

TRADITIONAL IRA

SIMPLIFIER[®]



A division of First Regional Bank

Self-Directed Custodial Account



IRA Simplifier®

Individual Retirement Account Application

Trust Administration Services
A division of First Regional Bank

Please direct IRA mail to:

Street Address
5950 La Place Court, Suite 160
Carlsbad, CA 92008
Toll Free: 1-800-455-9472

Mailing Address
P.O. Box 85410
San Diego, CA 92186-5410
www.trustlynk.com

IMPORTANT INFORMATION ABOUT 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 account we will ask for your name, address, date of birth and other information that will allow us to identify you. If you fail to provide all requested information, it may delay or prevent us from opening the account and making your requested investment(s), and if after your account is open we are unable to verify the information you provide, we may close your account.

In order to establish an account you must provide us with a copy of your driver's license, state-issued photo ID or passport that has not expired. If you do not have any of these requested items, please contact our marketing or customer service department to learn what additional documentation may be acceptable.

1 | ACCOUNT TYPE

Choose the right IRA for you. Indicate which type of IRA you are opening.

CHECK ONE: TRADITIONAL IRA ROTH IRA SEP IRA SIMPLE IRA BENEFICIARY IRA

2 | ACCOUNT OWNER INFORMATION

First Name M.I. Last Name Date of Birth (mm/dd/yyyy) SSN/TIN

Street Address (P.O. Box not accepted, APO/FPO address accepted) City State Zip

Mailing Address (if different from above) City State Zip

Daytime phone number Evening Phone Number Cell Number Fax Number

Email Address (Important)
Used for internet access and notifying you of information pertaining to your IRA.

@

BENEFICIARY IRA: Non-spouse beneficiary ONLY.

Is this an inherited IRA? Yes No If yes, please provide decedent's name, date of death and a copy of the death certificate. **Note:** Account registration will reflect Your name, Beneficiary FBO Deceased Name (Deceased).

Decedent first name M.I. Last name Date of death (mm/dd/yyyy)

REQUIRED INFORMATION. Please complete each item listed below.

- A. Your Occupation: _____
- B. Please indicate the estimated opening account balance (fair market value) for your retirement account. \$ _____
- C. Please indicate the average dollar amount of your *expected* individual investment transactions. Example: \$10,000. \$ _____
- D. Please indicate the types of investments you plan to hold in your self-directed IRA. (Check all that may apply.)
 - Annuities Mutual Funds Trust Deeds/Mortgages Partnerships/LLCs
 - Broker traded securities Certificates of Deposit Private Equity/Debt Unsecured Promissory Notes
 - Real Estate Other _____

3 | ACCOUNT CONTRIBUTION INFORMATION

What type of deposit are you making?	Amount Transferred Deposited
<input type="checkbox"/> Traditional, Roth, SEP or SIMPLE IRA contribution. Current year.	\$ <input type="text"/>
<input type="checkbox"/> Traditional, Roth, SEP or SIMPLE IRA contribution. Prior year.	\$ <input type="text"/>
<input type="checkbox"/> Transfer of an existing Traditional, Roth, SEP, or SIMPLE IRA. Attach Transfer Form & copy of recent statement.*	\$ <input type="text"/>
<input type="checkbox"/> Direct rollover from a previous employer's plan or 403(b) plan.	\$ <input type="text"/>
<input type="checkbox"/> 60-day cash rollover contribution from a <input type="checkbox"/> Traditional <input type="checkbox"/> Roth <input type="checkbox"/> SEP or <input type="checkbox"/> SIMPLE IRA.	\$ <input type="text"/>
<input type="checkbox"/> 60-day non-cash rollover contribution from a <input type="checkbox"/> Traditional <input type="checkbox"/> Roth <input type="checkbox"/> SEP or <input type="checkbox"/> SIMPLE IRA. *	\$ <input type="text"/>

* Complete the applicable Investment Authorization form for each investment you intend to either transfer or roll over into your IRA. Except for "Direct Rollovers" whereby your employer re-registers the asset(s) to the new Custodian, all rollover assets must first be properly registered or assigned to the IRA Accountholder's. In such cases it is the IRA Accountholder responsibility to re-register and, if applicable, recorded necessary documents to change ownership to First Regional Bank cust fbo (Accountholder's name).

4 | DESIGNATION OF BENEFICIARY(IES)

The following individual(s) or entity(ies) shall be my primary and/or contingent beneficiary(ies). **If neither primary nor contingent is indicated, the individual or entity will be deemed to be a primary beneficiary.** If more than one primary beneficiary is designated and no distribution percentages are indicated, the beneficiaries will be deemed to own equal share percentages in the IRA. Multiple contingent beneficiaries with no share percentage indicated will also be deemed to share equally. If any primary or contingent beneficiary dies before I do, his or her interest and the interest of his or her heirs shall terminate completely, and the percentage share of any remaining beneficiary(ies) shall be increased on a pro rata basis. If no primary beneficiary(ies) survives me, the contingent beneficiary(ies) shall acquire the designated share of my IRA. If you have more than two named beneficiaries, attached additional Beneficiary Election forms as needed. Additional Beneficiary Election forms can be obtained from our website or by contacting our Customer Service Department.

A. First name M.I. Last name Date of birth (mm/dd/yyyy) SSN/TIN

Primary Relationship Share

Contingent %

Address City State Zip

B. First name M.I. Last name Date of birth (mm/dd/yyyy) SSN/TIN

Primary Relationship Share

Contingent %

Address City State Zip

SPOUSAL CONSENT

This section should be completed only if the IRA Accountholder is: 1) married and has a designated Primary Beneficiary other than his/her spouse; and 2) has assets within the IRA in which his/her spouse possesses a community property interest or other property interest. Due to the important tax consequences of giving up one's community property interest, individuals signing this section should consult with a competent tax or legal advisor.

CURRENT MARITAL STATUS

- I Am Not Married** – I understand that if I become married in the future, I must complete a new IRA Designation Of Beneficiary form. (Proceed to section 5.)
- I Am Married** – I understand that if I choose to designate a primary beneficiary other than my spouse, my spouse must sign below.

CONSENT OF SPOUSE

I am the spouse of the above-named IRA Accountholder. I acknowledge that I have received a fair and reasonable disclosure of my spouse's property and financial obligations. Due to the important tax consequences of giving up my interest in this IRA, I have been advised to see a tax professional. I hereby give the IRA Accountholder any interest I have in the funds or property deposited in this IRA and consent to the beneficiary designation(s) indicated above. I assume full responsibility for any adverse consequences that may result. I hereby affirm that no tax or legal advice was given to me by the Custodian.

(Signature Of Spouse) (Date)

INDIVIDUAL RETIREMENT ACCOUNT APPLICATION

5 | INTERESTED PARTY (optional)

Please complete the following section if you wish to authorize your spouse, children, financial advisor, or other person access to your account information.

Information: All Information Inquiry Only Account Statements Internet Access

Person or Firm: First Name M.I. Last Name Phone

Firm Name Rep #, if applicable Rep E-mail address

Street Address City State Zip

Relationship: Spouse Accountant Financial Advisor Son or Daughter Attorney Other

Note: Selection of an accountant, attorney, financial advisor or other will include the named individual and his/her employees. Completion of this section does not provide trading authority on your account.

6 | FEE SCHEDULE AND BILLING INFORMATION

Please review the list of investment options available under each fee schedule below and select the one that is appropriate for your account.

- Select Fee Schedule: BASIC FEE SCHEDULE Investment Options: Public Stocks, Bonds, Mutual Funds, REITS, De Novo Bank Stocks, Brokerage Accounts, Annuities & Certificate of Deposits, U.S. Government Securities, Limited Partnerships/LLCs. FLEX FEE SCHEDULE Investment Options: All assets listed under the BASIC IRA plus Private Stocks and Bonds, Promissory Notes/Trust Deeds/Mortgages, Real Estate and Tax Liens, Precious Metals, Other Private Investments.

Establishment Fee: Credit Card - Please charge the \$50 Establishment Fee. Check - I have enclosed a check for \$50 (Payable to First Regional Bank)

Administration & Maintenance Fees: Credit Card - Please charge all fees. Debit IRA - Deduct fees from my account. (If no option is selected fees will automatically be deducted from the account.)

Payment Options: Credit Type: Visa MC Credit Card Number Name as it appears on the card. Expiration Date

Fee Disclosure: Accountholders should leave a minimum of \$250 on deposit within his/her money market account at First Regional Bank at all times to cover fees. In the event of insufficient cash, delays in processing will occur and may subject the accountholder to additional fees.

7 | ACCOUNTHOLDER ACKNOWLEDGMENT

I appoint First Regional Bank as Custodian of my IRA under the terms of the IRA Custodial Agreement. I understand the eligibility requirements for the type of IRA deposit I am making and state that I do qualify to make the deposit. I have received a copy of the Application, IRA Custodial Agreement, Financial Disclosure, Disclosure Statement and Fee Schedule. I understand that the terms and conditions which apply to this Individual Retirement Account are contained in this Application, the IRA Custodial Agreement and ancillary forms of the Custodian. I agree to be bound by those terms and conditions. Within seven (7) days from the date I open this IRA I may revoke it without penalty by mailing or delivering a written notice to the Custodian. I assume complete responsibility for determining that I am eligible for an IRA each year I make a contribution; insuring that all contributions I make are within the limits set forth by the tax laws and otherwise in compliance with applicable tax laws.; and the tax consequences of any contribution (including rollover contributions) and distributions. I hereby give to the Custodian my consent to: 1) have my telephone conversations with the Custodian recorded; 2) accept e-mail as a form of written communication; and 3) accept fax investment authorizations.

I acknowledge that the retirement plan I am establishing is self-directed and that I am solely responsible for the success or failure of my investments. I understand that the Custodian is in no way responsible for providing investment advice or recommendations, and that the Custodian is not a "fiduciary" for my Account as such term is defined in the Internal Revenue Code, ERISA, or any other applicable federal, state, or local laws. I understand that the Custodian does not review the prudence, viability or merits of any investment or whether the investment is acceptable under any applicable federal, state, or local law. I also understand that the Custodian is not affiliated with any broker, advisor, or issuer of any investment. I acknowledge that it is my responsibility to review any investment to ensure compliance with the above requirements and to avoid the occurrence of any prohibited transaction. I understand that I should have all investments reviewed by my attorney and financial, tax and other advisors. I hereby agree to hold harmless, protect and indemnify the Custodian, as well as its subsidiaries or agents, from and against any and all liabilities, losses, damages, expenses and charges, including but not limited to attorney's fees and expenses of litigation, which the Custodian sustains or may sustain resulting directly or indirectly from my investment direction or those received from my authorized financial representative and/or agent. Furthermore, I understand that my account is subject to an Arbitration provision that appears in the IRA Custodial Agreement. I understand that my investments are: (a) not insured by the FDIC or any other federal or state deposit guaranteed fund (other than deposits in amounts under \$250,000 held at First Regional Bank and/or other FDIC insured institution); (b) NOT guaranteed by First Regional Bank, its subsidiaries, and/or agents; and (c) subject to investment risk, including the possible loss of the principal invested.

8 | ACCOUNTHOLDER SIGNATURE

Signature of Accountholder

Date

Signature of Custodian

Date

First Regional Bank

For Custodian use only.

Date

Initial

- OFAC ___/___/___ _____
- CIP ___/___/___ _____
- Reviewed & Approved by: _____

INDIVIDUAL RETIREMENT CUSTODIAL ACCOUNT AGREEMENT

Form 5305-A under Section 408(a) of the Internal Revenue Code

FORM (REV. September 2005)

The Depositor named on the Application is establishing a Traditional individual retirement account under section 408(a) 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 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 section 408(k), or a recharacterized contribution described in section 408A(d)(6), 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

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 section 408(a)(5)).
2. No part of the custodial account funds may be invested in collectibles (within the meaning of section 408(m)) except as otherwise permitted by section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins, coins issued under the laws of any state, and certain bullion.

ARTICLE IV

1. Notwithstanding any provision of this Agreement to the contrary, the distribution of the Depositor's interest in the custodial account shall be made in accordance with the following requirements and shall otherwise comply with section 408(a)(6) and 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 the Custodian, to have the balance in the custodial account distributed in: (a) A single sum or (b) Payments over a period not longer than the life of the 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 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 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 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 IRAs may satisfy the minimum distribution requirements described above by taking from one IRA the amount required to satisfy the requirement for another in accordance with the Regulations under section 408(a)(6).

ARTICLE V

1. The Depositor agrees to provide the Custodian with all information necessary to prepare any reports required by section 408(i) and Regulations sections 1.408-5 and 1.408-6.
2. The Custodian agrees to submit to the Internal Revenue Service (IRS) and Depositor the reports prescribed by the IRS.

ARTICLE VI

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through III and this sentence will be controlling. Any additional articles inconsistent with section 408(a) and the related Regulations will be invalid.

ARTICLE VII

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

ARTICLE VIII

- 8.01 *Definitions:* In this part of this Agreement (Article VIII), the words "you" and "your" mean the Accountholder, the words "we," "us" and "our" mean the Custodian (including its subsidiaries, and/or agents), "Code" means the Internal Revenue Code, and "Regulations" means the Treasury Regulations. The term "Broker" means the broker-dealer/financial representative selected by you to provide investment services to your IRA.
- 8.02 *Notices and Change of Address:* Any required notice regarding this IRA will be considered effective when we mail it to the last address of the intended recipient which we have in our records. Any notice to be given to us will be considered effective when we actually receive it. You must notify us in writing of a change of address.
- 8.03 *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 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 such information or directions.

Not FDIC Insured | May Lose Value | Not Bank Guaranteed

We shall have no duty or responsibility to question any of your directions or directions of your authorized agents, review any securities or other property held in the IRA, or make any suggestions to you with respect to the investment, retention or disposition of any asset held in the IRA. We are entitled to act upon any instrument, certificate or form we believe is genuine and believe is signed or presented by the proper person or persons and we need not investigate or inquire as to any statement contained in any such document, but may accept it as true and accurate. We will not provide any tax, legal or investment advice.

We shall have no duty to monitor the sufficiency or adequacy of your actions or duties or those of your heirs, successors, agents, or assigns, nor shall we be required to monitor the acts of any paid consultant to whom we may have contractually delegated any duties or responsibilities pursuant to you or your agent's direction.

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 the IRA. We have no duty to determine whether your contributions or distributions comply with the Code, regulations, rulings or this Agreement

- a. **Rollovers and Tax Consequences** - You are responsible for determining whether a distribution from another IRA or Qualified Retirement Plan may be rolled over to this IRA. You understand that we do not make any representation or warranty that any rollover contribution will be excludable from income for Federal or State income tax purposes.
- b. **Custodial Account:** We shall maintain a custodial account for your benefit. The custodial account will consist of an interest bearing account with us and all other investments purchased at your direction. All assets in the custodial account will be registered in our name as custodian or in the name of our nominee. We may, by or through a Broker, or other such firm, hold any securities in bearer form or deposit them with a central clearing corporation or depository approved by the Securities and Exchange Commission; provided that our records show that all such investments are part of the custodial account.
- c. **Custodian's Reservation of Rights:** Notwithstanding any other provision of this Article VIII, we reserve the right to refuse to follow any investment direction by you that we determine violates any Federal or State Law or which we determine, in our sole and absolute discretion, to be administratively unfeasible; provided that we have no obligation to make any determination with respect to the suitability, propriety or legality of your investment directions or of any investment.

8.04 **Service Fees:** We have the right to charge an annual service fee or other designated fees (for example, a transfer, rollover, transaction, or termination fee) for maintaining this IRA. In addition, we have the right to be reimbursed or reserve funds for all reasonable expenses we incur in connection with the administration of the IRA. For more information on our fees, please refer to section 8.05(c)(9) and (10). Any brokerage commissions attributable to the assets in the IRA will be charged to the IRA. You cannot reimburse the IRA for those commissions.

8.05 **Your Investment Powers and Our Custodial Duties/Obligations**

- a. **Investment of IRA** - Subject to Section 8.05(f), you have sole authority and discretion, fully and completely, to select and to direct the investment of all assets in the IRA. You accept full and sole responsibility for the success or failure of any selection made. We shall have no discretion to direct any investment in the IRA. We will not act as investment advisor or counselor to you and will not advise you or offer any opinion or judgment on any matter pertaining to the nature, value, potential value or suitability of any investment or potential investment of the assets of the IRA, and are merely authorized to acquire and hold the particular investments specified by you. We shall not have any responsibility nor any liability for any loss of income or of capital, nor for any unusual expense which we may incur, relating to any investment, or to the sale or exchange of any asset which you or your authorized agent directs us to make.

After your death, your beneficiary(ies) shall have the right to direct the investment of the IRA assets, subject to the same conditions that applied to you during your lifetime under this Agreement (including, without limitations, Section 8.03 and 8.05). All transactions shall be subject to any and all applicable Federal and State laws and regulations and the rules, regulations, customs and usages of any exchange, market or clearing house where the transaction is executed and to our policies and practices.

- b. **Limitation of Investment Powers** - We, as Custodian of the IRA assets entrusted to us under the IRA, shall not commingle the IRA with any other property we hold except in a common trust fund or common investment fund. We retain the power to take such actions as are reasonable and necessary to carry out our duties under the IRA. We are

under no duty to take any action other than as specified under this Agreement unless you provide us with instructions and agree to indemnify and hold us harmless from any claims arising out of such instructions. Subject to the rules imposed by us, and subject to investment directions given by you or your authorized agent, we are authorized and empowered, but not by way of limitation, with the following powers, rights and duties with respect to the assets held in your account:

- 1) To hold or invest any part or all of the IRA in any asset permissible under law as an investment for an individual retirement account;
 - 2) To manage, sell, contract to sell, grant options to purchase, convey, petition, divide, subdivide, exchange, transfer, abandon, improve, repair, insure, lease for any term even though commencing in the future or extending beyond the term of the IRA, and otherwise deal with all property, real or personal, in such manner for such considerations and on such terms and conditions as are in accordance with the written direction we receive;
 - 3) To borrow money, to lend money, to assume indebtedness, extend mortgages and encumber by mortgage or pledge;
 - 4) To retain in cash so much of the IRA as you or your authorized agent directs, or pending other instructions from you or your authorized agent, and to deposit such cash held in the IRA in a savings instrument at a reasonable rate of interest, including specific authority to invest in an individual savings account, an individual certificate of deposit, a money market account, or in other savings instruments which we offer and/or select. We may perform subaccounting functions related to the uninvested funds and may receive a fee directly from an investment sponsor for these services;
 - 5) To transfer all or any part of the IRA funds from one type of savings instrument offered by us to another type of savings instrument offered by us, to the extent permitted by the applicable governmental regulations and our procedures;
 - 6) To purchase and to hold annuity contracts and exercise all rights of ownership of the contracts; and
 - 7) To make, execute and deliver as Custodian contracts, waivers, releases or other written instruments necessary to exercise the powers enumerated above.
- c. **Custodian's Powers** - We shall have the power or duty:
 - 1) To hold any securities or other property in the IRA in the name of the Custodian or its nominee, or in another form as we may deem best, with or without disclosing the custodial relationship;
 - 2) To retain any funds or property subject to any dispute without liability for the payment of interest and to decline to make payment or delivery of the funds or property until a court of competent jurisdiction makes final adjudication;
 - 3) To charge against and pay from the IRA all taxes of any nature levied, assessed, or imposed upon the IRA, and to pay all reasonable expenses and attorney fees which may be necessarily incurred by us with respect to the IRA;
 - 4) To file any tax or information return required of us, and to pay any tax, interest or penalty associated with any such tax return;
 - 5) To act pursuant to written blanket settlement authorization given by you on transactions executed by your designated agent. We are authorized to honor all trade confirmations received from such agent;
 - 6) To furnish or cause to be furnished to you an annual calendar year report concerning the status of the IRA, including a statement of the assets of the IRA held at the end of the calendar year;
 - 7) To begin, maintain or defend any litigation necessary in connection with the administration of the IRA, except that we shall not be obliged or required to do so unless indemnified to our satisfaction, including, without limitation, payment of such expenses out of IRA assets;
 - 8) To exercise the voting rights and other shareholder rights with respect to securities in the IRA but only in accordance with the instructions you give to us;
 - 9) To employ and pay from the IRA reasonable compensation to agents, attorneys, accountants and other professional persons for advice that in our opinion may be necessary. We may delegate to any agent, attorney, accountant and other persons selected by us any power or duty vested in us by this Agreement; and
 - 10) To charge you separately for any fees or expenses or deduct the amount of the fees or expenses from the assets in the IRA at our discretion. We are also entitled to be reimbursed for any other

expenses we assume or incur on behalf of your account. Our right to compensation and reimbursement from the account shall constitute a first prior lien against your account. We have the right to change our fee upon 30 days notice to you. We are authorized to liquidate assets, the choice of the selling broker and assets to be sold shall be at our sole discretion of the IRA for any unpaid fee balance and can require you to retain uninvested cash in the IRA sufficient to cover at least one year's estimated annual fees, including termination fees.. Should fees or expenses not be collected, we shall have the option to cease performing any functions, including, but not limited to, processing investment transactions until such time as all fees and expenses charged against the account are fully paid. If you are unable or unwilling to pay fees we may re-register the asset(s) into your individual name and report it as a taxable distribution to the IRS, subjecting you to possible taxes and penalties.

In addition to the fees reflected on the most recent fee schedule, which may be modified from time to time, a service fee may be billed to the IRA relating to the recordkeeping responsibilities provided by Trust Administration Services (TAS), a division of First Regional Bank, for the master money market account. This fee is reimbursed in full by First Regional Bank to the money market account and, therefore, is not reflected on your statement or fee invoice, as it does not affect the yield on your money market deposit balances. In addition, First Regional Bank may receive compensation in the form of 12b-1 and other types of fees from certain mutual funds or their affiliates in consideration of services that it provides to the funds, e.g., purchase and redemption of shares and participant-level recordkeeping. This compensation is paid to First Regional Bank by the fund, pursuant to a service agreement between the bank and fund company or Matrix Settlement & Clearance Services (MSCS). Under no circumstances will the account holder be responsible for payment of this compensation. The compensation paid to First Regional Bank is based either on a set fee per investor or on a percentage of the average daily net asset value of shares invested in the fund.

- d. **Publicly-Traded Securities** - If publicly-traded securities are to be included in the specified investments, orders shall be executed through a securities broker/dealer registered under the Securities Exchange Act of 1934 designated by you upon such form as we may prescribe. Any brokerage account maintained in connection herewith shall be in our name as the Custodian of your account. We shall be authorized to honor transactions within the brokerage account without obligation to verify prior authorization of same by you. Any cash received by the brokerage account, whether as income or proceeds of transactions, may be held by the brokerage account pending directions, and we shall have no obligation to direct the broker to remit such cash until directed to do so by you, but may receive remittances without direction if the same are made by the broker. Investments outside the brokerage account shall be made in accordance with the other provisions of this Article.

Investment directions may be given by you directly to your designated broker (in such manner as the broker may require) and the broker shall be responsible for the execution of such orders. When securities are purchased within your brokerage account requiring that funds be remitted by us to make settlement, you agree to telephonically notify us or instruct your broker or agent to telephonically notify us on the trade date of the pending securities transaction, and to request delivery of the IRA account assets necessary to settle the trade. You agree to hold us harmless for any losses resulting from your failure to notify us of the pending trade and request for settlement in the above-prescribed manner.

- e. **Private Investments** - You may, at your discretion, direct us to purchase "private" investments which shall include, but not be limited to, investments which are individually negotiated by you or your agent, or part of a private placement of securities offered in reliance upon exemptions provided by Sections 3(B) and 4(2) of the Securities Act of 1933 and Regulation D promulgated thereunder. It is your responsibility to determine that any specific investment or investment course of action is suitable, legally permissible and assume all risk of possible loss of principal and earnings. In addition, it is your sole responsibility to determine whether or not your selected investment(s) is required to be registered as a security with any applicable federal and/or state regulatory authority. We reserve the right to not follow such direction or process such investment(s) for administrative reasons. Such action should not be construed as investment advice or an opinion by us as to the investment's prudence or viability. If you or your agent should direct us to purchase a private investment, as defined above, the following special certifications and provisions shall apply:

- 1) You agree to submit or cause to be submitted all offering documentation related to the private investment for an administrative review by us, if so requested. We reserve the right to charge a reasonable fee for such administrative review.

- 2) If the private investment(s) contains a provision for future contractual payments or assessments, including margin calls, you acknowledge that such payments shall be borne solely by the IRA account, that authorization to make such payments shall come from you or your agent, and that making such payments may reduce or exhaust the value of the IRA account. You further agree to maintain sufficient liquid funds in the IRA account to cover any such payments or assessments, and agree that we are not responsible for monitoring the balance of the account to verify compliance with this Section.

- 3) If the private investment(s) contain administrative and/or management requirements or duties beyond our capabilities or expertise to provide, then you agree to seek out suitable agents or counsel necessary to perform such duties and deliver a written service agreement acceptable to us for execution on behalf of the IRA account.

- 4) If you direct us to enter into an individually-negotiated debt instrument, including a promissory note, deed of trust, real estate contract, mortgage note or debenture, we require that you retain the services of a third-party Servicing Agent on a form acceptable to us. Said Servicing Agent shall be your agent and not ours, and shall be responsible for administering the terms of the debt instrument on behalf of the IRA account. Should the Servicing Agent ever become unwilling or unable to perform the duties outlined in the Servicing Agent Agreement, then you understand and agree that all duties of the Servicing Agent shall revert to you until a successor Agent is named. We will not act as a Servicing Agent, i.e., we do not monitor your account to ensure receipt of note payments, notify you in the event of default, prepare or compute payoff balances, prepare or file Form 1098, etc.

- 5) If you direct us to purchase income producing real estate, we require that you retain the services of a Property Manager on a form acceptable to us. Said Property Manager shall be your agent and not ours, and shall be responsible for administering the terms of the property management agreement on behalf of the IRA account. Should the Property Manager ever become unwilling or unable to perform the duties outlined in the property management Agreement, then you understand and agree that all duties of the Property Manager shall revert to you until a successor manager is named. We will not act as a Property Manager, i.e., we do not monitor your account to ensure receipt of payments, notify you in the event of default, etc.

- 6) We are responsible for safekeeping only those documents which are delivered into our possession by you or your agent. If the original documents are to be held by an agent, you must ensure that the agent agrees to safeguard the original documents and forward copies of the signed and recorded documents to us as evidence of ownership. In such cases, agent must agree to make original documentation available to us for inspection, upon request. In the event we ask for documentation evidencing the investment and you and/or your agent is unwilling or unable to provide such information, we may re-register the asset into your individual name and report it as a distribution to the IRS. Such action may subject you to IRS imposed taxes and penalties.

- 7) You agree to be responsible for any and all collection actions, including contracting with a collection agency or instituting legal action, and bring any other suits or actions which may become necessary to protect the rights of the account as a result of the operation or administration of the investment(s).

- 8) Once you or your agent authorize funds to be distributed from your account for purposes of investment, you agree to be responsible for the following:

- a) verifying that the individual or investment company that you selected placed your funds into the proper investment;
- b) obtaining the necessary documentation from the individual or investment company to verify that the funds were correctly invested, including, but not limited to, shares or units, proper recordation, loan to value ratio, etc.; and
- c) sending the original documentation evidencing the investment to us or, in the case of a promissory note investment, to a third party servicing agent. We will not monitor the account to ensure receipt of such documentation and will rely solely on you to provide this information.

- f. **Delegation of Investment Responsibility** - We may, but are not required to, permit you to delegate investment responsibility for the IRA to another party. In such cases you must submit to us an executed Limited

Power of Attorney naming the person or entity who will be given the power over the account. Said person or entity may be a registered representative of a broker/dealer organization, a financial advisor or other person as may be acceptable to you. Such person or entity shall be your authorized agent, and not ours. We shall construe any and all investment directions given by such person or entity, whether written or oral, as having been authorized by you. You may appoint and/or remove such a

person or entity only by written notice to us provided that their removal shall not have the effect of canceling any notice, instruction, direction or approval received by us from the removed person or entity before we receive notice of removal from you. We shall follow the proper written direction of any such party who is properly appointed and we shall be under no duty to review or question, nor shall we be responsible for, any of that party's directions, actions or failures to act. That party's instructions to us shall be deemed to be instructions by you for all purposes of this Article VIII.

- g. **Broker** - You have the sole responsibility for the appointment, selection and retention of a Broker. You have the sole responsibility for determining whether the Broker is qualified to act in that capacity. We shall assume that the Broker appointed by you is at all times qualified to act. We shall further assume that the Broker possesses the authority to act in that capacity until such time as you have appointed another Broker.

The Broker will be responsible for the execution of securities orders. The Broker may require that you sign an agreement which sets forth, among other things, its responsibilities and your responsibilities regarding securities transactions for the IRA.

- h. **Authorization** - On a form or in a format acceptable to us, you may authorize us to accept written, verbal, fax, e-mail and other means of communication for investment directions from you or your designated representative. You agree that we are not responsible for verifying the propriety of any investment direction and that we are not responsible for unauthorized trades in your account that may be effected under this Section.
- i. **Valuation of Assets** - It is our duty and responsibility, as Custodian, to provide an annual market valuation for each investment. We do not conduct appraisals of any investment ourselves. In addition, we do not guarantee the accuracy of such valuations obtained from quotation services, independent appraisal services, investment sponsors, or parties related thereto or other outside sources. If a current market value is not available, the last known value is normally reflected. Where no market value is available, the asset value is typically carried at original cost. Valuations are approximations and are provided as a general guide; they do not necessarily reflect actual market value. Valuation information should not be used as the basis for making, retaining or disposing of an investment. Such a decision should only be made after contacting the investment entity and your legal, tax, financial or other advisors in order to obtain current information. Market value information or appraisals shall be used by us to value the account as required by law.

Values for brokerage accounts shall be equal to the total equity value of the account and shall reflect only those assets that are priced by the brokerage firm. Individual assets held within your brokerage account may not be listed individually on our statements. Such information can be obtained directly from your brokerage statement.

Certain investments, such as those that are not publicly traded, may be difficult or impossible to value. In such cases we may, in our sole discretion, retain a third party valuation company to provide market value information. Any related fees for said valuation must be paid by the investment entity or directly from the retirement account. We will attempt to have the investment entity pay for the valuation; however, if the investment entity is unable or unwilling to pay for the valuation, the fee for the valuation will be automatically deducted from your account. In the event your account has insufficient funds to pay for the valuation, the fee will be reflected on your fee invoice. Should you refuse to pay for the valuation, we may re-register the asset into your individual name and report it as a distribution to the IRS.

Accountholder's, investing in real estate, hereby agree to obtain independent property appraisals at least once every three years and forward such appraisals to us. In the event you fail to provide such information to us, we may re-register the asset into your individual name and report it as a distribution to the IRS.

- j. **Unrelated Business Taxable Income** - Certain investments may generate taxable income within the IRA account, referred to as Unrelated Business Taxable Income (UBTI). Such income must be considered in conjunction with all such income from all IRA accounts and may be taxable to the IRA account to the extent that all UBTI for a given taxable year exceeds the threshold amount set by the IRS (currently \$1000). In such instances, the IRS requires that a Form 990-T be filed for the IRA account along with the appropriate amount of tax. The accountholder, by signing this agreement, understands we: 1) do not make any determination of UBTI; 2) monitor whether the account has UBTI in the IRA account with us; and 3) do not prepare Form 990-T. Therefore, the accountholder must monitor UBTI for this and any other IRA account which he/she may hold and prepare, or have prepared, the proper 990-T tax form and forward it to us for filing, along with authorization to pay any tax due from the IRA account.

- k. **Life Insurance and Collectible** - You may not direct the purchase of a life insurance contract or a "collectible" as defined in Code Section 401(m).

- 8.06 **Beneficiary(ies)**: If you die before you receive all of the amounts in your IRA, payments from your IRA will be made to your beneficiary(ies).

You may designate one or more persons or entities as beneficiary of your 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. However, we may require a spouse to consent to the naming of any beneficiary other than the spouse. 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 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.

A spouse beneficiary shall have all rights as granted under the Code or applicable Regulations to treat your IRA as his or her own.

We may allow, if permitted by state law, an original IRA beneficiary(ies) (the beneficiary(ies) who is entitled to receive distribution(s) from an inherited IRA at the time of your death) to name a successor beneficiary(ies) for the inherited 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 IRA beneficiary's(ies) lifetime. Unless otherwise specified, each beneficiary designation form that the original 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 IRA beneficiary(ies) to revoke a successor beneficiary(ies) designation. If the original 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 IRA beneficiary.

- 8.07 **Termination**: 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 the IRA to another financial organization. If you do not complete a transfer of the IRA within 30 days from the date we mail the notice to you, we have the right to transfer the IRA assets to a successor IRA Custodian or Trustee that we choose in our sole discretion or we may pay the IRA to you in a single sum. We shall not be liable for any actions or failures to act on the part of the successor Custodian or Trustee nor for tax consequences you may incur that result from the transfer or distribution of the IRA assets pursuant to this section.

If this Agreement is terminated, we may hold back from the IRA a reasonable amount of money that we believe is necessary to cover any one or more of the following:

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

If our organization is merged with another organization (or comes under the control of any Federal or State agency) or if our entire organization (or any portion which includes the IRA) is bought by another organization, that organization (or agency) shall automatically become the Trustee or Custodian of the IRA, but only if it is the type of organization authorized to serve as a IRA Trustee or Custodian.

If we are required to comply with Section 1.408-2(e) of the Treasury Regulations 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 that a substitute Trustee or Custodian be appointed.

- 8.08 **Amendments**: We have the right to amend this Agreement at any time and charge a fee for IRS mandated amendments. 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.

- 8.09 *Withdrawals*: All requests for withdrawal 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.
- 8.10 *Required Minimum Distributions*: You may make an election to begin receiving payments from your IRA in a manner that satisfies the required minimum distribution rules no later than April 1st of the year following the year you reach age 70½ (this is called the “required beginning date”) and prior to December 31 of each year thereafter. Your required minimum distribution is calculated using the uniform lifetime table in Regulation section 1.401(a)(9)-9. However, if your spouse is your sole designated beneficiary and is more than 10 years younger than you, your required minimum distribution is calculated each year using the joint and last survivor table in Regulations section 1.401(a)(9)-9.

If you fail to make such an election by your required beginning date, we can, at our complete and sole discretion, do any one of the following:

- make no payment until you give us a proper payment request;
- pay your entire IRA to you in a single sum payment or distribution in kind; or
- determine your required minimum distribution from your IRA each year based on your life expectancy, calculated using the uniform lifetime table in Regulation section 1.401(a)(9)-9, and pay those distributions to you until you direct otherwise.

We are under no obligation to determine whether or not you fulfill your requirement to begin taking your required minimum distribution each year. We will not be liable for any penalties or taxes related to your failure to take a distribution.

- 8.11 *Transfers From Other Plans*: We can receive amounts transferred to the IRA from the Custodian or Trustee of another IRA. We reserve the right not to accept any transfer or rollover.
- 8.12 *Liquidation of Assets*: We have the right to liquidate assets in the IRA if necessary to make distributions or to pay fees, expenses or taxes properly chargeable against the 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 liable for any adverse consequences that result from our decision.
- 8.13 *Restrictions On The Fund*: Neither you nor any beneficiary may sell, transfer or pledge any interest in the IRA in any manner whatsoever, except as provided by law or this Agreement.

The assets in the IRA shall not be responsible for the debts, contracts or torts of any person entitled to distributions under this Agreement.

- 8.14 *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 the state of California shall govern.

If any part of this Agreement is determined by a court of competent jurisdiction to be 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 the parties’ right thereafter to enforce each and every such provision. These rights and liabilities are continuous, covering individually and collectively, all accounts you may open with us or our agent for the same IRA, and inure to the benefit of us, our successors or assigns and are binding on you and your heirs, successors or assigns.

- 8.15 *Indemnity of Custodian*: To the extent not prohibited by Federal or State law, you agree to indemnify, defend and hold the Custodian and its subsidiaries (including its officers, agents and employees) harmless against and from any and all claims, demands, liabilities, costs and expenses (including reasonable attorneys’ fees and expenses), arising in connection with this agreement, with respect to (A) any negligence or alleged negligence, whether passive or active, by the Custodian and its subsidiaries (including its officers, agents and employees), (B) any breach or alleged breach, whether passive or active, by the Custodian and its subsidiaries (including its officers, agents and employees) of any responsibilities under this Agreement, (C) any breach or alleged breach, whether passive or active, by a third party of responsibilities under this Agreement or (D) any claim arising out of the purchase, holding or sale of any investments in the IRA, whether directed by you or any agent appointed by you. You further agree to pay for the defense of the Custodian, its subsidiaries and/or agents, (including its officers, agents and employees) by independent counsel of the Custodian’s choice against any such claims, demands, liabilities or costs referred to in the preceding sentence.

You agree to indemnify, defend and hold the Custodian and its subsidiaries (including its officers, agents and employees) harmless against and from any and all payments or assessments which may result from holding any publicly-traded security or nonstandard investment within the IRA account, and further agree that the Custodian and its subsidiaries (including its officers, agents and employees) shall be under no obligation whatsoever to

extend credit or otherwise disburse payment beyond the cash balance of your account for any payment or assessment related to such investment(s).

- 8.16 *Adverse Claims*: If we receive any claim to the assets held in the IRA which is adverse to your interest or the interest of your beneficiary, and we in our absolute discretion decide that the claim is, or may be, meritorious, we may withhold distribution until the claim is resolved or until instructed by a court of competent jurisdiction. As an alternative, we may deposit all or any portion of the assets in the IRA into the court through a motion of interpleader. Deposit with the court shall relieve us of any further obligation with respect to the assets deposited. We have the right to be reimbursed from the funds deposited for our legal fees and costs incurred.
- 8.17 *Fund Not Guaranteed*: We do not guarantee the Fund (the IRA account) from loss or depreciation. Our liability to make payment to you at any time and all times is limited to the available assets of the Fund.
- 8.18 *Arbitration of Claims*: Any controversy arising out of or relating to this Agreement or the breach thereof, or to the IRA or any transactions authorized by you and/or your agent, shall be settled by arbitration in San Diego County, California, according to the rules of The American Arbitration Association. Arbitration is final and binding on the parties. The parties are waiving their right to seek remedies in court, including the right to jury trial. The pre-arbitration discovery is generally more limited than and different from court proceedings.

General Instructions

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

Purpose of Form

Form 5305-A is a model custodial account agreement that meets the requirements of section 408(a) and has been pre-approved by the IRS. A traditional individual retirement account (IRA) is established after the form is fully executed by both the individual (Depositor) and the Custodian and must be completed no later than the due date (excluding extensions) of the individual’s income tax return for the tax year. 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-A with the IRS. Instead, keep it with your records.

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

Definitions

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

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

Identifying Number

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

IRA for Nonworking Spouse

Form 5305-A may be used to establish the IRA custodial account for a nonworking spouse. Contributions to an IRA custodial account for a nonworking spouse must be made to a separate IRA custodial account established by the nonworking spouse.

Specific Instructions

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

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

DISCLOSURE STATEMENT

RIGHT TO REVOKE YOUR IRA

If you receive this Disclosure Statement at the time you establish your IRA, you have the right to revoke your IRA within seven (7) days of its establishment. If revoked, you are entitled to a full return of the contribution you made to your 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 IRA, please call the Custodian at the telephone number listed on the Application.

REQUIREMENTS OF AN IRA

- A. **CASH CONTRIBUTIONS** - Your contribution must be in cash, unless it is a rollover contribution.
- B. **MAXIMUM CONTRIBUTION** - The total amount you may contribute to an 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 Roth IRA, the maximum contribution to your IRAs (i.e., IRAs subject to Internal Revenue Code (Code) sections 408(a) or 408(b)) is reduced by any contributions you make to your Roth IRA. Your total annual contribution to all IRAs and Roth IRAs cannot exceed the lesser of the dollar amounts described above or 100 percent of your compensation.
- C. **CONTRIBUTION ELIGIBILITY** - You are eligible to make a regular contribution to your IRA if you have compensation and have not attained age 70½ by the end of the taxable year for which the contribution is made.
- D. **CATCH-UP CONTRIBUTIONS** - If you are age 50 or older by the close of the taxable year, you may make an additional contribution to your 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 IRA is nonforfeitable.
- F. **ELIGIBLE CUSTODIANS** - The Custodian of your 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 IRA cannot be commingled with other property except in a common trust fund or common investment fund.
- H. **LIFE INSURANCE** - No portion of your IRA may be invested in life insurance contracts.
- I. **COLLECTIBLES** - You may not invest the assets of your 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 IRA investments.
- J. **REQUIRED MINIMUM DISTRIBUTIONS** - You are required to take minimum distributions from your IRA at certain times in accordance with Regulations section 1.408-8. Below is a summary of the IRA distribution rules.

1. You are required to take a minimum distribution from your IRA for the year in which you reach age 70½ and for each year thereafter. You must take your first distribution by your required beginning date, which is April 1 of the year following the year you attain age 70½. The minimum distribution for any taxable year is equal to the amount obtained by dividing the account balance at the end of the prior year by the applicable divisor.
2. The applicable divisor is generally determined using the uniform lifetime table provided by the IRS. The table assumes a designated beneficiary exactly 10 years younger than you, regardless of who is named as your beneficiary(ies), if any. If your spouse is your sole designated beneficiary, and is more than 10 years younger than you, the required minimum distribution is determined annually using the actual joint life expectancy of you and your spouse obtained from the joint and last survivor table provided by the IRS, rather than the life expectancy divisor from the uniform lifetime table.

We reserve the right to do any one of the following by April 1 of the year following the year in which you turn age 70½:

- (a) make no distribution until you give us a proper withdrawal request,
- (b) distribute your entire IRA to you in a single sum payment, or
- (c) determine your required minimum distribution each year based on your life expectancy calculated using the uniform lifetime table, and pay those distributions to you until you direct otherwise.

3. 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. If you die,

(a) on or after your required beginning date, distributions must be made to your beneficiary(ies) over the longer of the single life expectancy of your designated beneficiary(ies), or your remaining life expectancy. If a beneficiary other than an individual or qualified trust as defined in the Regulations is named, you will be treated as having no designated beneficiary of your IRA for purposes of determining the distribution period. If there is no designated beneficiary of your IRA, distributions will commence using your single life expectancy, reduced by one in each subsequent year.

(b) before your required beginning date, the entire amount remaining in your account will, at the election of your designated beneficiary(ies), either

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

Your designated beneficiary(ies) must elect either option (i) or (ii) 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 (ii). In the case of distributions under option (ii), 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 IRA for purposes of determining the distribution period. If there is no designated beneficiary of your IRA, the entire 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 IRA will be deemed to elect to treat your IRA as his or her own by either (1) making contributions to your IRA or (2) failing to timely remove a required minimum distribution from your IRA. Regardless of whether or not the spouse is the sole designated beneficiary of your IRA, a spouse beneficiary may roll over his or her share of the assets to his or her own IRA.

INCOME TAX CONSEQUENCES OF ESTABLISHING AN IRA

- A. **IRA DEDUCTIBILITY** - If you are eligible to contribute to your IRA, the amount of the contribution for which you may take a tax deduction will depend upon whether you (or, in some cases, your spouse) are an active participant in an employer-maintained retirement plan. If you (and your spouse, if married) are not an active participant, your entire IRA contribution will be deductible. If you are an active participant (or are married to an active participant), the deductibility of your contribution will depend on your modified adjusted gross income (MAGI) and your tax filing status for the tax year for which the contribution was made. MAGI is determined on your income tax return using your adjusted gross income but disregarding any deductible IRA contribution.

Definition of Active Participant - Generally, you will be an active participant if you are covered by one or more of the following employer-maintained retirement plans:

1. a qualified pension, profit sharing, 401(k), or stock bonus plan;
2. a qualified annuity plan of an employer;
3. a simplified employee pension (SEP) plan;
4. a retirement plan established by the federal government, a state, or a political subdivision (except certain unfunded deferred compensation plans under Code section 457);
5. a tax-sheltered annuity for employees of certain tax-exempt organizations or public schools;
6. a plan meeting the requirements of Code section 501(c)(18);
7. a qualified plan for self-employed individuals (H.R. 10 or Keogh Plan); and
8. a savings incentive match plan for employees of small employers (SIMPLE) IRA plan or a SIMPLE 401(k) plan.

If you do not know whether your employer maintains one of these plans, or whether you are an active participant in it, check with your employer or your tax advisor. Also, the IRS Form W-2, Wage and Tax Statement, that you receive at the end of the year from your employer will indicate whether you are an active participant.

If you are an active participant and are single, the deductible amount of your contribution is determined as follows: (1) begin with the appropriate phase-out range maximum for the applicable year (specified below), and subtract your MAGI; (2) divide this total by the difference between the phase-out maximum and minimum; (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take. For example, if you are age 30 with MAGI of \$36,000 in 2002, your

maximum deductible contribution is \$2,400 (the 2002 phase-out range maximum of \$44,000 minus your MAGI of \$36,000, divided by the difference between the maximum and minimum phase-out range limits of \$10,000 and multiplied by the contribution limit of \$3,000.)

If you are an active participant, are married and you file a joint income tax return, the deductible amount of your contribution is determined as follows: (1) begin with the appropriate phase-out maximum for the applicable year (specified below), and subtract your MAGI range; (2) divide this total by the difference between the phase-out range maximum and minimum; (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take. For example, if you are age 30 with MAGI of \$56,000 in 2002, your maximum deductible contribution is \$2,400 (the 2002 phase-out maximum of \$64,000 minus your MAGI of \$56,000, divided by the difference between the maximum and minimum phase-out limits of \$10,000 and multiplied by the contribution limit of \$3,000.)

If you are an active participant, are married and you file a separate income tax return, your MAGI phase-out range is generally \$0 - \$10,000. However, if you lived apart for the entire tax year, you are treated as a single filer.

Tax Year	Joint Filers	Single Taxpayers
	Phase-out Range	Phase-out Range
	(minimum)(maximum)	(minimum)(maximum)
2002	\$54,000 - \$64,000	\$34,000 - \$44,000
2003	\$60,000 - \$70,000	\$40,000 - \$50,000
2004	\$65,000 - \$75,000	\$45,000 - \$55,000
2005	\$70,000 - \$80,000	\$50,000 - \$60,000
2006	\$75,000 - \$85,000	\$50,000 - \$60,000
2007	\$80,000 - \$100,000	\$50,000 - \$60,000

If you are not an active participant in an employer-maintained retirement plan, are married to someone who is an active participant, and you file a joint income tax return, your maximum deductible contribution is determined as follows: (1) begin with \$160,000 and subtract your MAGI; (2) divide this total by \$10,000; (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take.

You must round the resulting deduction to the next highest \$10 if the number is not a multiple of 10. If your resulting deduction is between \$0 and \$200 you may round up to \$200.

- B. **CONTRIBUTION DEADLINE** - The deadline for making an 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 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** - For taxable years beginning on or after January 1, 2002, and ending on or before December 31, 2006, you may be eligible to receive a tax credit for your Traditional or Roth IRA contributions. This credit will be allowed in addition to any tax deduction that may apply, and 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 Traditional or 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.

Adjusted Gross Income*			Applicable Percentage
Joint Return	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.

- D. **TAX-DEFERRED EARNINGS** - The investment earnings of your IRA are not subject to federal income tax until distributions are made (or, in certain instances, when distributions are deemed to be made).
- E. **NONDEDUCTIBLE CONTRIBUTIONS** - You may make nondeductible contributions to your IRA to the extent that deductible contributions are not allowed. The sum of your deductible and nondeductible IRA contributions cannot exceed your contribution limit (the lesser of the allowable contribution limit described previously, or 100 percent of compensation). You may elect to treat deductible IRA contributions as nondeductible contributions.

If you make nondeductible contributions for a particular tax year, you must report the amount of the nondeductible contribution along with your income tax return using IRS Form 8606. Failure to file IRS Form 8606 will result in a \$50 per failure penalty.

If you overstate the amount of designated nondeductible contributions for any taxable year, you are subject to a \$100 penalty unless reasonable cause for the overstatement can be shown.

- F. **TAXATION OF DISTRIBUTIONS** - The taxation of IRA distributions depends on whether or not you have ever made nondeductible IRA contributions. If you have only made deductible contributions, any IRA distribution will be fully included in income.

If you have ever made nondeductible contributions to any IRA, the following formula must be used to determine the amount of any IRA distribution excluded from income.

$$\frac{\text{(Aggregate Nondeductible Contributions)}}{\text{Aggregate IRA Balance}} \times \text{(Amount Withdrawn)} = \text{Amount Excluded from Income}$$

NOTE: Aggregate nondeductible contributions include all nondeductible contributions made by you through the end of the year of the distribution (which have not previously been withdrawn and excluded from income). Also note that the aggregate IRA balance includes the total balance of all of your IRAs as of the end of the year of distribution and any distributions occurring during the year.

- G. **ROLLOVERS AND CONVERSIONS** - Your IRA may be rolled over to an IRA of yours, may receive rollover contributions, and may be converted to a Roth IRA, provided that all of the applicable rollover and conversion rules are followed. Rollover is a term used to describe a tax-free movement of cash or other property to your IRA from another IRA, or from your employer's qualified retirement plan, 403(a) annuity plan, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan. Conversion is a term used to describe the movement of 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. **IRA to IRA Rollovers** - Funds distributed from your IRA may be rolled over to an IRA of yours if the requirements of Code section 408(d)(3) are met. A proper IRA to 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 IRA to IRA rollover from the distributing 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.
 2. **SIMPLE IRA to IRA Rollovers** - Funds may be distributed from your SIMPLE IRA and rolled over to your IRA without IRS penalty provided, two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. As with IRA to IRA rollovers, the requirements of Code section 408(d)(3) must be met. A proper SIMPLE IRA to 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 SIMPLE IRA to IRA or SIMPLE IRA to SIMPLE IRA rollover from the distributing SIMPLE 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.
 3. **Employer-Sponsored Retirement Plan to IRA Rollovers** - You may roll over, directly or indirectly, any eligible rollover distribution from an eligible employer-sponsored retirement plan. An eligible rollover distribution is defined generally as any distribution from a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan (other than distributions to nonspouse beneficiaries), unless it is part of a certain series of substantially equal periodic payments, a required minimum distribution, or a hardship distribution.

If you elect to receive your rollover distribution prior to placing it in an IRA, thereby conducting an indirect rollover, your plan administrator will generally be required to withhold 20 percent of your distribution as a payment of income taxes. When completing the rollover, you may make up the amount withheld, out of pocket, and roll over the full amount distributed from your employer-sponsored retirement plan. To qualify as a rollover, your eligible rollover distribution must be rolled over to your IRA

not later than 60 days after you receive it. Alternatively, you may claim the withheld amount as income, and pay the applicable income tax and, if you are under age 59½, the 10 percent early distribution penalty (unless an exception to the penalty applies).

As an alternative to the indirect rollover, your employer generally must give you the option to directly roll over your employer-sponsored retirement plan balance to an IRA. If you elect the direct rollover option, your eligible rollover distribution will be paid directly to the IRA (or other eligible employer-sponsored retirement plan) that you designate. The 20 percent withholding requirements do not apply to direct rollovers.

4. **IRA to Employer-Sponsored Retirement Plans** - You may roll over, directly or indirectly, any eligible rollover distribution from an IRA to an employer's qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan so long as the employer-sponsored retirement plan accepts such rollover contributions. An eligible rollover distribution is defined as any taxable distribution from an IRA that is not a part of a required minimum distribution.
5. **IRA to Roth IRA Conversions** - If your modified adjusted gross income 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 IRA(s) into your Roth IRA(s). However, if you are age 70½ or older you must remove your required minimum distribution prior to converting your IRA. The amount of the conversion from your 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 IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent penalty.
6. **Written Election** - At the time you make a proper rollover to an IRA, you must designate in writing to us, your election to treat that contribution as a rollover. Once made, the rollover election is irrevocable.
- H. **TRANSFER DUE TO DIVORCE** - If all or any part of your 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 IRA (and may be transferred pursuant to a court-approved divorce decree or written legal separation agreement to another 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 IRA to another.
- I. **RECHARACTERIZATIONS** - If you make a contribution to a 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 IRA. If you have converted from a IRA to a Roth IRA you may recharacterize the conversion along with net income attributable back to the 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. **SEP PLANS** - Under a simplified employee pension (SEP) plan that meets the requirements of Code section 408(k), your employer may make contributions to your IRA. Your employer is required to provide you with information which describes the terms of your employer's SEP plan.
- B. **SPOUSAL IRA** - If you are married and have compensation, you may contribute to an IRA established for the benefit of your spouse for any year prior to the year your spouse turns age 70½, regardless of whether or not your spouse has compensation. You may make these spousal contributions even if you are age 70½ or older. You must file a joint income tax return for the year for which the contribution is made.

The amount you may contribute to your IRA and your spouse's 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 IRA.

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 IRA. The maximum additional contribution is \$500 for years 2002-2005, and \$1,000 for years 2006 and beyond.

- C. **DEDUCTION OF ROLLOVERS AND TRANSFERS** - A deduction is not allowed for rollover contributions or transfers.
- D. **GIFT TAX** - Transfers of your IRA assets to a beneficiary made during your life and at your request may be subject to federal gift tax under Code section 2501.
- E. **SPECIAL TAX TREATMENT** - Capital gains treatment and 10-year forward income averaging authorized by Code section 402 do not apply to IRA distributions.
- F. **INCOME TAX TREATMENT** - Any withdrawal from your IRA is subject to federal income tax withholding. You may, however, elect not to have withholding apply to your IRA withdrawal. If withholding is applied to your

withdrawal, not less than 10 percent of the amount withdrawn must be withheld.

- G. **PROHIBITED TRANSACTIONS** - If you or your beneficiary engage in a prohibited transaction with your IRA, as described in Code section 4975, your IRA will lose its tax-deferred status, and you must include the value of 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 IRA: (1) taking a loan from your IRA; (2) buying property for personal use (present or future) with IRA funds; or (3) receiving certain bonuses or premiums because of your IRA.
- H. **PLEDGING** - If you pledge any portion of your IRA as collateral for a loan, the amount so pledged will be treated as a distribution, and will be included in your gross income for the taxable year in which you pledge the assets.

FEDERAL TAX PENALTIES

- A. **EARLY DISTRIBUTION PENALTY** - If you are under age 59½ and receive an IRA distribution, an additional tax of 10 percent will apply, unless 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), or 10) a levy issued by the IRS. This additional tax will apply only to the portion of a distribution which is includible in your taxable income.
- B. **EXCESS CONTRIBUTION PENALTY** - An additional tax of six percent is imposed upon any excess contribution you make to your IRA. This additional tax will apply each year in which an excess remains in your IRA. An excess contribution is any amount that is contributed to your IRA that exceeds the amount that you are eligible to contribute.
- C. **EXCESS ACCUMULATION PENALTY** - As previously described, you must take a required minimum distribution by your required beginning date for the year you attain age 70½ and by the end of each year thereafter. Your beneficiary(ies) is required to take certain 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 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 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-TAX-FORM, or by visiting 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.

IRA FINANCIAL DISCLOSURE

You may direct the investment of your funds within this IRA into any investment instrument offered by or through the Custodian. The Custodian will not exercise any investment discretion regarding your IRA, as this is solely your responsibility.

The value of your IRA will be solely dependent upon the performance of any investment instrument chosen by you to fund your IRA. Therefore, no projection of the growth of your IRA can reasonably be shown or guaranteed.

Terms and conditions of the IRA which affect your investment decisions are listed below.

INVESTMENT OPTIONS

This is a Self-Directed Custodial IRA; you are solely responsible for the type of the IRS-approved investment(s) you choose to fund your IRA.

FEES

1. There are certain fees and charges connected with the investments you may select for your IRA. These fees and charges may include:

- Transaction Fees
- Distribution Fees
- Set Up Fees
- Annual Maintenance Fees
- Surrender or Termination Fees

To find out what fees apply, read the prospectus or contract which will describe the term of the investment you choose.

2. There may be certain fees and charges connected with the IRA itself, these include:

(Check if applicable and fill in the amount.)

- Annual Maintenance Fee of: \$ _____
- Transfer Fee of: \$ _____
- Rollover Fee of: \$ _____
- Termination Fee of: \$ _____
- Other (*Explain*): _____
- _____
- _____

SEE CURRENT FEE SCHEDULE

3. We reserve the right to change any of the above fees after notice to you, as provided in your IRA Plan Agreement.

EARNINGS

The method for computing and allocating annual earnings (interest, dividends, etc.) on your investments will vary with the nature and issuer of the investment chosen. Please refer to the prospectus or contract of the investment(s) of your choice for the method(s) used for computing and allocating annual earnings.



IRA FEE SCHEDULE FOR Traditional, Roth, SEP and Simple IRAs

Effective July 1, 2007

BASIC IRA – Assets permitted under the BASIC fee schedule include a variety of publicly traded securities and other assets including Public Stocks, Bonds or REITS, New Bank Stock, Brokerage Accounts, Mutual Funds, Annuities, Certificate of Deposits, U.S. Government Securities, and Limited Partnerships/Limited Liability Companies.

FLEX IRA - Assets permitted under the FLEX fee schedule include all assets listed under the BASIC IRA plus Private Equities & Debt, Promissory Notes, Mortgages, Trust Deeds, Real Estate, Tax Liens, Precious Metals, and other private placement or alternative assets.

FEES

BASIC IRA

FLEX IRA

<u>Establishment Fee</u> (Charged at time of account establishment)	\$50	\$50
<u>Annual Account Fee</u> (Charged at the beginning of each year and is not prorated or refundable)	\$100	\$200
<u>Transaction Fee</u> (Charged at the time investment is processed)		
CDs at First Regional Bank (FRB)	FREE	FREE
Mutual Fund , Annuity , Government Security, CD (non-FRB), or REIT	\$25	\$25
Broker Portfolio, Partnership, LLC, or New Bank Stock	\$50	\$50
Private Equity / Debt, Tax Lien, or Other Alternative Assets	N/A	\$50
Promissory Note, Mortgage, or Trust Deed	N/A	\$75
Real Estate and Precious Metals	N/A	\$250

Note: First Regional Bank CDs \$Free; Additional Purchase / Partial Sale for Mutual Funds and Broker Portfolio only \$10.

<u>Maintenance Fee</u> (Prorated and charged quarterly)		
Stock, Bond, Mutual Fund , Annuity , Government Security, CD, REIT, or New Bank Stock	\$12	\$12
Broker Portfolio, Partnership, or LLC	\$30	\$30
Private Equity / Debt, Tax Lien, or Other Alternative Assets	N/A	\$30
Promissory Note, Mortgage, or Trust Deed *	N/A	\$50
Real Estate and Precious Metals	N/A	\$125

* **Note:** For Promissory Notes, Mortgages and Trust Deeds the fee caps at 10 assets.

<u>Special Service</u> (Charges apply to all accounts)	
Notary	\$10
Wire Transfers, Deposit Verification, Duplicate or Interim Statements, IRS Amendment/Restatement, Rejected Credit Card, and Late Fee.	\$15
Overnight Mail, Calculation RMD, Fee Schedule Conversion, Notice of Reconveyance, Reprocessing of Incomplete Investment Paperwork (plus applicable transaction fee), Returned Check, Stop Payment on Checks Issued, Cashier's Check, Corporate Action, e.g., tender offer, and Forced Liquidation (if assets are liquidated by the Custodian to pay fees).	\$25
Research / Special Services / 990-T Filing	\$75/hour
ROTH Conversion	\$100
Precious Metal Storage	\$150
Safekeeping	\$25

<u>Distributions</u> (Charged at the time of processing)	<u>Unscheduled</u>	<u>Scheduled</u>
ACH	\$10	\$3 each
Wire	\$15	\$10 each
Check	\$25	\$15 each
Assets	\$25 Plus re-registration fees	\$25 Plus re-registration fees

<u>Termination Fee</u> (Charged at the time of processing)		<u>Asset Re-registration</u> (Charged at the time of processing)	
<u>Partial Transfer</u>	\$50 Plus Asset Re- registration	Stock, Bond, Mutual Fund, Annuity, Government Security, CD, and REIT.	\$25 per asset plus direct cost
<u>Transfer Out/Termination</u>	\$100 Plus Asset Re-registration	All other assets	\$50 per asset plus direct cost

Fee Schedule Disclosures

Our right to compensation and reimbursement shall constitute a first prior lien against your account. Although under certain circumstances investment companies or financial advisors may offer to pay your fees, you are (personally) responsible for payment of all fees. We reserve the right to liquidate assets for any account that has fees outstanding more than 60 days.

Liquidity Requirement: A minimum cash balance of \$250 should be left in the account at all times to cover fees.

Establishment Fee: This fee is due at the time the account is established.

Annual Account Fee: This fee is charged in January of each year and is included on your first quarter fee invoice. New accounts that are opened during the course of the year will have this fee prorated for the first year, depending upon the quarter in which the account is established. Example: Accounts that are opened during the 1st quarter will be charged the entire fee. If an account is opened during the third quarter clients will be billed one-half the annual fee. Annual Account fees are not prorated during the year in which account termination occurs.

Transaction Fee: This fee is charged each time you either purchase, sell, or otherwise dispose of an asset in your account. Transactions are normally processed within 5 business days from the date we have in our possession sufficient funds and all of the properly executed investment paperwork. We make no representations or warranties with respect to the timing of our processing of your transaction if the investment paperwork is incomplete or in the event your account does not have sufficient funds. Transaction fees are not charged for receipt of income or contributions, nor are they charged for deposits to the First Regional Bank money market account.

Maintenance Fee: This fee is prorated and charged quarterly for each asset held within your account. Example – if you hold one promissory note the annual maintenance fee is \$50. This fee is prorated and billed quarterly; therefore your invoice will reflect a maintenance fee of \$12.50 for this asset.

Termination Fee: This fee is charged at the time of processing. In order to avoid delays in processing your request, please ensure you have sufficient cash in your account to pay your outstanding fees, including termination and re-registration fees. If cash is not available, an invoice will be mailed.

Distribution Fee: This fee is charged each time you request funds or assets to be distributed from your account. Additional fees may apply for distribution of non-cash assets (see Asset Re-Registration Fee below).

Asset Re-registration Fee: References to “direct cost” shall mean any fees charged by an investment company, transfer agent, etc., related to the re-registration of an asset. Such expenses will be billed directly to an accountholder’s account or credit card.

Safekeeping Fee: This fee is prorated and charged quarterly for each original stock certificate, bond, real estate deed, promissory note, deed of trust/mortgage, delivered to us for safekeeping. For promissory notes secured by mortgage or trust deed, only one fee per promissory note will apply.

Miscellaneous Information

Fees are billed quarterly and will be deducted automatically from available cash or charged to your credit card (Visa or MasterCard), if authorized. Credit card charges may be billed under the name of First Regional Bank or Trust Administration Services. Rejected credit card charges are subject to a \$25 reprocessing fee. If payment is not received within thirty (30) days from the due date reflected on your invoice, a \$15 Late Fee will be assessed to your account and a Past Due Notice will be mailed. Should fees not be collected we have the option to cease performing any functions, including, but not limited to, processing investment transactions until such time as all fees charged against the account are fully paid. Additionally we may liquidate assets from the account, without notice, for any outstanding fee which has not been paid. We may, at our discretion, liquidate sufficient assets to cover outstanding fees plus one year’s estimated fees, including termination fees. Due to the nature of certain investments a partial liquidation may not be possible. In such cases we may have to liquidate your entire holdings in the investment. Upon receipt, funds will be first applied to outstanding fees. Remaining balances, if any, will be placed into your account and invested in our in-house money market account.

In the event that fees are not paid within fifteen (15) days after mailing the Past Due Notice we will begin the process of closing your account and will distribute all assets to you. This will be reported to the IRS on form 1099-R and may subject you to possible taxes and penalties. Accounts with past due fees, unfunded accounts and accounts with zero value will continue to incur administration and maintenance fees until such time as you notify us in writing (on a form prescribed by us) of your intent to close the account or we resign as custodian. You will be liable for all past due fees, re-registration fees, late fees and account termination fees. In the event of nonpayment we may employ a collection agency to recover any unpaid fees or expenses.

The Fee Schedule Conversion fee is assessed whenever a change in assets causes your account to switch from the BASIC to the FLEX IRA Fee Schedule. If your account is established under or converted to the FLEX IRA Fee Schedule, it will remain on that schedule until you request, in writing, to be placed under the BASIC IRA category.

We reserve the right to charge additional amounts for complex transactions including out of pocket expenses incurred in the handling of your account. All stated fees are subject to change or revision, upon thirty days written notice.



ACCOUNT TRANSFER REQUEST

Please direct mail to:

Street Address
5950 La Place Court, Suite 160
Carlsbad, CA 92008
Ph: (800) 455-9472

Mailing Address
P.O. Box 85410
San Diego, CA 92186-5410
Fax: 760-603-0887

1 | ACCOUNTHOLDER INFORMATION

First Name	M.I.	Last Name	Date of Birth (mm/dd/yyyy)	SSN
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Street Address	City		State	Zip
<input type="text"/>	<input type="text"/>		<input type="text"/>	<input type="text"/>
Daytime phone number ()	Cell Number ()	Fax Number ()		
<input type="text"/>	<input type="text"/>	<input type="text"/>		

Type of Account at Trust Administration Services (**check one**):

- Traditional IRA Roth IRA SEP IRA SIMPLE IRA Qualified Business Retirement Plan

2 | PRESENT TRUSTEE/CUSTODIAN INFORMATION

Name of present Trustee/Custodian	Account Number with present Trustee/Custodian		
<input type="text"/>	<input type="text"/>		
Street Address	City	State	Zip
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Contact Name	Phone Number		
<input type="text"/>	<input type="text"/>		

Type of Account Being Transferred (**check one**):

- Traditional IRA Roth IRA SEP IRA SIMPLE IRA Qualified Business Retirement Plan

3 | TRANSFER TYPE

Please make your selection below and complete "Transfer Instructions" in Section 4.

- A. Complete Account Transfer** - A transfer describes the movement of assets directly between two financial institutions; i.e., there is no distribution to the Accountholder. Under this arrangement no tax forms are generated by the current Trustee/Custodian. Please provide complete transfer instructions in section 4.
- B. Partial Account Transfer Only** - A partial transfer describes the movement of a portion of assets directly between two financial institutions; i.e., there is no distribution to the Accountholder. Under this arrangement no tax forms are generated by the current Trustee/Custodian. Please provide complete transfer instructions in section 4.
- C. Direct Rollover Only** - The transfer of retirement plan assets, such as a profit sharing plan, defined benefit plan, or 401(k) plan, between a company and the financial institution providing the new retirement plan account. A direct rollover to First Regional Bank IRA will avoid the mandatory 20% federal income tax withholding imposed on such distributions. Please provide complete transfer instructions in section 4.

4 | TRANSFER INSTRUCTIONS

Provide a copy of the most recent Account Statement from your existing Trustee/Custodian and list below all assets to be transferred and indicate whether they are to be liquidated or transferred in-kind. Use additional paper if needed.

Note: The Accountholder **MUST** also complete the new Custodian's applicable investment authorization form(S) marking "transfer" where indicated. Copies of the investment authorization forms can be obtained from the Custodian's website, www.trustlynk.com, or by contacting the marketing or customer service department.

Transfer Instructions:

By signing this form the Accountholder hereby authorizes the present Trustee/Custodian to transfer or rollover the assets noted below.

- Liquidate all assets and transfer proceeds to First Regional Bank. Please proceed to section 6.
- Transfer all assets "in-kind" along with any cash balance to First Regional Bank. Please proceed to section 6.
- Transfer the individual assets noted in section 5 pursuant to the instructions contained therein, to First Regional Bank.

ACCOUNT TRANSFER REQUEST

5 | LIST ALL ASSETS TO BE TRANSFERRED

For assets listed below, be sure to provide a detailed asset description under the asset heading and indicate if the asset is to be liquidated or transferred in kind by current Trustee/Custodian. If additional space is needed, please attach additional copies of this page.

A. Cash/Money Market Account/Savings Account

Indicate Amount

- All
 Partial Amount. Specify \$ _____

B. Stocks or Bonds

of shares or "All" Sell or Transfer In Kind

		<input type="checkbox"/>		<input type="checkbox"/>
		<input type="checkbox"/>		<input type="checkbox"/>

C. Mutual Funds

of shares or "All" Sell or Transfer In Kind

		<input type="checkbox"/>		<input type="checkbox"/>
		<input type="checkbox"/>		<input type="checkbox"/>

D. Annuities Policy Number

Value

Policy Number

Liquidate

or

Transfer In Kind

	\$		<input type="checkbox"/>		<input type="checkbox"/>
	\$		<input type="checkbox"/>		<input type="checkbox"/>

E. Certificate(s) of Deposit

Value

Liquidate Immediately

Liquidate on Maturity Date

or

Transfer In Kind

	\$	<input type="checkbox"/>	<input type="checkbox"/> ____ / ____ / ____		<input type="checkbox"/>
	\$	<input type="checkbox"/>	<input type="checkbox"/> ____ / ____ / ____		<input type="checkbox"/>

E. Limited Partnership / Limited Liability Company

Value

of units or "All"

Sell

or

Transfer In Kind

	\$		<input type="checkbox"/>		<input type="checkbox"/>
	\$		<input type="checkbox"/>		<input type="checkbox"/>

G. Promissory Notes

Value

Sell

or

Transfer In Kind

	\$	<input type="checkbox"/>		<input type="checkbox"/>
	\$	<input type="checkbox"/>		<input type="checkbox"/>

H. Other Assets

Value

of units or "All"

Sell

or

Transfer In Kind

	\$		<input type="checkbox"/>		<input type="checkbox"/>
	\$		<input type="checkbox"/>		<input type="checkbox"/>

6 | DELIVERY OPTIONS FOR THIS FORM

I hereby authorize the new Custodian to send this Account Transfer Request to my existing Trustee/Custodian utilizing the following method:

- Regular Mail Overnight Mail (\$25) Fax* Contact Name: _____
 Fax Number: () _____

***Note:** If requesting delivery by fax, please verify whether or not the present Trustee/Custodian requires original signatures or will accept a faxed copy. The Accountholder must also determine whether or not his/her present Trustee/Custodian will require a Medallion Guarantee Stamp. Transfer requests requiring a Medallion must be sent via regular or overnight mail. If no option is selected the transfer request will be sent by regular mail.

7 | ACCOUNTHOLDER AUTHORIZATION AND SIGNATURE

I certify that the assets listed above are held in a qualified retirement plan established and administered under an IRS approved plan and that said plan meets the qualifications of the Internal Revenue Code. If I am over the age of 70 ½, I attest that this transfer will not violate the required minimum distribution rules under Section 401(a) (9) of the Internal Revenue Code. I understand that certain proprietary products offered by some firms cannot be transferred in-kind and will have to be liquidated. I hereby warrant and represent that I have established a self-directed account with the First Regional Bank, the new Custodian. I authorize the present Trustee/Custodian to send the cash and/or assets noted herein to First Regional Bank as

ACCOUNT TRANSFER REQUEST

7 | ACCOUNTHOLDER AUTHORIZATION AND SIGNATURE - *continued*

specified. I understand that I am solely responsible for determining eligibility of all transfers/rollovers and agree to indemnify and hold harmless both the present Trustee/Custodian and new Custodian from any and all costs, obligations, losses, claims, damages, and expenses (including reasonable attorney's fees) related to or associated with this request.

Note: Prior to submitting this Account Transfer Request, please verify with your present Trustee/Custodian that this form is an acceptable method of requesting liquidation. In addition you must attach a copy of your most recent Account Statement from the present Trustee/Custodian.

I hereby authorize the present Trustee/Custodian to deliver my cash and/or assets as noted below. If special handling is requested (wire or overnight mail) I authorize the deduction of applicable fees from my account. I understand that failure to indicate a preferred delivery method below may result in my cash and/or assets being sent via regular mail. Accountholder's should consult with their present Trustee/Custodian to verify that these delivery options are available to you.

Wire (cash only) Overnight Mail funds and documentation for asset Wire cash and Overnight Mail documentation for assets

Signature of Accountholder: _____ **Date:** ____ / ____ / ____

ACCOUNTHOLDER MEDALLION SIGNATURE GUARANTEE

Note: A Medallion Signature Guarantee may be obtained from an authorized officer of a brokerage firm. Please contact your present Trustee/Custodian to verify whether or not a signature guarantee is required.

8 | LETTER OF ACCEPTANCE

First Regional Bank hereby accepts the appointment as Custodian of the above specified account and assets noted herein.

NEW REGISTRATION: First Regional Bank cust fbo _____

First Regional Bank Acceptance Signature

By: _____

Print Name: _____

Date: ____ / ____ / ____

9 | DELIVERY INSTRUCTIONS

Make Checks Payable to **First Regional Bank Cust fbo (client's name) IRA #** _____

Wiring Instructions for Cash First Regional Bank
Century City, CA
ABA# 122037760
Attention TAS Account number: 094-200921
For Further Credit to: Client's Full Name, A/C # (Accountholder's account #)

Send Receive Physical Securities First Regional Bank
P.O. Box 85410
San Diego, CA 92186-5410

Asset Registration Instructions The registration/title for the investment and other related documents must reflect the name of our bank (as Custodian), the name of the Accountholder, type of account & account number, and Custodian's Tax ID Number. **Note:** Qualified Business Retirement Plan (QBRP) may be substituted for IRA where appropriate.
First Regional Bank Cust fbo (Accountholder's name) IRA # _____
P.O. Box 85410
San Diego, CA 92186-5410 **Tax Identification Number: 95-4716174**

Delivery Instructions

OVERNIGHT MAIL First Regional Bank ATTN: Trust Administration Services 5950 La Place Court, Suite 160 Carlsbad, CA 92008	REGULAR MAIL First Regional Bank ATTN: Trust Administration Services P.O. Box 85410 San Diego, CA 92186-5410
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DEPOSIT COUPON INSTRUCTIONS

Trust Administration Services
A division of First Regional Bank

Please direct mail to:

Street Address
5950 La Place Court, Suite 160
Carlsbad, CA 92008
Ph: (800) 455-9472

Mailing Address
P.O. Box 85410
San Diego, CA 92186-5410
Fax: 760-603-0887

The following coupon must be remitted with *all* contributions and income generated from promissory notes and real estate. The Coupon must include the Accountholder's name and account number. In addition, contributions must reflect the year to which the deposit applies. Income generated from promissory notes or real estate must also identify the asset which generated the income. Third party servicing agents or property managers who collect income or payoffs may use their own form of deposit coupon or transmittal as long as it provides a breakdown of the payment, e.g., principal, interest, late fees, etc. Additional coupons may be obtained through our website, www.trustlynk.com.

Checks must be made payable to First Regional Bank and contain the name of the Accountholder, type of account and account number.

MAKE CHECKS PAYABLE AS FOLLOWS: First Regional Bank cust fbo (Accountholder's Name) IRA # _____

Note: Qualified Business Retirement Plan (QBRP) may be substituted for IRA where appropriate.

Please do not staple or tape coupon to the check.

| CONTRIBUTION & ROLLOVER DEPOSIT SLIP

Accountholder Name: _____ **Account Number:** _____

Contributions & Rollovers	Amount
<input type="checkbox"/> Contribution – current year	\$ _____
<input type="checkbox"/> Contribution – prior year	\$ _____
<input type="checkbox"/> Rollover* (must complete IRA Rollover Certification)	\$ _____

*** IRA Rollover Certification**
I hereby certify that this is a valid rollover contribution that meets all IRS requirements. I hereby authorize the deposit of the rollover contribution to the account noted above.

Accountholder Signature: _____
Date: ____ / ____ / ____

| DEPOSIT SLIP FOR PROMISSORY NOTES & REAL PROPERTY PAYMENTS

Accountholder Name: _____ **Account Number:** _____

Name of Investment: _____ **Check Number:** _____

PAYMENT TYPE	Check Amount	Breakdown of Payment															
<input type="checkbox"/> Rental Property	\$ _____	Check One: <input type="checkbox"/> Deposit <input type="checkbox"/> Rental Income <input type="checkbox"/> Other _____															
<input type="checkbox"/> Promissory Note Payment	\$ _____	Promissory Note Servicing Agent: Please complete the section below. Be sure to provide an ending balance for the promissory note.															
<input type="checkbox"/> Proceeds from Partial Sale of Asset	\$ _____	<table border="0" style="width: 100%;"> <tr> <td>Provide Breakdown of Payment:</td> <td>Principal:</td> <td>\$ _____</td> </tr> <tr> <td></td> <td>Interest/Gain:</td> <td>\$ _____</td> </tr> <tr> <td></td> <td>Other: (specify):</td> <td>\$ _____</td> </tr> <tr> <td></td> <td>Total:</td> <td>\$ _____</td> </tr> <tr> <td colspan="2">* New Ending Balance for Investment:</td> <td>\$ _____</td> </tr> </table>	Provide Breakdown of Payment:	Principal:	\$ _____		Interest/Gain:	\$ _____		Other: (specify):	\$ _____		Total:	\$ _____	* New Ending Balance for Investment:		\$ _____
Provide Breakdown of Payment:	Principal:		\$ _____														
	Interest/Gain:		\$ _____														
	Other: (specify):		\$ _____														
	Total:	\$ _____															
* New Ending Balance for Investment:		\$ _____															
<input type="checkbox"/> Proceeds from Full Sale of Asset	\$ _____																
<input type="checkbox"/> Other (specify) _____	\$ _____																