been approved by the IRS. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.

**B. ADDITIONAL INFORMATION** - You may obtain further information on Roth IRAs from your District Office of the IRS. In particular, you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements*, by calling 1-800-TAXFORM, or by visiting [www.irs.gov](http://www.irs.gov) on the Internet.

**C. 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 organizations to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, you are required to provide your name, residential address, date of birth, and identification number. We may require other information that will allow us to identify you.

**D. HURRICANE-RELATED RELIEF** - If you are an individual who sustained an economic loss due to, or are otherwise considered affected by, hurricane Katrina, Rita or Wilma, you may be eligible for favorable tax treatment on distributions and rollovers from your Roth IRA. Qualified distributions include Roth IRA distributions made on or after specified dates for each hurricane and before January 1, 2007 to a qualified individual. For a complete definition of what constitutes a qualified individual and a qualified hurricane distribution for purposes of hurricane relief, refer to IRS Publication 4492, *Information for Taxpayers Affected by Hurricanes Katrina, Rita and Wilma*.

1. **10 Percent Penalty Exception on Qualified Distributions** - Qualified hurricane distributions are not subject to the 10 percent early distribution penalty tax. This penalty exception applies only to the first \$100,000 of qualified distributions to each individual.

2. **Taxation May be Spread Over Three Years** - If you receive qualified hurricane distributions, you may elect to include the distribution in your gross income ratably over three years, beginning with the year of the distribution.

3. **Repayment of Qualified Hurricane Distributions** - You may roll over qualified hurricane distributions to an eligible retirement plan, and avoid federal income taxation, within three years of the date of receipt of the distribution. The 60-day rollover rule does not apply to these distributions. For further detailed information on tax relief granted for hurricanes Katrina, Rita and Wilma, and other exceptions which may be granted in the future by the IRS, you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements*, by calling 1-800-TAXFORM, or by visiting [www.irs.gov](http://www.irs.gov) on the Internet.

**E. QUALIFIED RESERVIST DISTRIBUTIONS** - If you are a qualified reservist called to active duty, you may be eligible to take penalty-free distributions from your Roth IRA and recontribute those amounts to an IRA generally within a two-year period from your date of return. For further detailed information you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements* from the IRS.

**IRA FINANCIAL DISCLOSURE**

**In General:** IRS regulations require the Custodian to provide you with a financial projected growth of your IRA account based upon certain assumptions. The dollar amounts shown in Tables #1 and #2 are examples of increases in value of an IRA if certain deposits are made and rates are maintained throughout the life of your IRA. These are projections only and are not guaranteed amounts. The rates assumed may or may not be in effect throughout the life of your IRA. The age specified in the tables is your age at the beginning of the year in which you opened your IRA account. These tables reflect amounts which would be available at the end of the first five years and at the end of the years you attain age 60, 65 and 70.

**Regular IRA - Table #1 Assumptions:** The projections in Table #1 are based upon an annual deposit at the beginning of each year of \$1,000 earning 1% interest compounded annually and deposited in a 5 year time deposit.

**Rollover IRA - Table #2 Assumptions:** The projections in Table #2 are based upon a one time rollover deposit at the beginning of the year of \$1,000 earning 1% interest compounded annually and deposited in a 5 year time deposit.

**Early Withdrawal Penalties:** Early withdrawal penalties may be imposed if any funds deposited in the account are withdrawn from the account prior to the maturity date of the account. Therefore, Tables #1 and #2 reflect early withdrawal penalties of 3 months, 6 months and 1 year. Of course, if funds are withdrawn upon maturity of the deposit account, no penalty will be assessed.

**Equivalent Rates:** Tables #1 and #2 reflect an annual interest rate of 1% compounded annually which equates to approximately: 1.005% if compounded continuously; 1.005% if compounded daily with a 365/365 factor; 1.0046% if compounded monthly; and 1.0038% if compounded quarterly.

**Custodian Fees:** The Custodian may charge reasonable fees or compensation for its services and it may deduct all reasonable expenses incurred by it in the administration of your IRA, including any legal, accounting, distribution, transfer, termination or other designated fees. Any charges made by the Custodian will be separately disclosed on an attachment hereto.

**Table #1  
First Five Years**

	End of Year		No Penalty		3-Month Penalty		6-Month Penalty		1-Year Penalty	
1			1,010		1,007		1,005		1,000	
2			2,030		2,025		2,020		2,010	
3			3,060		3,053		3,045		3,030	
4			4,101		4,091		4,081		4,061	
5			5,152		5,152		5,152		5,152	

  

Age	No Penalty			3-Month Penalty			6-Month Penalty			1-Year Penalty		
	60	65	70	60	65	70	60	65	70	60	65	70
18	52,398	60,223	68,447	52,143	59,929	68,113	51,904	59,652	67,796	51,410	59,082	67,144
19	50,879	58,626	66,769	50,752	58,480	66,602	50,632	58,341	66,443	50,385	58,056	66,118
20	49,375	57,046	65,108	49,375	57,046	65,108	49,375	57,046	65,108	49,375	57,046	65,108
21	47,886	55,481	63,463	47,451	54,972	62,877	47,045	54,494	62,322	46,203	53,506	61,181
22	46,412	53,932	61,835	46,086	53,550	61,395	45,781	53,191	60,979	45,150	52,451	60,123
23	44,953	52,398	60,223	44,735	52,143	59,929	44,532	51,904	59,652	44,111	51,410	59,082
24	43,508	50,879	58,626	43,399	50,752	58,480	43,297	50,632	58,341	43,087	50,385	58,056
25	42,077	49,375	57,046	42,077	49,375	57,046	42,077	49,375	57,046	42,077	49,375	57,046
26	40,660	47,886	55,481	40,295	47,451	54,972	39,958	47,045	54,494	39,255	46,203	53,506
27	39,258	46,412	53,932	38,984	46,086	53,550	38,731	45,781	53,191	38,204	45,150	52,451
28	37,869	44,953	52,398	37,687	44,735	52,143	37,518	44,532	51,904	37,166	44,111	51,410
29	36,494	43,508	50,879	36,403	43,399	50,752	36,318	43,297	50,632	36,143	43,087	50,385
30	35,133	42,077	49,375	35,133	42,077	49,375	35,133	42,077	49,375	35,133	42,077	49,375
31	33,785	40,660	47,886	33,487	40,295	47,451	33,214	39,958	47,045	32,644	39,255	46,203
32	32,450	39,258	46,412	32,227	38,984	46,086	32,023	38,731	45,781	31,595	38,204	45,150
33	31,129	37,869	44,953	30,980	37,687	44,735	30,844	37,518	44,532	30,559	37,166	44,111
34	29,821	36,494	43,508	29,746	36,403	43,399	29,678	36,318	43,297	29,536	36,143	43,087
35	28,526	35,133	42,077	28,526	35,133	42,077	28,526	35,133	42,077	28,526	35,133	42,077
36	27,243	33,785	40,660	27,008	33,487	40,295	26,798	33,214	39,958	26,354	32,644	39,255
37	25,973	32,450	39,258	25,797	32,227	38,984	25,640	32,023	38,731	25,306	31,595	38,204
38	24,716	31,129	37,869	24,599	30,980	37,687	24,494	30,844	37,518	24,272	30,559	37,166
39	23,472	29,821	36,494	23,413	29,746	36,403	23,360	29,678	36,318	23,249	29,536	36,143
40	22,239	28,526	35,133	22,239	28,526	35,133	22,239	28,526	35,133	22,239	28,526	35,133
41	21,019	27,243	33,785	20,845	27,008	33,487	20,694	26,798	33,214	20,369	26,354	32,644
42	19,811	25,973	32,450	19,680	25,797	32,227	19,567	25,640	32,023	19,323	25,306	31,595
43	18,615	24,716	31,129	18,528	24,599	30,980	18,452	24,494	30,844	18,290	24,272	30,559
44	17,430	23,472	29,821	17,387	23,413	29,746	17,349	23,360	29,678	17,268	23,249	29,536
45	16,258	22,239	28,526	16,258	22,239	28,526	16,258	22,239	28,526	16,258	22,239	28,526
46	15,097	21,019	27,243	14,980	20,845	27,008	14,886	20,694	26,798	14,674	20,369	26,354
47	13,947	19,811	25,973	13,860	19,680	25,797	13,789	19,567	25,640	13,630	19,323	25,306
48	12,809	18,615	24,716	12,751	18,528	24,599	12,704	18,452	24,494	12,598	18,290	24,272
49	11,683	17,430	23,472	11,653	17,387	23,413	11,630	17,349	23,360	11,577	17,268	23,249
50	10,567	16,258	22,239	10,567	16,258	22,239	10,567	16,258	22,239	10,567	16,258	22,239
51	9,462	15,097	21,019	9,400	14,980	20,845	9,359	14,886	20,694	9,256	14,674	20,369
52	8,369	13,947	19,811	8,322	13,860	19,680	8,291	13,789	19,567	8,214	13,630	19,323
53	7,286	12,809	18,615	7,255	12,753	18,528	7,234	12,704	18,452	7,183	12,598	18,290
54	6,214	11,683	17,430	6,198	11,653	17,387	6,188	11,630	17,349	6,162	11,577	17,268
55	5,152	10,567	16,258	5,152	10,567	16,258	5,152	10,567	16,258	5,152	10,567	16,258
56	4,101	9,462	15,097	4,091	9,400	14,980	4,081	9,359	14,886	4,061	9,256	14,674
57	3,060	8,369	13,947	3,053	8,322	13,860	3,045	8,291	13,789	3,030	8,214	13,630
58	2,030	7,286	12,809	2,025	7,255	12,751	2,020	7,234	12,704	2,010	7,183	12,598
59	1,010	6,214	11,683	1,007	6,198	11,653	1,005	6,188	11,630	1,000	6,162	11,577
60	0	5,152	10,567	0	5,152	10,567	0	5,152	10,567	0	5,152	10,567
61	0	4,101	9,462	0	4,091	9,400	0	4,081	9,359	0	4,061	9,256
62	0	3,060	8,369	0	3,053	8,322	0	3,045	8,291	0	3,030	8,214
63	0	2,030	7,286	0	2,025	7,255	0	2,020	7,234	0	2,010	7,183
64	0	1,010	6,214	0	1,007	6,198	0	1,005	6,188	0	1,000	6,162
65	0	0	5,152	0	0	5,152	0	0	5,152	0	0	5,152
66	0	0	4,101	0	0	4,091	0	0	4,081	0	0	4,061
67	0	0	3,060	0	0	3,053	0	0	3,045	0	0	3,030
68	0	0	2,030	0	0	2,025	0	0	2,020	0	0	2,010
69	0	0	1,010	0	0	1,007	0	0	1,005	0	0	1,000
70	0	0	0	0	0	0	0	0	0	0	0	0

**Table #2**  
**First Five Years**

End of Year	No Penalty	3-Month Penalty	6-Month Penalty	1-Year Penalty
1	1,010	1,008	1,005	1,000
2	1,020	1,018	1,015	1,010
3	1,030	1,028	1,025	1,020
4	1,041	1,038	1,036	1,031
5	1,051	1,051	1,051	1,051

Age	No Penalty			3-Month Penalty			6-Month Penalty			1-Year Penalty		
	60	65	70	60	65	70	60	65	70	60	65	70
18	1,519	1,596	1,678	1,515	1,592	1,674	1,511	1,588	1,670	1,504	1,581	1,661
19	1,504	1,580	1,661	1,500	1,577	1,657	1,496	1,573	1,653	1,489	1,565	1,645
20	1,489	1,565	1,645	1,489	1,565	1,645	1,489	1,565	1,645	1,489	1,534	1,645
21	1,474	1,549	1,628	1,471	1,546	1,624	1,467	1,542	1,621	1,460	1,519	1,613
22	1,460	1,534	1,612	1,456	1,530	1,608	1,452	1,527	1,604	1,445	1,504	1,597
23	1,445	1,519	1,596	1,442	1,515	1,592	1,438	1,511	1,588	1,431	1,489	1,581
24	1,431	1,504	1,580	1,427	1,500	1,577	1,424	1,496	1,573	1,417	1,489	1,565
25	1,417	1,489	1,565	1,417	1,489	1,565	1,417	1,489	1,565	1,417	1,460	1,565
26	1,403	1,474	1,549	1,399	1,471	1,546	1,396	1,467	1,542	1,389	1,445	1,534
27	1,389	1,460	1,534	1,385	1,456	1,530	1,382	1,452	1,527	1,375	1,431	1,519
28	1,375	1,445	1,519	1,372	1,442	1,515	1,368	1,438	1,511	1,361	1,417	1,504
29	1,361	1,431	1,504	1,358	1,427	1,500	1,355	1,424	1,496	1,348	1,417	1,489
30	1,348	1,417	1,489	1,348	1,417	1,489	1,348	1,417	1,489	1,348	1,389	1,489
31	1,335	1,403	1,474	1,331	1,399	1,471	1,328	1,396	1,467	1,322	1,375	1,460
32	1,321	1,389	1,460	1,318	1,385	1,456	1,315	1,382	1,452	1,308	1,361	1,445
33	1,308	1,375	1,445	1,305	1,372	1,442	1,302	1,368	1,438	1,295	1,361	1,431
34	1,295	1,361	1,431	1,292	1,358	1,427	1,289	1,355	1,424	1,282	1,348	1,417
35	1,282	1,348	1,417	1,282	1,348	1,417	1,282	1,348	1,417	1,282	1,348	1,417
36	1,270	1,335	1,403	1,267	1,331	1,399	1,264	1,328	1,396	1,258	1,322	1,389
37	1,257	1,321	1,389	1,254	1,318	1,385	1,251	1,315	1,382	1,245	1,308	1,375
38	1,245	1,308	1,375	1,242	1,305	1,372	1,239	1,302	1,368	1,233	1,295	1,361
39	1,232	1,295	1,361	1,229	1,292	1,358	1,226	1,289	1,355	1,220	1,282	1,348
40	1,220	1,282	1,348	1,220	1,282	1,348	1,220	1,282	1,348	1,220	1,282	1,348
41	1,208	1,270	1,335	1,205	1,267	1,331	1,202	1,264	1,328	1,196	1,258	1,322
42	1,196	1,257	1,321	1,193	1,254	1,318	1,190	1,251	1,315	1,185	1,245	1,308
43	1,184	1,245	1,308	1,181	1,242	1,305	1,178	1,239	1,302	1,173	1,233	1,295
44	1,173	1,232	1,295	1,170	1,229	1,292	1,167	1,226	1,289	1,161	1,220	1,282
45	1,161	1,220	1,282	1,161	1,220	1,282	1,161	1,220	1,282	1,161	1,220	1,282
46	1,149	1,208	1,270	1,147	1,205	1,267	1,144	1,202	1,264	1,138	1,196	1,258
47	1,138	1,196	1,257	1,135	1,193	1,254	1,133	1,190	1,251	1,127	1,185	1,245
48	1,127	1,184	1,245	1,124	1,181	1,242	1,121	1,178	1,239	1,116	1,173	1,233
49	1,116	1,173	1,232	1,113	1,170	1,229	1,110	1,167	1,226	1,105	1,161	1,220
50	1,105	1,161	1,220	1,105	1,161	1,220	1,105	1,161	1,220	1,105	1,161	1,220
51	1,094	1,149	1,208	1,091	1,147	1,205	1,088	1,144	1,202	1,083	1,138	1,196
52	1,083	1,138	1,196	1,080	1,135	1,193	1,078	1,133	1,190	1,072	1,127	1,185
53	1,072	1,127	1,184	1,070	1,124	1,181	1,067	1,121	1,178	1,062	1,116	1,173
54	1,062	1,116	1,173	1,059	1,113	1,170	1,056	1,110	1,167	1,051	1,105	1,161
55	1,051	1,105	1,161	1,051	1,105	1,161	1,051	1,105	1,161	1,051	1,105	1,161
56	1,041	1,094	1,149	1,038	1,091	1,147	1,036	1,088	1,144	1,031	1,083	1,138
57	1,030	1,083	1,138	1,028	1,080	1,135	1,025	1,078	1,133	1,020	1,072	1,127
58	1,020	1,072	1,127	1,018	1,070	1,124	1,015	1,067	1,121	1,010	1,062	1,116
59	1,010	1,062	1,116	1,008	1,059	1,113	1,005	1,056	1,110	1,000	1,051	1,105
60	0	1,051	1,105	0	1,051	1,105	0	1,051	1,105	0	1,050	1,105
61	0	1,041	1,094	0	1,038	1,091	0	1,036	1,088	0	1,031	1,083
62	0	1,030	1,083	0	1,028	1,080	0	1,025	1,078	0	1,020	1,072
63	0	1,020	1,072	0	1,018	1,070	0	1,015	1,067	0	1,010	1,062
64	0	1,010	1,062	0	1,008	1,059	0	1,005	1,056	0	1,000	1,051
65	0	0	1,051	0	0	1,051	0	0	1,051	0	0	1,050
66	0	0	1,041	0	0	1,038	0	0	1,036	0	0	1,031
67	0	0	1,030	0	0	1,028	0	0	1,025	0	0	1,020
68	0	0	1,020	0	0	1,018	0	0	1,015	0	0	1,010
69	0	0	1,010	0	0	1,008	0	0	1,005	0	0	1,000
70	0	0	0	0	0	0	0	0	0	0	0	0