SIMPLE INDIVIDUAL RETIREMENT ACCOUNT CUSTODIAL AGREEMENT & DISCLOSURE STATEMENT

SIMPLE IRA DISCLOSURE STATEMENT

(Used with Form 5305-SA)

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

RIGHT TO REVOKE YOUR IRA

You may revoke your SIMPLE IRA within 7 days after you sign the IRA Application by hand delivering or mailing a written notice your investment provider, C/O UMB Funds Services, Inc 803 W Michigan Street, Milwaukee, WI 53233. If you revoke your SIMPLE IRA by mailing a written notice, such notice must be postmarked by the 7th day after you sign the Application. If you revoke your IRA within the 7-day period you will receive a refund of the entire amount of your contributions to the SIMPLE IRA without any adjustment for earnings or any administrative expenses. If you exercise this revocation, we are still required to report the contribution on Form 5498 (except transfers) and the revoked distribution on Form 1099-R.

GENERAL

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

CONTRIBUTIONS

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

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

Employee Deferrals. Employee salary deferrals may not exceed the lesser of 100% of your compensation or $11,500 for 2012 ($12,000 for 2013). If you are age 50 or older by the close of the plan year, you may make an additional contribution to your SIMPLE IRA. The maximum additional contribution is $2,500 for both 2012 and 2013.

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

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

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

> **SIMPLE IRA to SIMPLE IRA Rollover.** You may withdraw, tax free, all or part of the amounts in your SIMPLE IRA and reinvest them within 60 days into the same or another SIMPLE IRA. You may only roll over one distribution from each SIMPLE IRA every 12 months. In addition, a distribution from a SIMPLE IRA that receives a rollover contribution is also prohibited from being rolled over until 12 months has elapsed. The 12-month waiting period begins on the date you receive the SIMPLE IRA distribution, not on the date you roll it over into a SIMPLE IRA. If you roll over the entire distribution into your SIMPLE IRA, you do not have to include the distribution as taxable income. Any amount not properly rolled over within the 60-day period or any amount you keep will generally be taxable in the year distributed and may be subject to the 10% premature distribution penalty tax if you are under age 59½ (and do not qualify for an exception). The penalty increases to 25% if you retain amounts withdrawn within two years of your initial SIMPLE IRA contribution (and do not qualify for an exception).
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> **SIMPLE IRA to Traditional IRA Rollover.** To complete a rollover of your SIMPLE IRA to your Traditional IRA, at least two years must have elapsed from your initial SIMPLE IRA contribution. The two-year waiting period begins on the first day you participated in your employer's SIMPLE IRA plan. If the two-year period has elapsed, you may withdraw, tax free, all or part of the amount in your SIMPLE IRA if you reinvest those amounts within 60 days into your Traditional IRA. You may only roll over one distribution from each SIMPLE IRA every 12 months. . In addition, a distribution from a SIMPLE IRA that receives a rollover contribution is also prohibited from being rolled over until 12 months has elapsed. The 12-month waiting period begins on the date you receive the SIMPLE IRA distribution, not on the date you roll it over into an IRA.

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If you complete a rollover of the entire distribution into your IRA, you do not have to report the distribution as taxable income. Any amount not properly rolled over within the 60-day period or any amount you keep will generally be taxable in the year distributed. Further, if you are under age 59½ and do not qualify for an exception, such amounts are subject to the 10% premature distribution penalty tax (or a 25% penalty tax if the distribution is within two years of your initial SIMPLE IRA contribution).

SIMPLE IRA Rollover to Employer's Retirement Plan. After you have been a SIMPLE IRA participant for two years you may roll your SIMPLE IRA to your employer's retirement plan if your employer's retirement plan accepts rollovers from a SIMPLE IRA. If your employer's retirement plan accepts rollovers from IRAs, you may complete a direct or indirect rollover of your pre-tax assets in your Traditional IRA.

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

Conversion of SIMPLE IRA to Roth IRA. Generally, after you have been a SIMPLE IRA plan participant for two years, you may convert all or part of your SIMPLE IRA to a Roth IRA provided you meet any applicable eligibility requirements as defined in the Code and Regulations. Amounts converted are treated as taxable distributions. However, when you convert your SIMPLE IRA to a Roth IRA and you are under age 59½, the premature distribution penalty does not apply. Required minimum distributions may not be converted to a Roth IRA.

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

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

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

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

TAX TREATMENT OF SIMPLE IRA CONTRIBUTIONS

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

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

DISTRIBUTIONS DURING YOUR LIFETIME

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

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

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

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

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5. The distributions are not more than your or your spouse's expenses or those of your and your spouse's child, or grandchild for attendance at a post-secondary education institution.
6. The distribution, of up to a $10,000 lifetime limit, is used within 120 days of withdrawal to buy or build a home that will be a principal residence for a qualified first-time homebuyer.
7. The distribution is due to an IRS levy on the SIMPLE IRA.
8. The distribution is a "qualified reservist distribution" as defined by the Code.
9. The distribution is properly rolled over or directly transferred to an eligible employer plan, Traditional IRA or another SIMPLE IRA.
10. The distribution is a result of a valid divorce decree and is transferred to your ex-spouse's IRA, provided certain conditions apply.
11. The distribution is a proper return of an excess contribution.

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

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

Required Distributions At Age 70½. You must begin taking distributions from your SIMPLE IRA no later than April 1 following the year you reach age 70½. Subsequent distributions must be taken by December 31 each year after you reach age 70½. Generally, each year determine your RMD by taking your SIMPLE IRA balance as of December 31 of the prior year and dividing it by a distribution period (determined by the applicable IRS life expectancy table). Each year you are subject to the RMD requirements, your Custodian will provide you with a notice. Along with the distribution deadline, the notice will either inform you of your RMD amount or provide you with guidance on how to contact the Custodian for assistance in determining your RMD. Your Custodian is also required to notify the IRS each year you are required to take an RMD.

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

If you do not take the required minimum distribution (RMD) or the distribution is not large enough, you may be subject to a 50% excess accumulation excise tax on the amount not distributed as required.

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

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

DISTRIBUTIONS TO YOUR BENEFICIARIES WHEN YOU DIE

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

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

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

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

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

If You Die On or After RMDs Are Required To Begin. If you die after April 1 following the year you attain age 70½, the designated beneficiary(ies) must continue taking distributions from your SIMPLE IRA. The longest timeframe for receiving payouts is over the life expectancy of the designated beneficiary(ies) or based on your remaining life expectancy factor, had you not died, whichever period is longer. Distributions must commence by December 31 of the calendar year following your death. If your designated beneficiary is not an individual (e.g., a charity, your estate, etc.), your SIMPLE IRA must be distributed using your single life expectancy (had you not died) reduced by one each year. If your surviving spouse is the sole designated beneficiary of your SIMPLE IRA, he or she may elect to treat your SIMPLE IRA as his or her own. Regardless of whether your spouse is the sole designated beneficiary, he or she may roll distributions from your IRA into his or her own IRA within 60 days of receipt.

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WITHHOLDING

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

EXCESS CONTRIBUTIONS

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

PROHIBITED TRANSACTIONS

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

FINANCIAL DISCLOSURE

Since you determine the investment program for your SIMPLE IRA and select securities and other assets to be purchased and sold, the value of your SIMPLE IRA will depend on the investment decisions made by you or your investment advisor. No guarantees of any nature concerning growth projections, earnings rates, or future security values are made. The method for computing and allocating annual earnings on your investments will vary with the nature and issuer of investments chosen. Refer to the prospectus or investment contract(s) for the method(s) used for computing and allocating annual earnings. All ordinary expenses related to directed security transactions, such as brokerage commissions on purchases and sales, are expenses of the Custodial Account and will be charged directly to the Custodial Account.

A reasonable hourly charge will be assessed for extraordinary services for the following:

- Time expended terminating the Custodial Account
- Searching and tracking down beneficiaries and beneficiary information following the death of the Participant (or beneficiaries) including court costs for determining the proper course of action.

CUSTODIAN NOT YOUR ADVISOR

UMB Bank, n.a, UMB Distribution Services, LLC, Grand Distribution Services, LLC and UMB Fund Service, Inc. expressly disclaim any right, duty, authority or responsibility to furnish legal or tax advice relating to your IRA, including but not limited to present or future tax consequences to you or others which may result from the establishment or maintenance of the Custodial Account, the permissible amounts or deductibility of contributions, the effect of withdrawals, the selection of payment options or beneficiaries, any matters pertaining to prohibited transactions, and any other matter whatsoever. You are advised and encouraged to consult with professional counsel of your own selection respecting all such matters.

USING YOUR SIMPLE IRA AS SECURITY FOR A LOAN

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

MISCELLANEOUS

Nonforfeitability. Your interest in your SIMPLE IRA is nonforfeitable at all times.
Custodian. The Custodian of your SIMPLE IRA must be a bank, a federally insured credit union, a savings and loan association, or an entity approved by the IRS to act as custodian.
Investment Restrictions. Money in your SIMPLE IRA may not be used to buy a life insurance policy or invested in collectibles as defined in Code section 408(m). However, certain gold, silver and platinum coins, bullion and coins issued under state laws are allowable investments.
No Commingling. Assets in your SIMPLE IRA may not be combined with other property, except in a common trust fund or common investment fund.
Beneficiary Designation. You may designate a beneficiary for your SIMPLE IRA by completing a written designation in a form and manner acceptable to the Custodian. When you die, the proceeds of your SIMPLE IRA will be paid to your designated beneficiary(ies). If you do not designate a beneficiary, your SIMPLE IRA will be paid to your estate when you die.
Tax-Deferred Earnings. The earnings on your SIMPLE IRA balance accumulate tax-deferred, meaning they are not taxable until distributed from your SIMPLE IRA.

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Estate Tax. Generally, for federal estate tax purposes, your SIMPLE IRA assets are includable in your gross estate when you die. However, if your spouse is your beneficiary, your SIMPLE IRA may qualify for the marital deduction. Consult your tax and/or legal advisors for specific guidance.
Tax Filing. You are responsible for filing the applicable IRS forms to report any taxable income or penalties associated with your SIMPLE IRA.
IRS Form. This SIMPLE IRA uses the precise language of IRS Form 5305-SA and is therefore treated as approved by the IRS. Additional language has been included as permitted by such form. The IRS approval represents a determination as to form and not to the merits of the account.
Additional Information. Additional information about the rules and options regarding your SIMPLE IRA may be found in IRS Publications 560 and 590, the summary description provided by your employer and on the IRS website at www.irs.gov.

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