MERRILL
A BANK OF AMERICA COMPANY

SEP and SEP PLUS® simplified employee pension programs

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SEP Program

This Merrill Lynch Prototype Simplified Employee Pension Plan is for use on or after January 1, 2002 and, as required by law, does not include a salary reduction feature. A second plan, the Merrill Lynch Prototype Simplified Employee Pension Plus Plan, includes a salary reduction feature and is available for use by Employers who have maintained Simplified Employee Pension Plans with salary reduction, features since, at least, December 31, 1996.

The Merrill Lynch Prototype Simplified Employee Pension Plan as set forth in this booklet has been approved by the Internal Revenue Service. Approval by the IRS, however, is a determination as to the form, not the merits, of this prototype plan.

For Simplified Employee Pension Plans (without a Salary Reduction feature established or amended on or after January 1, 2002.)

SEP PLUS Program

This Merrill Lynch SEP Plus® Prototype Simplified Employee Pension Plan includes a salary reduction feature that is intended to qualify under Internal Revenue Code of 1986, as amended, (“Code”) section 408(k)(6) and any guidance issued thereunder. This Merrill Lynch SEP Plus Prototype Simplified Employee Pension Plan is limited to use by Employers who maintained simplified employee pension plans with salary reduction features on December 31, 1996.

This Merrill Lynch SEP Plus Prototype Simplified Employee Pension Plan as set forth in this booklet has been approved by the Internal Revenue Service. Approval by the IRS, however, is a determination as to the form, not the merits, of this prototype plan.

For Simplified Employee Pension Plans that included Salary Reduction features on December 31, 1996.

This Disclosure Statement and Custodial Agreement has not yet been updated for tax law changes included in the Setting Every Community Up for Retirement Enhancement (SECURE) and SECURE 2.0 Acts which became law in 2020 and 2023, respectively. The SECURE Acts change the rules governing IRA contributions and the age at which you are required to start your Required Minimum Distributions (RMDs). SECURE and SECURE 2.0 Acts changes to the law are not reflected in this document. You should check with your tax advisor regarding your specific situation before making any decisions concerning your SEP or SEP PLUS IRA.

Retirement planning with the Merrill Lynch SEP program

When it comes to securing your financial future, an employer-sponsored retirement plan is a tremendous benefit. With tax-favored investment vehicles playing an ever-increasing role in retirement planning, Merrill Lynch's SEP Program is the first choice of many self-employed individuals and small business owners.

Merrill Lynch's SEP Program has a combination of features making it attractive to employers and employees alike. A SEP Plan permits employers to make tax-deductible contributions to SEP/IRA accounts that are maintained by employees, and allows for the tax-deferred accumulation of assets that can significantly increase the growth potential of a retirement account. Plan participants enjoy separate SEP/IRA accounts, giving each the opportunity to take an active part in his or her own retirement planning and to make individually appropriate investment decisions in order to secure income for a comfortable retirement.

In addition, the SEP/IRA is a less complex and more economical vehicle than other tax-favored retirement plans. It can be used to receive traditional IRA contributions and rollover assets from other retirement plans. For small business owners, maintaining a SEP plan presents fewer administrative tasks and allows greater flexibility.

Merrill Lynch's SEP Program can be part of a sound retirement plan. By combining personal savings and Social Security benefits with a SEP/IRA account, you can plan effectively for the retirement lifestyle you want. You can gain the services of our professionally trained Financial Advisor, who will work with you and your plan participants to explore investment alternatives, and you can benefit from our years of experience as a retirement plan custodian.

Take your first step toward a financially secure tomorrow by planning for your employees' and your retirement needs today.

Prototype SEP Plan

Article I. Definitions

As used in this Prototype SEP and Employer's Adoption Agreement, each of the following terms shall have the meaning for that term set forth in this Article I:

"Employer's Adoption Agreement" means a document so designated with respect to this Prototype SEP and executed by the Employer, as amended from time to time.

"Affiliate" means any corporation or unincorporated business (other than the Employer): (a) which is controlled by, or under common control with, the Employer within the meaning of sections 414(b) and (c) of the Code, (b) which is a member of an "affiliated service group" (as defined in section 414(m) of the Code) which includes the Employer, or (c) which is required to be aggregated with the Employer under section 414(o) of the Code and the regulations thereunder provided that for purposes of Article IV, "Affiliate" status shall be determined in accordance with section 415(h) of the Code.

"Business" means in the case of an Employer that is a sole proprietorship or partnership, the trade or business of the Employer with respect to which this Plan is adopted, and in the case of an Employer that is a corporation, each trade or business of the corporation.

"Code" means the Internal Revenue Code of 1986, as now in effect or as amended from time to time. A reference to a provision of the Code shall be to such provision and any valid regulations pertaining thereto as well as to the corresponding provision of any legislation which amends, supplements or supersedes that provision and any valid regulations pertaining thereto.

"Compensation" means:

(a) For an Employee other than a Self-Employed Individual, wages [as defined in Code section 3401(a)] and all other payments of compensation by the Employer to the Employee included in the "Wages, tips, other compensation" box on the Internal Revenue Service Form W-2 furnished to the Employee, which information is required to be reported by the Employer under Code sections 6041(d), 6051(a)(3) and 6052. In determining Compensation, the Employer must include wages without regard to rules under Code section 3401(a) that contain limitations with respect to wages based on the nature or location of the Employee's employment or services performed.

(b) For a Self-Employed Individual, his or her Earned Income for the Plan Year involved.

(c) For any Employee (including a Self-Employed Individual), Compensation shall include any amount which is contributed by the Employer pursuant to a salary reduction agreement and which is not includable in the gross income of the Employee under Code section 125, 402(e)(3), 402(h), 403(b), 408(p)(2)(A)(i), 457, or, effective January 1, 2001, 132(f)(4).

(d) For any Employee (including a Self-Employed Individual), the annual Compensation taken into account for determining all benefits provided under the Plan for any Plan Year shall not exceed the amount specified in Code section 408(k)(3)(C) [as indexed for cost-of-living pursuant to Code section 408(k)(8)]; provided, however, that the dollar increase in effect on January 1 of any calendar year is effective for Plan Years beginning in such calendar year.

(e) If a determination period consists of fewer than 12 months, the foregoing annual compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the determination period, and the denominator of which is 12.

(f) For the purposes of defining compensation for the compensation limit under Code section 408(k)(2)(C), the foregoing provisions of subsections (a)-(e) under the term "Compensation" shall apply by virtue of these provisions meeting the definition of compensation set forth under Code section 414(q)(4).

"Defined Contribution Plan" means a plan of the type defined in Code section 414(i) maintained by the Employer or an Affiliate, as applicable.

"Earned Income" means the "net earnings from self-employment" [within the meaning of Code section 401(c)(2) but without regard to any exclusion under Code section 911] of a Self-Employed Individual from the Business, but only if the personal services of the Self-Employed Individual are a material income-producing factor with respect to the Business. Net earnings will be determined:

(a) Without regard to paragraphs (4) and (5) of Code section 1402(c),

(b) In the case of any individual who is treated as an employee under section 3121(d)(3)(A), (C),or (D), Without regard to paragraph (2) of Code section 1402(c),

(c) Without regard to items not included in gross income and the deductions properly allocable to or chargeable against such items and are to be reduced by contributions by the Employer to a retirement plan to the extent deductible under Code section 404,

(d) with regard to the deduction allowed to the Self-Employed Individual by Code section 164(f); and

(e) As if the term "trade or business" for purposes of Code section 1402 included service described in Code section 1402(c)(6).

"Eligible Employee" means any Employee of an Employer other than an Employee in either or both of the following categories of Employees:

(a) Employees included in a unit of Employees covered by a collective bargaining agreement between the Employer or any Affiliate and "employee representatives," if retirement benefits were the subject of good faith bargaining and 2% or less of the Employees who are covered pursuant to that agreement are professional employees as defined in Treasury Regulation § 1.410(b)-9. For this purpose, the term "employee representatives" does not include any organization more than half of whose members are Employees who are owners, officers or executives of the Employer or any Affiliate.

(b) Nonresident aliens within the meaning of Code section 7701(b)(1)(B) who receive no earned income within the meaning of Code section 911(d)(2) from the Employer or any Affiliate which constitutes income from sources within the United States within the meaning of Code section 861(a)(3).

Notwithstanding the foregoing, the Employer's Adoption Agreement may provide for inclusion of either or both categories of Employees as Eligible Employees.

"Employee" means a Self-Employed Individual, any individual who is employed by the Employer in the Business and any individual who is employed by an Affiliate. Each Leased Employee shall also be treated as an Employee of the recipient Employer.

"Employer" means the corporation, proprietorship, partnership or other organization (or any successor thereto) which adopts the Plan by execution of an Employer's Adoption Agreement. Each Affiliate shall also adopt this Plan, and each of such adopting Affiliates shall be deemed an "Employer" with respect to the Plan; provided, that the Employer signing the Employer's Adoption Agreement shall (a) be the Plan sponsor within the meaning of ERISA section 3(16)(B), and (b) have the authority to act for all participating Employers with respect to Plan administration and the execution and amendment of the Plan.

"Employer Contributions" means the contributions made on a Participant's behalf described in Article III.

"ERISA" means the Employee Retirement Income Security Act of 1974, as now in effect or as amended from time to time. A reference to a provision of ERISA shall be to such provision and any valid regulations pertaining thereto as well as to the corresponding provision of any legislation which amends, supplements or supersedes that provision and any valid regulations pertaining thereto.

"Leased Employee" means any individual (other than an Employee) who, pursuant to an agreement between the recipient Employer and any other person (the "leasing organization"), has performed services for the recipient Employer [or for the recipient Employer and "related persons" determined in accordance with Code section 414(n)(6)] on a substantially full-time basis for a period of at least one year, such services are performed under the primary direction or control of the recipient Employer and such individual is required to be treated as an Employee under Code section 414(n), and any other individual who must be treated as a "leased employee" under regulations adopted pursuant to Code section 414(o).

"Participant" means an Eligible Employee who satisfies the eligibility requirements of Article II with respect to the Plan Year involved.

"Plan" means the simplified employee pension plan of the Employer in the form of this Prototype SEP and the applicable Employer's Adoption Agreement executed by the Employer.

"Plan Year" means as specified in the Employer's Adoption Agreement either the calendar year or the Employer's tax year ending on the date specified in the Employer's Adoption Agreement. If the Plan Year is modified by an amendment to the Employer's Adoption Agreement, the term "Plan Year" means the Plan Year in effect prior to the amendment, the short period commencing on the first day in which the modification is effective and ending on the day before the first day of the first Plan Year as so modified, and each consecutive twelve month period thereafter ending on the date specified in the Employer's Adoption Agreement. In the event of such a change in Plan Year for purposes of any service requirement specified in the Employer's Adoption Agreement, (a) an Employee who has any service with the Employer during the short period must be given credit for that service in determining whether he or she has satisfied that requirement and (b) each Employee who but for such change would have been entitled to a contribution for the calendar year in which the short period begins shall be entitled to share in any Employer contribution made pursuant to Article III for the short period.

"Prototype SEP" means Merrill Lynch's Prototype Simplified Employee Pension Plan as set forth in this document, as amended from time to time.

"Self-Employed Individual" means an individual who has Earned Income for the Plan Year involved, or who would have had such Earned Income but for the fact that the Business had no net earnings for that Plan Year. Such term shall also include an individual who has been a self-employed individual within the meaning of the preceding sentence for any prior taxable year.

"SEP/IRA" means the Merrill Lynch Individual Retirement Custodial Account established by or on behalf of an Employee for investment of contributions made on behalf of the Employee under the Plan.

"Taxable Wage Base" means the contribution and benefit base in effect under section 230 of the Social Security Act at the beginning of the Plan Year involved.

Article II. Eligibility to participate

Each individual who at any time during a Plan Year was an Eligible Employee who met the eligibility and any age and/or service requirements set forth in the Employer's Adoption Agreement shall be a Participant eligible to receive an allocation to his SEP/IRA for the Plan Year and otherwise participate in the Plan. Notwithstanding the foregoing, an Employee who does not receive Compensation from the Employer for a Plan Year of at least the amount specified in Code section 408(k)(2)(C), as indexed for cost-of-living pursuant to Code section 408(k)(8), shall not be a Participant in the Plan for the Plan Year.

Article III. Employer contributions

A. Allocation formula not providing for permitted disparity

If the Employer elects in the Employer's Adoption Agreement that Employer Contributions are not calculated using "permitted disparity," the Employer will decide how much, if anything, to contribute for each Plan Year to the SEP/IRAs of Participants. The allocation will be based on the same percentage of each Participant's Compensation, provided that the contribution for any Employee shall not exceed the lesser of the percentage of the Participant's Compensation specified in Code section 402(h)(2)(A) from the Employer for the Plan Year involved or the amount specified in Code section 415(c)(1)(A), as adjusted under Code section 415(d) (or such higher amount as may be permissible under applicable Treasury Department regulations). For purposes of the limitation described in the preceding sentence, Compensation does not include any amount contributed by the Employer pursuant to a salary reduction agreement and which is not included in the gross income of the Employee under Code section 125, 132(f)(4), 402(e)(3), 402(h)(1)(B), 403(b), 408(p)(2)(A)(i) or 457.

B. Allocation formula providing for permitted disparity

If the Employer so elects in the Employer's Adoption Agreement, the Employer Contributions to the SEP/IRA of each Participant shall be calculated using "permitted disparity," often referred to as the contributions being "integrated" with Social Security, in the following manner:

1) First the Employer will decide how much to contribute to each Participant's SEP/IRA as a uniform percentage (the "Base Percentage") of the Participant's Compensation. The Base Percentage shall not be less than 3% unless either (a) the Plan is not a "top-heavy" plan as described in Article V or (b) the Employer has designated in the Employer's Adoption Agreement that "top-heavy" minimum contributions will be provided under another Defined Contribution Plan.

2) After the contribution has been allocated pursuant to the previous paragraph, an additional allocation shall be made to the SEP/IRA of each Participant, taking into consideration only that amount of such Participant's Compensation in excess of the Integration Level designated by the Employer in the Employer's Adoption Agreement for the Plan Year involved. The percentage of Compensation for any additional allocation (the "Excess Percentage") under this paragraph shall not exceed the lesser of:

   (i) The contribution percentage used under paragraph 1; or

   (ii) The applicable percentage determined in accordance with integration and percentages outlined in the following chart:

If the Integration Level is:		**The applicable percentage is:**
1) Equal to the Taxable Wage Base		5.7%
More than:	**But not more than:**	
2) $0	20% of the Taxable Wage Base	5.7%
3) 20% of the Taxable Wage Base	80% of the Taxable Wage Base	4.3%
4) 80% of the Taxable Wage Base	Up to the Taxable Wage Base	5.4%

For 2007, the Taxable Wage Base is $97,500. For 2008, the Taxable Wage Base is $102,000.

For purposes of the allocation described in the preceding chart, in no event can the amount allocated to a Participant's SEP/IRA exceed the lesser of the percentage of the Employee's Compensation specified in Code section 402(h)(2)(A) or the amount specified in Code section 415(c)(1)(A), as adjusted under Code section 415(d) (or such higher amount as may be permissible under applicable Treasury Department regulations). For purposes of the limitation described in the preceding sentence, Compensation does not include any amount contributed by the Employer pursuant to a salary reduction agreement and which is not included in the gross income of the Employee under Code section 125, 132(f)(4), 402(e)(3), 402(h)(1)(B), 403(b), 408(p)(2)(A)(i) or 457.

Notwithstanding the foregoing, for any calendar year this Prototype SEP benefits any Participant who benefits under another SEP or qualified plan described in Code section 401(a) maintained by the Employer that provides for permitted disparity (or imputes disparity), Employer Contributions will be allocated to each Participant's SEP/IRA in an amount equal to the Excess Percentage multiplied by the Participant's total Compensation.

The cumulative permitted disparity limit for a Participant is 35 total cumulative permitted disparity years. Total cumulative permitted disparity years means the number of years credited to the Participant for allocation or accrual purposes under this Prototype SEP or any other SEP or any qualified plan described in Code section 401(a) (whether or not terminated) ever maintained by the Employer.

For purposes of determining the Participant's cumulative permitted disparity limit, all years ending in the same calendar year are treated as the same year. If the Participant has not benefited under a defined benefit or target benefit plan for any year beginning on or after January 1, 1994, the Participant has no cumulative permitted disparity limit.

C. Deductibility of employer contributions

The Employer may, subject to limitations contained in the Code, deduct contributions made to the Plan in the taxable year within which the Plan Year ends. Contributions made for a particular taxable year of the Employer which are contributed by the due date of the

Employer's income tax return (including extensions) are deemed made in such taxable year. The otherwise applicable deduction limitation under Code section 404(a)(3)(A) (with respect to allowable deductions for contributions made under any stock bonus or profit-sharing plan maintained by the Employer) shall be reduced by the amount of SEP contributions deductible by the Employer for the taxable year involved.

D. Employer tax credit

Employers who employ 100 or fewer employees who have received at least $5,000 of Compensation from the Employer in the preceding year and employ at least one employee who is not a highly compensated employee, as defined in Code section 414(q), may claim a tax credit of 50% of the administrative and retirement education expenses incurred for the Plan. The credit is limited to $500 and may be claimed by the Employer for the first three years of the plan.

Article IV. Limitations on contributions

If the Employer currently maintains another Defined Contribution Plan, contributions under the Defined Contribution Plan shall first be limited to the extent necessary to satisfy the maximum contribution limitations under Code section 415(c)(1).

Article V. Top-heavy provisions

A. Top-Heavy rules

In any Plan Year that this Plan is a "top-heavy" plan, the provisions of this Article V will automatically take effect and supersede any conflicting provision of the Plan.

B. Top-Heavy plan

The determination of whether the Plan is a "top-heavy" plan for any Plan Year shall be made in accordance with Code section 416(g) and the regulations thereunder, which provide that the Plan will be considered "top-heavy" if, as of the last day of the preceding Plan Year, it favors "key employees," that is, if the value of the "account balances"for certain "key employees" exceeds 60% of the value of the "account balances" for all Participants. In making the determination of "top-heavy" status, unless otherwise provided in the Employer's Adoption Agreement, a Participant's "account balance" under this Plan shall be deemed to be the sum of all Employer Contributions made on his or her behalf.

C. Top-Heavy benefits

For any Plan Year that this Plan is a "top-heavy" plan, the Employer will be required to make a minimum contribution for the benefit of each "non-key" employee who is a Participant in the Plan. In other words, unless otherwise provided in the Employer's Adoption Agreement, an Employer contribution for such "Top- Heavy" Plan Year will be made to the SEP/IRA of each Participant [other than a "key employee" under Code section 416(i)(1)], which shall not be less than an amount which, in combination with all other contributions, if any, is equal to the lesser of (a) three percent (3%) of the Participant's Compensation or (b) a percentage of Compensation equal to the percentage of Compensation at which all contributions are made under the Plan for the Plan Year for the "key employee" for whom such percent age is the highest for the Plan Year. For purposes of determining whether the Plan is "top heavy," the account balance of any individual who has not performed services for the Employer during the one-year period ending on the determination date shall not be taken into account.

The Employer may provide in the Adoption Agreement that the minimum benefit requirement shall be met in another plan [including another plan that consists solely of a cash or deferred arrangement which meets the requirements of Code section 401(k)(12) and matching contributions with respect to which the requirements of Code section 401(m)(11) are met]. If so, Employer matching contributions shall be taken into account for purposes of satisfying the minimum contribution requirements of Code section 416(c)(2) and this Plan.

Under Code section 416(i)(1), a "key employee" is an Employee or former Employee (and any beneficiary thereof) who, at any time during a Plan Year, was:

(i) An officer of the Employer [if the Employee has Compensation in excess of $150,000 in 2008 as adjusted under Code section 416(i)(1) or such other amount specified in Code section 416(i)(1)(A)(i)]

(ii) A 5% owner of the Employer, as (defined in Code section 416(i)(1)(B)(i); or

(iii) A 1% owner of the Employer (if the Employee has Compensation in excess of $150,000). The determination of who is a "key employee" will be made in accordance with Code section 416(i)(1) and the applicable regulations and other guidance of general applicability issued thereunder.

Article VI. Military service

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with section 414(u) of the Code.

Article VII. Amendment

Merrill Lynch reserves the right to amend this Plan and will give the Employer written notice of any amendment. If Merrill Lynch ever determines that it will no longer provide the Plan, Merrill Lynch will give the Employer written notice. The Employer may amend the Plan as applied to the Employer by changing its elections on the Adoption Agreement and will give Merrill Lynch a written notice of any such change in election.

Article VIII. Electronic delivery

Merrill Lynch shall provide any notice (written or otherwise) required under the Plan or the Code in a manner determined by Merrill Lynch, in its sole discretion, including electronic delivery or posting to an internet address.

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

Sponsor Name: MERRILL LYNCH PIERCE FENNER & SMITH INC
Plan Description: Prototype SEP 001
FFN: 50494150000-001 Case: 200300615 EIN: 13-3180817
BPD: 00 Plan: 001 Letter Serial No: K410392c

Contact Person:
Ms. Arrington 50-00197
Telephone Number:
(202) 283-8811
In Reference To:
T:EP:RA:T2
Date: 01/28/2004

MORGAN LEWIS & BOCKIUS LLP
VIVIAN S MCCARDELL ESQ
1701 MARKET STREET
PHILADELPHIA, PA 19103

** COPY FOR AUTHORIZED REPRESENTATIVE **

Dear Applicant:

In our opinion, the amendment to the form of your Simplified Employee Pension (SEP) arrangement does not adversely affect its acceptability under section 408(k) of the Internal Revenue Code. This SEP arrangement is approved for use only in conjunction with an Individual Retirement Arrangement (IRA) which meets the requirements of Code section 408 and has received a favorable opinion letter, or a model IRA (Forms 5305 and 5305-A).

Employers who adopt this approved plan will be considered to have a retirement savings program that satisfies the requirements of Code section 408 provided that it is used in conjunction with an approved IRA. Please provide a copy of this letter to each adopting employer.

Code section 408(l) and related regulations require that employers who adopt this SEP arrangement furnish employees in writing certain information about this SEP arrangement and annual reports of savings program transactions.

Your program may have to be amended to include or revise provisions in order to comply with future changes in the law or regulations.

If you have any questions concerning IRS processing of this case, call us at the above telephone number. Please refer to the Letter Serial Number and File Folder Number shown in the heading of this letter. Please provide those adopting this plan with your phone number, and advise them to contact your office if they have any questions about the operation of this plan.

You should keep this letter as a permanent record. Please notify us if you terminate the form of this plan.

Sincerely yours,

Paul T. Shultz

Director,
Employee Plans Rulings & Agreements

The following is a copy of the written notice of approval, issued by the Internal Revenue Service on August 3, 1987. The notice, which the IRS requires that we provide for your information, indicates that Merrill Lynch is approved to act as a nonbank custodian.

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

Person to Contact:
Mr. I. Porter
Telephone Number:
(202) 566-6120
Refer Reply to:
OP:E:EP:R:7
Date:
AUG 3 1987

Merrill Lynch, Pierce, Fenner
& Smith Inc.
One Liberty Plaza
165 Broadway
New York, NY 10080

E.I.N. 13-3180817

Dear Applicant

In a letter dated April 14, 1987, as supplemented by letters dated up to and including July 7, 1987, you requested a written notice of approval that Merrill Lynch, Pierce, Fenner & Smith may act as a nonbank custodian of individual retirement accounts (IRAs) and as a nonbank custodian for plans qualified under section 401 of the Internal Revenue Code as provided in section 1.401-12(n) of the Income Tax Regulations.

Section 408(h) of the Code provides that a custodial account shall be treated as a trust under section 408(a), if the assets of such account are held by a bank (as defined in section 408(n) of the Code) or such other person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will administer the account will be consistent with the requirements of section 408, and if the custodial account would, except for the fact that it is not a trust, constitute an IRA described in section 408(a). In the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account will be treated as the trustee thereof.

Section 401(f)(2) of the Code provides that a custodial account shall be treated as a qualified trust under this section if the custodial account would, except for the fact that it is not a trust, constitute a qualified trust under this section, and the custodian is a bank (as defined in section 408(n)) or another person who demonstrates, to the satisfaction of the Secretary, that the manner in which such other person will hold the assets will be consistent with the requirements of section 401. In the case of a custodial account treated as a qualified trust by reason of section 401(f), the person holding the assets of such account shall be treated as the trustee.

Section 1.401-12(n) of the regulations provides that a nonbank applicant must file a written application with the Commissioner of Internal Revenue demonstrating, as set forth in that section, that the manner in which the person will administer trusts will be consistent with the requirements of section 401 of the Code. Section 1.401-12(n) of the regulations is used to determine the ability of a nonbank applicant to act as a trustee of IRAs or as a custodian of IRAs and of retirement plans qualified under section 401 of the Code.

Based on all the representations made in the application we have concluded that Merrill Lynch, Pierce, Fenner & Smith Inc. meets the requirements of section 1.401-12(n) of the regulations and, therefore, is approved to act as a nonbank custodian for IRAs and for plans qualified under section 401 of the Code.

Merrill Lynch, Pierce, Fenner & Smith Inc. may not act as a custodian unless it undertakes to act only under custodial instruments which contain a provision to the effect that the grantor is to substitute another custodian upon notification by the Commissioner that such substitution is required because the applicant has failed to comply with the requirements of section 1.401-12(n) of the regulations, or is not keeping such records, or making such returns or rendering such statements as are required by forms or regulations.

Merrill Lynch, Pierce, Fenner & Smith Inc. is required to notify the Commissioner of Internal Revenue, Attn: OP:E:EP, Internal Revenue Service, Washington, D.C. 20224, in writing, of any change which affects the continuing accuracy of any representations made in its application required by section 1.401-12(n) of the regulations. Furthermore, the continued approval of its application to act as a custodian is contingent upon the continued satisfaction of the criteria set forth in section I.401-12(n) of the regulations.

This letter constitutes a determination as to whether Merrill Lynch, Pierce, Fenner & Smith Inc. may act as a custodian for IRAs under section 408 of the Code and for plans qualified under section 401 and does not bear upon its capacity to act as a custodian under any other applicable state or federal law.

The prior nonbank passive custodial approval letter issued January 28, 1977, to Merrill Lynch Pierce Fenner & Smith Inc. is revoked as of the date of this letter.

Sincerely yours,

Allen Katz

Allen Katz
Chief, Employee Plans
Rulings Branch

Prototype SEP Disclosure Statement

Your employer's Merrill Lynch Prototype Simplified Employee Pension Plan ("Prototype SEP") allows for potentially significant employer contributions to provide retirement benefits through a Merrill Lynch individual retirement account ("SEP/IRA") for each participant. Through your own SEP/IRA, you have available the choice and flexibility to structure an investment program depending on your retirement goals and preferences.

The terms and conditions of your Merrill Lynch SEP/IRA and certain tax and legal considerations are described in the Merrill Lynch Individual Retirement Account Disclosure Statement ("IRA Disclosure Statement"). That statement is included in the booklet containing a copy of the Merrill Lynch Individual Retirement Account Custodial Agreement (the legal document governing your SEP/IRA). You should have received a copy of that booklet along with copies of your Prototype SEP Employer's Adoption Agreement.

You should read this Prototype Disclosure Statement in connection with your Prototype Employer's Adoption Agreement. It describes the eligibility rules for a SEP, the manner in which SEP contributions are calculated and limited and other important information relating to SEPs. If you still have questions concerning SEPs, you should call the Federal tax information number, or the toll free number, shown in the white pages of the local telephone directory. You may also find IRS Publication 560, *Retirement Plans for Small Business (SEP, SIMPLE and Qualified Plans)*; and Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*; and Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs),* helpful.

I. Simplified Employee Pension

A SEP is a written arrangement (a plan) that allows your employer to make contributions toward your retirement. Contributions are made to your SEP/IRA which is a prototype traditional individual retirement account for which the IRS has issued a favorable opinion letter.

Your employer is not required to make SEP contributions. If a contribution is made, it must be allocated to all the eligible employees according to the Prototype SEP.

Your employer will provide you with a copy of the Prototype SEP Employer's Adoption Agreement containing participation rules and a description of how employer contributions may be made to your SEP/IRA. Your employer must also provide you with a yearly statement showing any contributions to your SEP/IRA.

All amounts contributed to your SEP/IRA by your employer belong to you even after you stop working for your employer.

II. Eligibility requirements for participation

Your employer must include you as a Prototype SEP participant if you meet the age and service requirements specified in the Employer's Adoption Agreement. Your employer may not require you to be older than age 21 or work either full or part time for your employer in more than 3 years of the past 5 plan years in order to participate. At the time you become eligible to participate in the Prototype SEP, your employer or plan administrator must inform you in writing that a SEP has been adopted and state which employees may participate, how employer contributions are allocated, and who can provide you with additional information.

In the Prototype Employer's Adoption Agreement, your employer chose as the plan year either its tax year or the calendar year. The plan year is used not only for determining whether you are eligible to participate, but also for measuring your compensation on which your employer's SEP contribution is based, as described in Section IV of this Prototype SEP Disclosure Statement.

In addition, in order to participate, you must receive at least $500 (adjusted periodically for inflation) in compensation from your employer during the plan year. (Compensation for this purpose is determined without regard to any salary reduction contributions which you make under a "cafeteria plan" or similar arrangement.)

Generally, employees who are nonresident aliens with no U.S. source income and/or covered by a collective bargaining agreement are excluded from participation in the Prototype SEP unless your employer specifically includes them on the Employer's Adoption Agreement.

You can participate in the Prototype SEP even though you participate in another plan of your employer. However, the combined contribution limits are subject to certain limitations described in section 415 of the Internal Revenue Code of 1986, as amended (the "Code"). Also, if you work for several employers, you may be covered by the SEP of one employer and a pension or profit-sharing plan of another employer.

If your employer selects or recommends the traditional IRAs into which the SEP contributions will be deposited (or substantially influences you or other employees to choose them), your employer or plan administrator must ensure that a clear written explanation of the terms of those traditional IRAs is provided at the time each employee becomes eligible to participate. The explanation must include information about the terms of those traditional IRAs, such as the rates of return, and any restrictions on a participant's ability to "rollover," transfer, or withdraw funds from the traditional IRAs (including restrictions that allow rollovers or withdrawals but reduce earnings of the traditional IRAs or impose other penalties).

III. Contributions to and withdrawals from your SEP/IRA

You or your employer must establish a Merrill Lynch SEP/IRA for you if you are eligible to participate in your employer's Prototype SEP. In addition to receiving any SEP contributions, you may use your SEP/IRA to make annual traditional IRA contributions of up to the maximum amount permitted under the Code or 100% of compensation, whichever is less. However, the amount of annual traditional IRA contributions that you can deduct may be reduced or eliminated because, as a participant in a SEP, you are covered by an employer retirement plan. You may also transfer or roll over assets from other retirement plans as described in the IRA Disclosure Statement. Alternatively, you may find it to your advantage to make annual traditional IRA contributions, transfers or rollovers to a traditional IRA other than the SEP/IRA to which your employer contributes under the Prototype SEP were made.

Your employer's SEP contributions under the Prototype SEP are tax-deferred unless contributions are in excess of applicable limits. Employer contributions within these limits will not be included on your Form W-2.

If you are eligible to participate under your employer's plan for a plan year and your employer makes an employer contribution for the year, you are entitled to have a contribution made to your SEP/IRA if you worked for the employer at any time during the year even if you are no longer working for the employer at the end of the plan year or at the time the contribution is made for that year. In that case, your employer must deposit the contribution in your SEP/IRA and send notice of the contribution to your last address shown on your employer's records.

Employer contributions, discussed in Section IV of this Prototype SEP Disclosure Statement, made under a Prototype SEP, can be made to your SEP/IRA if you are eligible to receive them, even after you attain age 70½. However, as described in the IRA Disclosure Statement, you are not permitted to make annual IRA contributions to your SEP/IRA starting in the year in which you attain age 70½. (Note, however, that distributions from your SEP/IRA must begin by April 1 following the year in which you reach 70½, whether or not you are employed and are receiving contributions).

All contributions to your SEP/IRA are nonforfeitable, that is, the assets in a SEP/IRA belong to you and withdrawals can be made by you at any time, subject to income tax (to the extent income tax has not previously been assessed) and, possibly, to a penalty tax for distributions made prior to your attaining age 59½ (unless a penalty exception applies).

You may generally avoid the income and penalty taxes, however, by "rolling over" the withdrawn amount to a traditional IRA a qualified plan, a 403(b) plan, a 403(a) plan, or an eligible governmental 457 deferred compensation plan within 60 days after you receive the withdrawal. This 60-day rollover requirement may be waived by the Secretary of the IRS under certain circumstances, including casualty, disaster, or other events beyond your reasonable control. Nondeductible contributions made to your IRA and after-tax contributions previously rolled over to your traditional IRA are ineligible for rollover to a qualified retirement plan, 403(b) plan, 403(a) plan or 457(b) plan.

A "rollover" can be done without penalty only once in any 1-year period. However, there are no restrictions on the number of times that you may make "transfers" if you arrange to have these funds transferred between the trustees or the custodians so that you never have possession of the funds.

Remember that IRAs other than the SEP/IRA into which employer contributions are made under the Prototype SEP may provide different rates of return and may have different terms concerning, among other things, transfers and withdrawals of funds from the IRA(s). Please refer to the IRA Disclosure Statement for discussion about rules on rollovers.

IV. Employer contributions

Employer SEP contributions are discretionary, that is, your employer is not required to make an annual contribution to your SEP/IRA under a SEP plan.

If your employer chooses to make a SEP contribution for a plan year, the contribution must be based on one of two types of definite written allocation formulas, both of which are described in the following paragraphs of Section IV.

A. Definition of compensation

"Compensation" generally means wages and all other payments of compensation to you by your employer included in the "Wages, tips, other compensation" box on the Internal Revenue Service Form W-2.

If you are self-employed, i.e., a partner or sole proprietor, your compensation is your reported "net earnings from self-employment," after taking into account your deductions for retirement plan contributions (including employer SEP contributions to your SEP/IRA) and for one-half of your self-employment tax. Net earnings from self-employment will include earnings that are not generally considered net earnings from self-employment because you claimed an exemption based on religious grounds.

Whether you are an employee or a self-employed individual, your compensation is calculated by adding in salary reductions under a cafeteria plan or a similar arrangement. Additionally, not more than $230,000 in 2008 ($225,000 in 2007) of your compensation is used in determining the amount of contributions to your SEP/IRA for a plan year.

B. Formulas

On the Employer's Adoption Agreement, the employer may choose between two allocation formulas. The simpler formula requires that the employer contribution to the SEP/IRA of each participant be a uniform percentage of the participant's compensation.

Under the other method, employer contributions are calculated using "permitted disparity," which is often referred to as the contributions being "integrated with Social Security" since under old law the employer was permitted to take its portion of the Old-Age, Survivors and Disability Insurance portion of the social security tax into consideration in computing the uniform percentage of compensation required of employer contributions under a SEP.

If the employer elects the "integrated" allocation method, the employer chooses a "base contribution percentage" and contributes that percentage of your total compensation (not in excess of the upper compensation limit described in Section IV.A of this Prototype SEP Disclosure Statement) to your SEP/IRA. The employer then chooses another percentage, which is not in excess of the lesser of (a) the "base contribution percentage" or (b) the percentage determined using a table in the Plan. This second percentage is applied to your compensation, if any, in excess of the "integration level" that your employer has chosen on the Employer's Adoption Agreement up to that compensation limit. The integration level is either the Social Security taxable wage base or a specified portion of that wage base.

Employer contributions made under the Prototype may not discriminate in favor of certain highly compensated employees. The simpler formula, described in the previous paragraph, satisfies this requirement because contributions are based on a uniform relationship to the compensation of each employee maintaining a SEP/IRA. The "integrated" formula satisfies this requirement by limiting the "second percentage" (described above) to a permissible maximum percentage.

Whether the uniform percentage method or the integrated method is chosen, the employer contribution to your SEP/IRA cannot exceed the lesser of 25% of your compensation or $46,000 for 2008 ($45,000 for 2007). For purposes of this limit, your compensation is reduced by your pre tax deferrals under any employer arrangement. If in any plan year your employer's Prototype SEP plan is considered "top-heavy" (i.e., the aggregate contributions under the plan are heavily weighted to "key employees"), your employer may be required to make a minimum contribution under the plan of up to 3% of your compensation.

Your employer is required to inform you in writing of all employer contributions to your SEP/IRA by January 31 of the year after which the contribution is made, or within 30 days after the contribution is made, whichever is later. Your employer's contribution to your SEP/IRA must be made by the employer's federal income tax filing deadline, including any extensions, for the employer's tax year in which the plan year ends.

C. Military service

If you are reemployed after a period of military service that is protected under the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"), you will be entitled to employer contributions made for any plan year during your period of military service, if you would have been eligible to receive such contribution. Your compensation for purposes of the "makeup" contribution is the amount you would have otherwise received from the employer during the period of your military service, or if it is not reasonably certain what that compensation would be, your average compensation from the employer during the 12-month period immediately before your military service began.

V. Fees for your SEP/IRA

A custodial fee is charged each year on your SEP/IRA, but will be waived for the time that your SEP/IRA is enrolled in a Merrill Lynch investment advisory program. In addition, investment in certain assets will result in additional fees. Please refer to your IRA Disclosure Statement for further information.

VI. Amendments to the prototype SEP plan

Merrill Lynch will inform your employer of any amendments to the Prototype SEP Plan or if it has decided to terminate the SEP Program. Within 30 days of the effective date of an amendment to the Prototype SEP Plan, your employer is required to provide you with a copy of the amendment and an explanation of its effects.

VII. Excess contributions

Contributions exceeding the yearly limitations may be withdrawn without penalty by the due date (plus extensions) for filing your tax return (normally April 15), but are includable in your gross income. Excess contributions left in your SEP/IRA after that time may have adverse tax consequences. Withdrawals of those contributions may be taxed as premature withdrawals.

VIII. Financial institution where IRA is established to provide information

The financial institution must provide you with a disclosure statement that contains the following items of information in plain nontechnical language:

1. The law that relates to your IRA.
2. The tax consequences of various options concerning your IRA.
3. Participation eligibility rules, and rules on the deductibility of retirement savings.
4. Situations and procedures for revoking your IRA, including the name, address, and telephone number of the person designated to receive notice of revocation. (This information must be clearly displayed at the beginning of the disclosure statement.)
5. A discussion of the penalties that may be assessed because of prohibited activities concerning your IRA.
6. Financial disclosure that provides the following information:
   (a) Projects value growth rates of your IRA under various contribution and retirement schedules, or describes the method of determining annual earnings and charges that may be assessed.
   (b) Describes whether, and for when, the growth projections are guaranteed, or provides a statement of the earnings rate and the terms on which the projections are based.
   (c) States the sales commission for each year expressed as a percentage of $1,000.

In addition, the financial institution is required to provide you with a financial statement each year. You may want to keep these statements to evaluate your IRA's investment performance.

Prototype SEP employer's adoption agreement

Please type or print. Retain this agreement for your records.

Purpose

By completing and signing this Employer's Adoption Agreement, the Employer (check one):

☐ Adopts a Simplified Employee Pension (SEP) Plan as set forth in

☐ Amends an existing SEP Plan to provide as set forth in

the Merrill Lynch, Pierce, Fenner & Smith Incorporated Prototype Simplified Employee Pension Plan and this Employer's Adoption Agreement.

I. Employer information

____
Name of Employer

____
Business Address

____
City/State/Zip Code

Employer's tax year for federal income tax purposes (check one):

☐ Calendar year; or

☐ Fiscal year ending on the last day of ______________________ .

For purposes of this Plan, the Plan Year is (check one):

☐ The calendar year; or

☐ The Employer's tax year.

II. Eligibility to participate

A. Eligibility.

Subject to the minimum compensation rule described in the Prototype SEP, all Employees of all Employers are eligible to participate in the Plan, except that certain union employees and nonresident aliens (as further defined in the Prototype SEP) are automatically excluded unless the appropriate box is checked below (choose one or more, if applicable):

☐ Employees subject to collective bargaining (union employees) are included.

☐ Non-resident alien employees with no U.S. source income are included.

B. Age and Service Requirements.

1. Age (check one):

☐ No minimum age requirement

☐ The Employee must be at least age (not greater than 21)____________.

2. Service (check one):

☐ No service requirement

☐ The Employee must have worked for the Employer in at least (not more than three)__________ of the immediately preceding five Plan Years.

III. Calculation of employer's contributions

(Check one:)

☐ Employer Contributions to the SEP/IRA of Participants shall be a uniform percentage of Participants' Compensation.

☐ Employer Contributions to the SEP/IRAs of Participants shall be calculated using "permitted disparity" (commonly referred to as "Social Security integration") in the manner described in the section entitled "Allocation Formula Providing for Permitted Disparity" in the Protoype SEP. The "Integration Level" shall be (check one):

  ☐ The Taxable Wage Base

  ☐ % of the Taxable Wage Base (See section entitled "Allocation Formula Providing for Permitted Disparity"in the Prototype SEP.)

IV. Top-Heavy provisions

A. Top-Heavy contributions

Minimum allocations will be provided under the Plan only in the Plan Years in which the Plan is top-heavy, as defined in Code section 416(g) unless one of the boxes below is checked. (Complete part B if no box is checked below.)

(Check one:)

☐ The Plan will automatically satisfy the top-heavy requirements under Code section 416 each Plan Year since the Employer Contributions to the SEP/IRAs of each Participant will be at least equal to 3% of the Participants' Compensation. (Skip part B.)

☐ Minimum allocations will be provided under the following Defined Contribution Plan.
(Skip part B.)

B. Top-Heavy determinations

The determination of top-heavy status with respect to benefits under the Plan will be made on the basis of aggregate contributions as provided in the Prototype SEP unless the box below is checked.

☐ The determination of top-heavy status with respect to benefits under the Plan will be made on the basis of the aggregate value of the SEP/IRAs of Participants.

V. Effective date

The Plan provisions reflected in this Prototype SEP Employer's Adoption Agreement are effective as of (Enter effective date in the space provided), ___________.

VI. Plan administration

The Employer shall be the plan administrator.

Name of individual that employees may contact for more information about the Plan:

____

Name *Address*

____

Telephone

By signing below, the Employer acknowledges receipt of, and represents that it has read and understood the Merrill Lynch Prototype Simplified Employee Pension Plan and the Merrill Lynch Prototype Disclosure Statement. The Employer understands that it may not use this form if the Employer is a member of an "affiliated service group," a controlled group of corporations, or trades or businesses under common control, unless all employees of such groups, trades or businesses are treated as employees of the Employer for purposes of participation in this Plan. The Employer agrees to make contributions in accordance with this Employer's Adoption Agreement only to a SEP/IRA maintained with Merrill Lynch, Pierce, Fenner & Smith Incorporated by or on behalf of each eligible employee. The Employer understands that each such SEP/IRA shall be governed by the terms of the Merrill Lynch Individual Retirement Account Custodial Agreement and that custodial fees, commissions and other expenses may be charged with respect to each such account.

____

Employer's Signature *Date*

____

Title (if other than sole proprietor)

A copy of the completed Prototype SEP Employer's Adoption Agreement should be given to each Eligible Employee.

The Merrill Lynch Prototype Simplified Employee Pension Plan is sponsored by:

Merrill Lynch, Pierce, Fenner & Smith Incorporated
Retirement Plan Services
1400 American Blvd., MSC 0403
Pennington, New Jersey 08534-4128

Prototype SEP PLUS Plan

Article I. Definitions

As used in this Prototype SEP Plus Plan and Employer's Adoption Agreement, each of the following terms shall have the meaning for that term set forth in this Article I:

"Employer's Adoption Agreement" means a document so designated with respect to this Prototype SEP and executed by the Employer, as amended from time to time.

"Affiliate" means any corporation or unincorporated business (other than the Employer):

(a) which is controlled by, or under common control with, the Employer within the meaning of sections 414 (b) and (c) of the Code,

(b) which is a member of an "affiliated service group" (as defined in section 414(m) of the Code) which includes the Employer, or

(c) which is required to be aggregated with the Employer under section 414(o) of the Code and the regulations thereunder provided that for purposes of Article V, "Affiliate" status shall be determined in accordance with section 415(h) of the Code.

"Business" means in the case of an Employer that is a sole proprietorship or partnership, the trade or business of the Employer with respect to which this Plan is adopted, and in the case of an Employer that is a corporation, each trade or business of the corporation.

"Code" means the Internal Revenue Code of 1986, as now in effect or as amended from time to time. A reference to a provision of the Code shall be to such provision and any valid regulations pertaining thereto as well as to the corresponding provision of any legislation which amends, supplements or supersedes that provision and any valid regulations pertaining thereto.

"Compensation" means:

(a) For an Employee other than a Self-Employed Individual, wages [as defined in Code section 3401(a)] and all other payments of compensation by the Employer to the Employee included in the "Wages, tips, other compensation" box on the Internal Revenue Service Form W-2 furnished to the Employee, which information is required to be reported by the Employer under Code sections 6041(d), 6051(a)(3) and 6052. In determining Compensation, the Employer must include wages without regard to rules under Code section 3401(a) that contain limitations with respect to wages based on the nature or location of the Employee's employment or services performed.

(b) For a Self-Employed Individual, his or her Earned Income for the Plan Year involved.

(c) For any Employee (including a Self-Employed Individual), Compensation shall include any amount which is contributed by the Employer pursuant to a salary reduction agreement and which is not includable in the gross income of the Employee under Code section 125, 402(e)(3), 402(h), 403(b), 408(p)(2)(A)(i), 457, or, effective January 1, 2001, 132(f)(4).

(d) For any Employee (including a Self-Employed Individual), the annual Compensation taken into account for determining all benefits provided under the Plan for any Plan Year shall not exceed the amount specified in Code section 408(k)(3)(C) [as indexed for cost-of-living pursuant to Code section 408(k)(8)]; provided, however, that the dollar increase in effect on January 1 of any calendar year is effective for Plan Years beginning in such calendar year.

(e) If a determination period consists of fewer than 12 months, the foregoing annual compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the determination period, and the denominator of which is 12.

(f) For purposes of defining compensation for the compensation limit under Code section 408(k)(2)(C), the foregoing provisions of subsections (a)-(e) under the term "Compensation" shall apply by virtue of these provisions meeting the definition of compensation set forth under Code section 414(q)(4).

"Deferral Percentage" means the ratio (expressed as a percentage) of an Employee's Salary Reduction Contributions (other than additional Salary Reduction Contributions permitted under Code section 414(v) determined before application of the deferral percentage limitation) to the Employee's Compensation for the Plan Year.

"Defined Contribution Plan" means a plan of the type defined in Code section 414(i) maintained by the Employer or an Affiliate, as applicable.

"Earned Income" means the "net earnings from self- employment" (within the meaning of Code section 401(c)(2) but without regard to any exclusion under Code section 911) of a Self-Employed Individual from the Business, but only if the personal services of the Self-Employed Individual are a material income-producing factor with respect to the Business. Net earnings will be determined:

(a) without regard to paragraphs (4) and (5) of Code section 1402(c);

(b) in the case of any individual who is treated as an employee under section 3121(d)(3)(A), (C), or (D), without regard to paragraph (2) of Code section 1402(c);

(c) without regard to items not included in gross income and the deductions properly allocable to or chargeable against such items and are to be reduced by contributions by the Employer to a retirement plan to the extent deductible under Code section 404;

(d) with regard to the deduction allowed to the Self-Employed Individual by Code section 164(f); and

(e) as if the term "trade or business" for purposes of Code section 1402 included service described in Code section 1402(c)(6).

"Eligible Employee" means any Employee of an Employer other than an Employee in either or both of the following categories of Employees:

(a) Employees included in a unit of Employees covered by a collective bargaining agreement between the Employer or any Affiliate and "employee representatives," if retirement benefits were the subject of good faith bargaining and 2% or less of the Employees who are covered pursuant to that agreement are professional employees as defined in Treasury Regulation §1.410(b)-9. For this purpose, the term “employee representatives” does not include any organization more than half of whose members are Employees who are owners, officers or executives of the Employer or any Affiliate.

(b) Nonresident aliens within the meaning of Code section 7701(b)(1)(B) who receive no earned income within the meaning of Code section 911(d)(2) from the Employer or any Affiliate which constitutes income from sources within the United States within the meaning of Code section 861(a)(3).

Notwithstanding the foregoing, the Employer’s Adoption Agreement may provide for inclusion of either or both categories of Employees as Eligible Employees.

“Employee” means a Self-Employed Individual, any individual who is employed by the Employer in the Business and any individual who is employed by an Affiliate. Each Leased Employee shall also be treated as an Employee of the recipient Employer.

“Employer” means the corporation, proprietorship, partnership or other organization (or any successor thereto) which adopts the Plan by execution of an Employer’s Adoption Agreement. Each Affiliate shall also adopt this Plan, and each of such adopting Affiliates shall be deemed an “Employer” with respect to the Plan; provided, that the Employer signing the Employer’s Adoption Agreement shall (a) be the Plan sponsor within the meaning of ERISA section 3(16)(B), and (b) have the authority to act for all participating Employers with respect to Plan administration and the execution and amendment of the Plan.

“Employer Contributions” means the contributions made on a Participant’s behalf described in Article III.

“ERISA” means the Employee Retirement Income Security Act of 1974, as now in effect or as amended from time to time. A reference to a provision of ERISA shall be to such provision and any valid regulations pertaining thereto as well as to the corresponding provision of any legislation which amends, supplements or supersedes that provision and any valid regulations pertaining thereto.

“Excess Contributions” means with respect to any Plan Year, the excess of:

(i) the aggregate amount of Salary Reduction Contributions actually taken into account in computing the Deferral Percentage of a Highly Compensated Employee for such Plan Year, over

(ii) the maximum amount of such Salary Reduction Contributions permitted under Code section 408(k)(6).

“Highly Compensated Employee” means: Any Employee who (i) during the “determination year” or “look-back year” was at any time a 5% owner; or (ii) for the preceding year received compensation from the Employer in excess of $105,000 for tax years beginning on or after December 31, 2008 (indexed for inflation) and if the Employer so elects, the Employee was in the group of Employees consisting of the top 20% of the Employees when ranked on the basis of compensation paid during the year (“top-paid group”).

The determination of who is a Highly Compensated Employee, including the determinations of the number and identity of Employees in the “top-paid group” and the compensation that is considered, will be made in accordance with Code section 414(q) and the regulations thereunder. The determination of who is a 5% owner shall be made in accordance with section 416(i) of the Code and the regulations thereunder.

“Leased Employee” means any individual (other than an Employee) who, pursuant to an agreement between the recipient Employer and any other person (the “leasing organization”), has performed services for the recipient Employer (or for the recipient Employer and “related persons” determined in accordance with Code section 414(n)(6)) on a substantially full-time basis for a period of at least one year, such services are performed under the primary direction or control of the recipient Employer and such individual is required to be treated as an Employee under Code section 414(n), and any other individual who must be treated as a “leased employee” under regulations adopted pursuant to Code section 414(o).

“Non-Highly Compensated Employee” means an Employee who is not a Highly Compensated Employee.

“Participant” means an Eligible Employee who satisfies the eligibility requirements of Article II with respect to the Plan Year involved.

“Plan” means the simplified employee pension plan of the Employer in the form of this Prototype SEP and the applicable Employer’s Adoption Agreement executed by the Employer.

“Plan Year” means as specified in the Employer’s Adoption Agreement either the calendar year or the Employer’s tax year ending on the date specified in the Employer’s Adoption Agreement. If the Plan Year is modified by an amendment to the Employer’s Adoption Agreement, the term “Plan Year” means the Plan Year in effect prior to the amendment, the short period commencing on the first day in which the modification is effective and ending on the day before the first day of the first Plan Year as so modified, and each consecutive 12 month period thereafter ending on the date specified in the Employer’s Adoption Agreement. In the event of such a change in Plan Year for purposes of any service requirement specified in the Employer’s Adoption Agreement, (a) an Employee who has any service with the Employer during the short period must be given credit for that service in determining whether he or she has satisfied that requirement and (b) each Employee who but for such change would have been entitled to a contribution for the calendar year in which the short period begins shall be entitled to share in any Employer contribution made pursuant to Article III for the short period.

“Prototype SEP” means Merrill Lynch’s SEP Plus Prototype Simplified Employee Pension Plan as set forth in this document, as amended from time to time.

“Salary Reduction Contribution Agreement” means an agreement entered into between an Employee and the Employer to reduce the Compensation otherwise payable directly to the Participant in cash, as further described in Article IV of this Prototype SEP.

“Salary Reduction Contributions” means the contributions made on a Participant’s behalf described in Article IV.

“Self-Employed Individual” means an individual who has Earned Income for the Plan Year involved, or who would have had such Earned Income but for the fact that the Business had no net earnings for that Plan Year. Such term shall also include an individual who has been a self-employed individual within the meaning of the preceding sentence for any prior taxable year.

“SEP/IRA” means the Merrill Lynch Individual Retirement Custodial Account established by or on behalf of an Employee for investment of contributions made on behalf of the Employee under the Plan.

“Taxable Wage Base” means the contribution and benefit base in effect under section 230 of the Social Security Act at the beginning of the Plan Year involved.

Article II. Eligibility to participate

Each individual who at any time during a Plan Year was an Eligible Employee who met the eligibility and any age and/or service requirements set forth in the Employer's Adoption Agreement shall be a Participant eligible to receive an allocation to his SEP/IRA for the Plan Year and otherwise participate in the Plan. Notwithstanding the foregoing, an Employee who does not receive Compensation from the Employer for a Plan Year of at least the amount specified in Code section 408(k)(2)(C), [as indexed for cost-of-living pursuant to Code section 408(k)(8)], shall not be a Participant in the Plan for the Plan Year.

Article III. Employer contributions

A. Allocation formula not providing for permitted disparity

If the Employer elects in the Employer's Adoption Agreement that Employer Contributions are not calculated using "permitted disparity," the Employer will decide how much, if anything, to contribute for each Plan Year to the SEP/IRAs of Participants. The allocation will be based on the same percentage of each Participant's Compensation, provided that the contribution for any Employee shall not exceed the lesser of the percentage of the Participant's Compensation specified in Code section 402(h)(2)(A) from the Employer for the Plan Year involved or the amount specified in Code section 415(c)(1)(A), as adjusted under Code section 415(d) (or such higher amount as may be permissible under applicable Treasury Department regulations). For purposes of the limitation described in the preceding sentence, Compensation does not include any amount contributed by the Employer pursuant to a salary reduction agreement and which is not included in the gross income of the Employee under Code section 125, 132(f)(4),402(e)(3), 402(h)(1)(B), 403(b), 408(p)(2)(A)(i), or 457. If this limit is exceeded on behalf of any Participant for a particular Plan Year, any Salary Reduction Contributions made on behalf of the Participant shall be reduced to the extent of the excess.

B. Allocation Formula Providing for Permitted Disparity

If the Employer so elects in the Employer's Adoption Agreement, the Employer Contributions to the SEP/IRA of each Participant shall be calculated using "permitted disparity," often referred to as the contributions being "integrated" with Social Security, in the following manner:

1) First the Employer will decide how much to contribute to each Participant's SEP/IRA as a uniform percentage (the "Base Percentage") of the Participant's Compensation. The Base Percentage shall not be less than 3% unless either (a) the Plan is not a "top-heavy" plan as described in Article VI or (b) the Employer has designated in the Employer's Adoption Agreement that "top-heavy" minimum contributions will be provided under another Defined Contribution Plan.

2) After the contribution has been allocated pursuant to paragraph 1 in this topic, an additional allocation shall be made to the SEP/IRA of each Participant, taking into consideration only that amount of such Participant's Compensation in excess of the Integration Level designated by the Employer in the Employer's Adoption Agreement for the Plan Year involved. The percentage of Compensation for any additional allocation (the "Excess Percentage") under this paragraph shall not exceed the lesser of:

(i) the contribution percentage used under paragraph 1; or

(ii) the applicable percentage determined in accordance with the table that follows:

If the Integration Level is:		The applicable percentage is:
1) Equal to the Taxable Wage Base		5.7%
More than:	**But not more than:**	
2) $0	20% of the Taxable Wage Base	5.7%
3) 20% of the Taxable Wage Base	80% of the Taxable Wage Base	4.3%
4) 80% of the Taxable Wage Base	Up to the Taxable Wage Base	5.4%

For 2007, the Taxable Wage Base is $97,500. For 2008, the Taxable Wage Base is $102,000.

For purposes of the allocation described in the preceding chart, in no event can the amount allocated to a Participant's SEP/IRA exceed the lesser of the percentage of the Employee's Compensation specified in Code section 402(h) (2)(A) or the amount specified in Code section 415(c)(1)(A), as adjusted under Code section 415(d) (or such higher amount as may be permissible under applicable Treasury Department regulations). For purposes of the limitation described in the preceding sentence, Compensation does not include any amount contributed by the Employer pursuant to a salary reduction agreement and which is not included in the gross income of the Employee under Code section 125, 132(f)(4), 402(e)(3), 402(h)(1)(B), 403(b), 408(p)(2) (A) (i) or 457. If this limit is exceeded on behalf of any Participant for a particular Plan Year, any Salary Reduction Contributions made on behalf of the Participant shall be reduced to the extent of the excess. Notwithstanding the foregoing, for any calendar year this Prototype SEP benefits any Participant who benefits under another SEP or qualified plan described in Code section 401(a) maintained by the Employer that provides for permitted disparity (or imputes disparity), Employer Contributions will be allocated to each Participant's SEP IRA in an amount equal to the Excess Percentage multiplied by the Participant's total Compensation.

The cumulative permitted disparity limit for a Participant is 35 total cumulative permitted disparity years. Total cumulative permitted disparity years means the number of years credited to the Participant for allocation or accrual purposes under this Prototype SEP or any other SEP or any qualified plan described in Code section 401(a) (whether or not terminated) ever maintained by the Employer. For purposes of determining the Participant's cumulative permitted disparity limit, all years ending in the same calendar year are treated as the same year. If the Participant has not benefited under a defined benefit or target benefit plan for any year beginning on or after January 1, 1994, the Participant has no cumulative permitted disparity limit.

C. Deductibility of employer contributions

The Employer may, subject to limitations contained in the Code, deduct contributions made to the Plan in the taxable year within which the Plan Year ends. Contributions made for a particular taxable year of the Employer which are contributed by the due date of the Employer's income tax return (including extensions) are deemed made in such taxable year. The otherwise applicable deduction limitation under Code section 404(a)(3)(A) (with respect to allowable deductions for contributions made under any stock bonus or profit-sharing plan maintained by the Employer) shall be reduced by the amount of SEP contributions (other than Salary Reduction Contributions) deductible by the Employer for the taxable year involved.

D. Employer tax credit

Employers who employ 100 or fewer employees who have received at least $5,000 of Compensation from the Employer in the preceding year and employ at least one employee who is not a Highly Compensated Employee, as defined in Code section 414(q), may claim a tax credit of 50% of the administrative and retirement-education expenses incurred for the Plan. The credit is limited to $500 and may be claimed by the Employer for the first three years of the Plan.

Article IV: Salary reduction contribution option

A. Conditions and Restrictions Pertaining to the Salary Reduction Contribution Option

Employers with SEP plans which included a salary contribution option on December 31, 1996, may offer the salary reduction option to their Eligible Employees. In addition, Employees hired by those Employers after December 31, 1996, may utilize this option.

If an Employer eliminates the salary contribution option for a Plan Year or becomes ineligible to offer the salary contribution option for a Plan Year, the Employer may subsequently offer such option to its Eligible Employees for a Plan Year in which the Employer is eligible. An Employer will become ineligible to offer the salary contribution option for a Plan Year, if the Employer and all Affiliates, in the aggregate, employed more than 25 Participants at any time during the preceding Plan Year, the Employer employs any Leased Employees at any time during the Plan Year or the Employer is a state or local government or tax-exempt organization.

If the salary contribution option is available, each Participant may, pursuant to a Salary Reduction Contribution Agreement, elect to have Compensation that is earned subsequent to making the election reduced, through either a single sum or continuing contributions, or both, by an amount not in excess of the lesser of:

(i) the amount permitted under Code section 402(g) [as indexed for cost-of-living pursuant to Code section 402(g)] taking into account the Salary Reduction Contributions made under the Plan in addition to all other elective deferrals made under all of the plans of the Employer or an Affiliate and

(ii) the percentage of the Participant's Compensation specified in Code section 402(h)(2)(A) for the Plan Year, and the Employer or an Affiliate will contribute these amounts as Salary Reduction Contributions to the Participant's SEP/IRA as an additional employer contribution for the Plan Year.

For purposes of the limitation described above, Compensation does not include any amount contributed by the Employer pursuant to a salary reduction agreement and which is not included in the gross income of the Employee under Code section 125, 132(f)(4), 402(e)(3), 402(h)(1)(B), 403(b), 408(p)(2)(A)(i) or 457. The contribution limit described above may be reduced if the Employer makes Employer Contributions under the Plan for a Plan Year or non-elective contributions to any other SEP or any qualified plan for such Plan Year. If the contribution limits are exceeded, the amount you may elect to contribute to this SEP for the Plan Year will be reduced.

Notwithstanding the foregoing, if an Employee is age 50 or older by the end of the Employee's tax year and is restricted from otherwise making any further Salary Reduction Contributions under the Plan, the Employee may make additional Salary Reduction Contributions to the Plan for the Employee's 2002 through 2010 tax years or such other date specified in the Code, in accordance with, and subject to the limitations of Code section 414(v) and any guidance issued thereunder. A Participant's total Salary Reduction Contributions cannot exceed his Compensation. All retirement plans maintained by the Employer will be treated as a single plan for purposes of these additional Salary Reduction Contributions. These additional salary reduction contributions are not subject to any other contribution limit and are not taken into account in applying other contribution limits.

The Employer will contribute these amounts as Salary Reduction Contributions to the Participant's SEP/IRA for the Plan Year. These contributions will be made as of the earliest date on which contributions for a Participant can be reasonably segregated from the Employer's general assets, but in no event later than 15 days after the last day of the month with respect to which the Salary Reduction Contributions are to be made.

No Salary Reduction Contributions may be made by a Participant on the basis of Compensation that the Participant received or had a right to receive before the later of the effective date of this Plan, as specified in the Employer's Adoption Agreement, and the execution by the Participant of a Salary Reduction Contribution Agreement.

(i) The Employer's election shall not be effective for any Plan Year unless at least fifty percent (50%) of the Participants elect to have Salary Reduction Contributions contributed to the Plan.

In the event that this requirement is not satisfied as of the end of any Plan Year, all Salary Reduction Contribution amounts contributed on behalf of Participants shall be considered "disallowed deferrals," i.e., IRA contributions that are not Plan contributions.

(ii) Disallowed deferrals are includable in the Participant's taxable income in the calendar year which contains the earliest date that any Salary Reduction Contributions made on behalf of the Participant during the Plan Year of the disallowed deferrals would instead have been received in cash by the Participant had the Participant not elected to have Salary Reduction Contributions made on his or her behalf. Income allocable to the disallowed deferrals shall be includable in the Participant's taxable income in the year such amounts are withdrawn from the Participant's SEP/IRA.

(iii) The Employer shall notify each affected Participant, within 2½ months following the end of the Plan Year to which the disallowed deferrals relate, of the status of such contributions, which notification shall specify:

- (a) the amount of the disallowed deferrals,
- (b) the calendar year in which they are includable in income, to the extent applicable, and
- (c) to the extent applicable, that unless the Participant withdraws the disallowed deferrals (and allocable income) from the SEP/IRA by April 15 following the calendar year of notification by the Employer:
  - (i) such disallowed deferrals will be subject to the IRA contribution limitations contained in Code sections 219 and 408,
  - (ii) IRA contributions which exceed such limitations are subject to a 6% tax pursuant to Code section 4973, and
  - (iii) income allocable to a disallowed deferral, unless timely withdrawn, is subject to a 10% tax on early distributions pursuant to Code section 72(t) when withdrawn.

B. Excess contributions

(i) The Deferral Percentage, in any Plan Year of each Highly Compensated Employee participating shall be adjusted so that it is not more than the product derived by multiplying the average of the Deferral Percentages for such year of Non-Highly Compensated Employees by 1.25.

(ii) The Employer shall notify each affected Highly Compensated Employee, within 2½ months following the end of the year to which the Excess Contributions relate, of any Excess Contributions to the Highly Compensated Employee's SEP/IRA for the applicable year. Such notification shall specify:

(a) the amount of the Excess Contributions,

(b) the calendar year in which the contributions are includable in income, to the extent applicable, and

(c) to the extent applicable, that unless the Participant withdraws the Excess Contributions (and allocable income) from the SEP/IRA by April 15 following the calendar year of notification by the Employee:

(i) such Excess Contributions will be subject to the IRA contribution limitations contained in Code sections 219 and 408 for the preceding year,

(ii) IRA contributions which exceed such limitations are subject to a 6% tax pursuant to Code section 4973, and income allocable to an Excess Contribution, unless timely withdrawn, is subject to a 10% tax on early distributions pursuant to Code section 72(t) when withdrawn.

(iii) For purposes of making the determination required by paragraph (B)(ii), Excess Contributions are includable in the affected Highly Compensated Employee's taxable income in the calendar year which contains the earliest date that any Salary Reduction Contributions made on behalf of the Participant during the Plan Year in which the Excess Contributions were made would instead have been received in cash by the Participant had the Participant not elected to have Salary Reduction Contributions made on his behalf. If, however, the Excess Contributions made on a Participant's behalf are less than $100 (excluding allocable income), such Excess Contributions are includable in the affected Participant's taxable income in the calendar year that the Employer notifies the Participant of such contributions. Income allocable to the Excess Contributions shall be includable in the Participant's taxable income in the year such amounts are withdrawn from the Participant's SEP/IRA.

(iv) An Employer which fails to timely notify an affected Participant of an Excess Contribution shall be liable for a tax equal to 10% of the amount of the Excess Contribution. An Employer which fails to notify an affected Participant prior to the end of the Plan Year following the Plan Year in which the Excess Contribution arose, shall no longer maintain a plan which satisfies the requirements of Code section 408(k)(6) and any contributions to an Employee's SEP/IRA will be subject to IRA contribution limitations contained in Code sections 219 and 408.

(v) The Employer shall notify each Eligible Employee who elects to have Salary Reduction Contributions made on his or her behalf to the Plan that, until 2½ months after the end of a particular Plan Year, any transfer or distribution from that Employee's SEP/IRA of Plan contributions (or income on these contributions) attributable to Salary Reduction Contributions made during that Plan Year will be includable in income for purposes of Code sections 72(t) and 408(d)(1).

Article V: limitations on contributions

If the Employer currently maintains another Defined Contribution Plan, contributions under the Defined Contribution Plan shall first be limited to the extent necessary to satisfy the maximum contribution limitations under Code sections 415(c)(1) and 414(v).

Article VI: Top-Heavy provisions

A. Top-Heavy rules

In any Plan Year that this Plan is a "top-heavy" plan, the provisions of this Article VI will automatically take effect and supersede any conflicting provision of the Plan.

B. Top-Heavy plan

The determination of whether the Plan is a "top-heavy" plan for any Plan Year shall be made in accordance with Code section 416(g) and the regulations thereunder, which provide that the Plan will be considered "top-heavy" if, as of the last day of the preceding Plan Year, it favors "key employees," that is, if the value of the "account balances" for certain "key employees" exceeds 60% of the value of the "account balances" for all Participants. In making the determination of"top-heavy" status, unless otherwise provided in the Employer's Adoption Agreement, a Participant's "account balance" under this Plan shall be deemed to be the sum of all Employer Contributions and Salary Reduction Contributions made on his or her behalf.

C. Top-Heavy benefits

For any Plan Year that this Plan is a "top-heavy" plan, the Employer will be required to make a minimum contribution for the benefit of each "non-key" employee who is a Participant in the Plan. In other words, unless otherwise provided in the Employer's Adoption Agreement, an Employer contribution for such "Top- Heavy" Plan Year will be made to the SEP/IRA of each Participant [other than a "key employee" under Code section 416(i)(1)], which shall not be less than an amount which, in combination with all other contributions (except for Salary Reduction Contributions), if any, is equal to the lesser of (a) three percent (3%) of the Participant's Compensation or (b) a percentage of Compensation equal to the percentage of Compensation at which all contributions, including Salary Reduction Contributions [other than any Salary Reduction Contributions made under Code section 414(v)], are made under the Plan for the Plan Year for the "key employee" for whom such percentage is the highest for the Plan Year. For purposes of determining whether the Plan is "top heavy," the account balance of any individual who has not performed services for the Employer during the one-year period ending on the determination date shall not be taken into account.

The Employer may provide in the Adoption Agreement that the minimum benefit requirement shall be met in another plan [including another plan that consists solely of a cash or deferred arrangement which meets the requirements of Code section 401(k)(12) and matching contributions with respect to which the requirements of Code section 401(m)(11) are met]. If so, Employer matching contributions shall be taken into account for purposes of satisfying the minimum contribution requirements of Code section 416(c)(2) and this Plan.

Under Code section 416(i)(1), a "key employee" is an Employee or former Employee (and any beneficiary thereof) who, at any time during a Plan Year, was:

(i) an officer of the Employer [if the Employee has Compensation in excess of $150,000 for 2008 ($145,000 for 2007) as adjusted under Code section 416(i)(1) or such other amount specified in Code section 416(i)(1)(A)(i)];

(ii) a 5% owner of the Employer, as (defined in Code section 416(i)(1)(B)(i); or

(iii) a 1% owner of the Employer (if the Employee has Compensation in excess of $150,000). The determination of who is a "key employee" will be made in accordance with Code section 416(i)(1) and the applicable regulations and other guidance of general applicability issued thereunder.

Article VII: Military service

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with section 414(u) of the Code.

Article VIII: Amendment

Merrill Lynch reserves the right to amend this Plan and will give the Employer written notice of any amendment. If Merrill Lynch ever determines that it will no longer provide the Plan, Merrill Lynch will give the Employer written notice. The Employer may amend the Plan as applied to the Employer by changing its elections on the Adoption Agreement and will give Merrill Lynch a written notice of any such change in election.

Article IX: Electronic delivery

Merrill Lynch shall provide any notice (written or otherwise) required under the Plan or the Code in a manner determined by Merrill Lynch, in its sole discretion, including electronic delivery or posting to an Internet address.

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

Sponsor Name: MERRILL LYNCH PIERCE FENNER & SMITH INC
Plan Description: Prototype Salary Reduction SEP 002
FFN: 50494150000-002 Case: 200300616 EIN: 13-3180817
BPD: 00 Plan: 002 Letter Serial No: K401143b

MORGAN LEWIS & BOCKIUS LLP
VIVIAN S MCCARDELL ESQ
1701 MARKET STREET
PHILADELPHIA, PA 19103

Contact Person:
Ms. Arrington 50-00197
Telephone Number:
(202) 283-8811
In Reference To:
T:EP:RA:T2
Date: 01/28/2004

** COPY FOR AUTHORIZED REPRESENTATIVE **

Dear Applicant:

In our opinion, the amendment to the form of your Simplified Employee Pension (SEP) arrangement does not adversely affect its acceptability under section 408(k) of the Internal Revenue Code. This SEP arrangement is approved for use only in conjunction with an Individual Retirement Arrangement (IRA) which meets the requirements of Code section 408 and has received a favorable opinion letter, or a model IRA (Forms 5305 and 5305-A).

Employers who adopt this approved plan will be considered to have a retirement savings program that satisfies the requirements of Code section 408 provided that it is used in conjunction with an approved IRA. Please provide a copy of this letter to each adopting employer.

Code section 408(l) and related regulations require that employers who adopt this SEP arrangement furnish employees in writing certain information about this SEP arrangement and annual reports of savings program transactions.

Your program may have to be amended to include or revise provisions in order to comply with future changes in the law or regulations.

If you have any questions concerning IRS processing of this case, call us at the above telephone number. Please refer to the Letter Serial Number and File Folder Number shown in the heading of this letter. Please provide those adopting this plan with your phone number, and advise them to contact your office if they have any questions about the operation of this plan.

You should keep this letter as a permanent record. Please notify us if you terminate the form of this plan.

Sincerely yours,

Paul T. Shultz

Director,
Employee Plans Rulings & Agreements

The following is a copy of the written notice of approval, issued by the Internal Revenue Service on August 3, 1987. The notice, which the IRS requires that we provide for your information indicates that Merrill Lynch is approved to act as a nonbank custodian.

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

Person to Contact:
Mr. I. Porter

Telephone Number:
(202) 566-6120

Refer Reply to:
OP:E:EP:R:7

Date:
AUG 3 1987

Merrill Lynch, Pierce, Fenner
& Smith Inc.
One Liberty Plaza
165 Broadway
New York, NY 10080

E.I.N. 13-3180817

Dear Applicant

In a letter dated April 14, 1987, as supplemented by letters dated up to and including July 7, 1987, you requested a written notice of approval that Merrill Lynch, Pierce, Fenner & Smith may act as a nonbank custodian of individual retirement accounts (IRAs) and as a nonbank custodian for plans qualified under section 401 of the Internal Revenue Code as provided in section 1.401-12(n) of the Income Tax Regulations.

Section 408(h) of the Code provides that a custodial account shall be treated as a trust under section 408(a), if the assets of such account are held by a bank (as defined in section 408(n) of the Code) or such other person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will administer the account will be consistent with the requirements of section 408, and if the custodial account would, except for the fact that it is not a trust, constitute an IRA described in section 408(a). In the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account will be treated as the trustee thereof.

Section 401(f)(2) of the Code provides that a custodial account shall be treated as a qualified trust under this section if the custodial account would, except for the fact that it is not a trust, constitute a qualified trust under this section, and the custodian is a bank (as defined in section 408(n)) or another person who demonstrates, to the satisfaction of the Secretary, that the manner in which such other person will hold the assets will be consistent with the requirements of section 401. In the case of a custodial account treated as a qualified trust by reason of section 401(f), the person holding the assets of such account shall be treated as the trustee.

Merrill Lynch, Pierce, Fenner & Smith Inc.

Section 1.401-12(n) of the regulations provides that a nonbank applicant must file a written application with the Commissioner of Internal Revenue demonstrating, as set forth in that section, that the manner in which the person will administer trusts will be consistent with the requirements of section 401 of the Code. Section 1.401-12(n) of the regulations is used to determine the ability of a nonbank applicant to act as a trustee of IRAs or as a custodian of IRAs and of retirement plans qualified under section 401 of the Code.

Based on all the representations made in the application we have concluded that Merrill Lynch, Pierce, Fenner & Smith Inc. meets the requirements of section 1.401-12(n) of the regulations and, therefore, is approved to act as a nonbank custodian for IRAs and for plans qualified under section 401 of the Code.

Merrill Lynch, Pierce, Fenner & Smith Inc. may not act as a custodian unless it undertakes to act only under custodial instruments which contain a provision to the effect that the grantor is to substitute another custodian upon notification by the Commissioner that such substitution is required because the applicant has failed to comply with the requirements of section 1.401-12(n) of the regulations, or is not keeping such records, or making such returns or rendering such statements as are required by forms or regulations.

Merrill Lynch, Pierce, Fenner & Smith Inc. is required to notify the Commissioner of Internal Revenue, Attn: OP:E:EP, Internal Revenue Service, Washington, D.C. 20224, in writing, of any change which affects the continuing accuracy of any representations made in its application required by section 1.401-12(n) of the regulations. Furthermore, the continued approval of its application to act as a custodian is contingent upon the continued satisfaction of the criteria set forth in section 1.401-12(n) of the regulations.

This letter constitutes a determination as to whether Merrill Lynch, Pierce, Fenner & Smith Inc. may act as a custodian for IRAs under section 408 of the Code and for plans qualified under section 401 and does not bear upon its capacity to act as a custodian under any other applicable state or federal law.

Merrill Lynch, Pierce, Fenner & Smith Inc.

The prior nonbank passive custodial approval letter issued January 28, 1977, to Merrill Lynch Pierce Fenner & Smith Inc. is revoked as of the date of this letter.

Sincerely yours,

Allen Katz

Allen Katz
Chief, Employee Plans
Rulings Branch

Prototype SEP PLUS disclosure statement

Your employer's Merrill Lynch SEP Plus Prototype Simplified Employee Pension Plan ("Prototype SEP") allows for potentially significant employer contributions to provide retirement benefits through a Merrill Lynch individual retirement account ("SEP/IRA") for each participant. Your employer may also be permitted to allow you to make elective salary deferrals to your SEP/IRA for a given plan year if certain requirements are met. Through your own SEP/IRA, you have available the choice and flexibility to structure an investment program depending on your retirement goals and preferences.

The terms and conditions of your Merrill Lynch SEP/IRA and certain tax and legal considerations are described in the Merrill Lynch Individual Retirement Account Disclosure Statement ("IRA Disclosure Statement"). That statement is included in the booklet containing a copy of the Merrill Lynch Individual Retirement Account Custodial Agreement (the legal document governing your SEP/IRA). You should have received a copy of that booklet along with copies of your Prototype SEP Employer's Adoption Agreement.

This Prototype Disclosure Statement is in two parts: the main text that we believe is most descriptive of your employer's Prototype SEP plan and the text prescribed by the IRS that your employer is required to provide to you. You should read this Prototype Disclosure Statement in connection with your Prototype Employer's Adoption Agreement. It describes the eligibility rules for a SEP, the manner in which SEP contributions are calculated and limited and other important information relating to SEPs. If you still have questions concerning SEPs, you should call the Federal tax information number, or the toll free number, shown in the white pages of the local telephone directory. You may also find IRS Publication 560, *Retirement Plans for Small Business (SEP, SIMPLE and Qualified Plans)*; and Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*; and Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, helpful.

I. Simplified employee pension

A SEP is a written arrangement (a plan) that allows your employer to make contributions toward your retirement. Contributions are made to your SEP/IRA which is a prototype traditional individual retirement account for which the IRS has issued a favorable letter.

Your employer is not required to make SEP contributions. If a contribution is made, it must be allocated to all the eligible employees according to the Prototype SEP.

Your employer will provide you with a copy of the Prototype SEP Employer's Adoption Agreement containing participation rules and a description of how employer contributions may be made to your SEP/IRA. Your employer must also provide you with a yearly statement showing any contributions to your SEP/IRA.

All amounts contributed to your SEP/IRA by your employer belong to you even after you stop working for your employer.

II. Eligibility requirements for participation

Your employer must include you as a Prototype SEP participant if you meet the age and service requirements specified in the Employer's Adoption Agreement. Your employer may not require you to be older than age 21 or work either full or part time for your employer in more than 3 years of the past 5 plan years in order to participate in the Prototype SEP. At the time you become eligible to participate in the Prototype SEP, your employer or plan administrator must inform you in writing that a SEP has been adopted and state which employees may participate, how employer contributions are allocated, and who can provide you with additional information.

In the Prototype Employer's Adoption Agreement, your employer chose as the plan year either its tax year or the calendar year. The plan year is used not only for determining whether you are eligible to participate, but also for measuring your compensation on which your employer's SEP contribution is based, as described in Section IV Employer Contributions.

In addition, in order to participate, you must receive at least $500 (adjusted periodically for inflation) in compensation from your employer during the plan year. (Compensation for this purpose is determined without regard to any "elective deferrals," discussed in Section V Salary Reduction Option, which you make under the Prototype SEP, or salary reduction contributions which you make under a "cafeteria plan" or similar arrangement).

Generally, employees who are nonresident aliens with no U.S. source income and/or covered by a collective bargaining agreement are excluded from participation in the Prototype SEP unless your employer specifically includes them on the Employer's Adoption Agreement.

You can participate in the Prototype SEP even though you participate in another plan of your employer. However, the combined contribution limits are subject to certain limitations described in section 415 of the Internal Revenue Code of 1986, as amended (the "Code"). Also, if you work for several employers, you may be covered by the SEP of one employer and a pension or profit-sharing plan of another employer.

If your employer selects or recommends the traditional IRAs into which the SEP contributions will be deposited (or substantially influences you or other employees to choose them), your employer or plan administrator must ensure that a clear written explanation of the terms of those traditional IRAs is provided at the time each employee becomes eligible to participate. The explanation must include information about the terms of those traditional IRAs, such as the rates of return, and any restrictions on a participant's ability to "rollover," transfer, or withdraw funds from the traditional IRAs (including restrictions that allow rollovers or withdrawals but reduce earnings of the traditional IRAs or impose other penalties).

III. Contributions to and withdrawals from your SEP/IRA

You or your employer must establish a Merrill Lynch SEP/IRA for you if you are eligible to participate in your employer's Prototype SEP. In addition to receiving any SEP contributions, you may use your SEP/IRA to make annual traditional IRA contributions of up to the maximum amount permitted under the Code, or 100% of compensation, whichever is less. However, the amount of annual traditional IRA contributions that you can deduct may be reduced or eliminated because, as a participant in a SEP, you are covered by an employer retirement plan. You may also transfer or roll over assets from other retirement plans as described in the IRA Disclosure Statement. Alternatively, you may find it to your advantage to make annual traditional IRA contributions, transfers or rollovers to a traditional IRA other than the SEP/IRA to which your employer contributes under the Prototype SEP.

Your employer's SEP contributions under the Prototype SEP and any salary reduction contributions made on your behalf are tax-deferred unless contributions are in excess of applicable limits. Employer contributions within these limits will not be included on your Form W-2.

If you are eligible to participate under your employer's plan for a plan year and your employer makes an employer contribution for the year, you are entitled to have a contribution made to your SEP/IRA if you worked for the employer at any time during the year even if you are no longer working for the employer at the end of the plan year or at the time the contribution is made for that year. In that case, your employer must deposit the contribution in your SEP/IRA and send notice of the contribution to your last address shown on your employer's records.

Both employer contributions and elective deferrals, discussed in sections IV and V that follow, made under a Prototype SEP, can be made to your SEP/IRA if you are eligible to receive them, even after you attain age 70½. However, as described in the IRA Disclosure Statement, you are not permitted to make annual IRA contributions to your SEP/IRA starting in the year in which you attain age 70½. (Note, however, that distributions from your SEP/IRA must begin by April 1 following the year in which you reach 70½, whether or not you are employed and are receiving contributions.)

All contributions to your SEP/IRA are nonforfeitable, that is, the assets in a SEP/IRA belong to you and withdrawals can be made by you at any time, subject to income tax (to the extent income tax has not previously been assessed) and, possibly, to a penalty tax for distributions made prior to your attaining age 59½ (unless another penalty exception applies).

You may generally avoid the income and penalty taxes, however, by "rolling over" the withdrawn amount to a traditional IRA, to a qualified plan, a 403(b) plan, a 403(a) plan, or an eligible governmental 457 deferred compensation plan within 60 days after you receive the withdrawal. The 60-day rollover requirement may be waived by the Secretary of the IRS under certain circumstances, including casualty, disaster, or other events beyond your reasonable control. Nondeductible contributions made to your IRA and after-tax contributions previously rolled over to your traditional IRA are ineligible for rollover to a qualified retirement plan, 403(b) plan or 457 plan.

A "rollover" can be done without penalty only once in any one year period. However, there are no restrictions on the number of times that you may make "transfers" if you arrange to have these funds transferred between the trustees or the custodians so that you never have possession of the funds. You should note, however, that you may not roll over withdrawals of "excess" or "disallowed" contributions discussed in Section V Salary Reduction Option, nor may you arrange to have those amounts transferred directly to another trustee or custodian.

Remember that IRAs other than the SEP/IRA into which employer contributions and elective deferrals are made under the Prototype SEP may provide different rates of return and may have different terms concerning, among other things, transfers and withdrawals of funds from the IRA(s). Please refer to the IRA Disclosure Statement for a discussion about rules on rollovers.

IV. Employer contributions

Employer SEP contributions are discretionary, that is, your employer is not required to make an annual contribution to your SEP/IRA under a SEP plan.

If your employer chooses to make a SEP contribution for a plan year, the contribution must be based on one of two types of definite written allocation formulas, both of which are described in the following paragraphs.

A. Definition of compensation

"Compensation" generally means wages and all other payments of compensation to you by your employer included in the "Wages, tips, other compensation" box on the Internal Revenue Service Form W-2.

If you are self-employed, i.e., a partner or sole proprietor, your compensation is your reported "net earnings from self-employment," after taking into account your deductions for retirement plan contributions (including employer SEP contributions to your SEP/IRA) and for one-half of your self-employment tax. Net earnings from self-employment will include earnings that are not generally considered net earnings from self employment because you claimed an exemption based on religious grounds.

Whether you are an employee or a self-employed individual, your compensation is calculated by adding in any elective deferral amounts excluded from your income under the salary reduction option, or salary reductions under a cafeteria plan or a similar arrangement. Additionally, not more than $230,000 for 2008 ($225,000 for 2007) of your compensation is used in determining the amount of contributions to your SEP/IRA for a plan year.

B. Formulas

On the Employer's Adoption Agreement, the employer may choose between two allocation formulas. The simpler formula requires that the employer contribution to the SEP/IRA of each participant be a uniform percent- age of the participant's compensation.

Under the other method, employer contributions are calculated using "permitted disparity," which is often referred to as the contributions being "integrated with Social Security" since under old law the employer was permitted to take its portion of the Old-Age, Survivors and Disability Insurance portion of the social security tax into consideration in computing the uniform percentage of compensation required of employer contributions under a SEP.

If the employer elects the "integrated" allocation method, the employer chooses a "base contribution percentage" and contributes that percentage of your total compensation (not in excess of the upper compensation limit described in Section IV.A Employer Contributions) to your SEP/IRA. The employer then chooses another percentage, which is not in excess of the lesser of (a) the "base contribution percentage" or (b) the percentage determined using a table in the Plan. This second percentage is applied to your compensation, if any, in excess of the "integration level" that your employer has chosen on the Employer's Adoption Agreement up to that compensation limit. The integration level is either the Social Security taxable wage base or a specified portion of that wage base.

Employer contributions made under the Prototype SEP may not discriminate in favor of certain highly compensated employees. The simpler formula, described above, satisfies this requirement because contributions are based on a uniform relationship to the compensation of each employee maintaining a SEP/IRA. The "integrated" formula satisfies this requirement by limiting the "second percentage" (described above) to a permissible maximum percentage.

Whether the uniform percentage method or the integrated method is chosen, the employer contribution and any salary reduction contributions made to your SEP/IRA cannot exceed the lesser of 25% of your compensation or $46,000 for 2008 ($45,000 for 2007). For purposes of this limit, your compensation is reduced by your salary reduction contributions under the SEP and pre- tax deferrals made under any other employer arrangement. If in any plan year your employer's Prototype SEP plan is considered "top-heavy" (i.e., the aggregate contributions under the plan are heavily weighted to "key employees"), your employer may be required to make a minimum contribution under the plan of up to 3% of your compensation.

Your employer is required to inform you in writing of all employer contributions to your SEP/IRA by January 31 of the year after which the contribution is made, or within 30 days after the contribution is made, whichever is later. Your employer's contribution to your SEP/IRA must be made by the employer's federal income tax filing deadline, including any extensions, for the employer's tax year in which the plan year ends.

V. Salary reduction option

The salary reduction option is a SEP feature available only to certain employers. If your employer is a qualifying employer and has maintained a salary reduction option since December 31, 1996, you will be permitted to have your compensation reduced by up to $15,500 for your tax year beginning in 2008 and have that "elective deferral" amount deposited into your SEP/IRA by your employer. If you are age 50 or older by the end of your tax year, under certain circumstances, you may make an additional salary reduction contribution of $5,000 for your tax year beginning in 2008.

This salary reduction contribution, like all other SEP contributions, will be excluded from your gross income for federal income tax purposes, but, unlike other SEP contributions, is considered wages subject to Social Security taxes paid by you and your employer and federal unemployment tax paid by your employer.

A. Method of Making Salary Reduction Contributions

You may elect to have elective deferrals made under the SEP through single-sum or continuing contributions, or both, pursuant to a salary reduction contribution agreement with your employer.

You may have your compensation reduced by a specified percentage or an amount per pay period, or for a specified pay period or periods, as designated in writing.

You may base elective deferrals on cash bonuses you would otherwise receive during the year.

Deferrals cannot be made by you based on compensation you received, or had a right to receive, before execution of a salary reduction agreement between you and your employer.

You may change, stop or resume your deferrals in accordance with procedures established by your employer or plan administrator.

B. Limitation of amounts of salary reduction

If the salary reduction option is available to you, you will be permitted to defer up to the lesser of 25% of your current year compensation (reduced by your pre-tax deferrals under the SEP and any other employer arrangement) or $15,500 for your tax year beginning in 2008. (The $15,500 limit will be adjusted periodically for inflation.) The deferred amounts are then deposited by your employer in your SEP/IRA. The $15,500 amount is an overall limit that applies each tax year to all of your salary deferrals under all salary reduction SEPs, SIMPLE IRA plans under section 408(p), section 403(b) salary reduction arrangements, and cash or deferred arrangements under section 401(k) whether or not they are plans of your employer maintaining the SEP plan.

Notwithstanding the foregoing, if you are age 50 or older by the end of your tax year and you are restricted from otherwise making any further salary reduction contributions under the Prototype SEP, you may make an additional "catch-up" salary reduction contribution of $5,000 for each of your tax years beginning in 2008. For each of your tax years, the $5,000 additional salary reduction contribution will be increased periodically by the Internal Revenue Service to reflect cost of living adjustments under the Code.

However, your total salary reduction contributions may not exceed your compensation. The total "catch-up" contributions that you may make to all eligible plans maintained by all employers and exclude from income for a year cannot be more than the "catch-up" limit for that year (and for that type of plan). All retirement plans maintained by your employer are treated as a single plan for purposes of the limit on these additional contributions.

These additional salary reduction contributions are not subject to any other contribution limit and are not taken into account in applying other contribution limits.

You are responsible for determining whether you have exceeded the limits and taking the required corrective action. (Your employers sponsoring those arrangements separately identify your salary reductions for those arrangements on your Form W-2 for the year of the salary reduction.)

Note: The salary reduction contributions, when added to your employer's contribution, cannot exceed the less- er of 25% of your compensation or $46,000 for 2008 ($45,000 for 2007) on an annual basis. For purposes of the limitation described in the preceding sentence, compensation does not include any amounts contributed by your employer pursuant to a salary reduction agreement and which is not included in your gross income under the Prototype SEP or any other employer arrangement. If these limits are exceeded for a plan year, your elective deferrals for that plan year must be reduced to the extent of the excess amount and that excess amount, plus all earnings attributable thereto, must be returned to you no later than April 15 following the year of deferral to avoid incurring the 6% excise tax on excess IRA contributions. (Any income returned after April 15 will be subject to the 10% tax on early distributions unless an exception to the 10% penalty applies; for example, you are over age 59½.) The returned elective deferrals are included on your income tax return in the year of the deferral. Income earned on the excess deferrals is includable in your income in the year withdrawn.

These amounts may not be transferred or rolled over tax-free to another IRA or eligible retirement plan. Any excise tax or penalty is reported on IRS Form 5329. Also see IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, for a discussion of exceptions to the age 59½ rule.

There is an additional limitation on the elective deferrals of "highly compensated employees" (i.e., certain owners of the employer and employees having compensation in excess of certain prescribed amounts). The "deferral percentage" (the percentage of compensation that may be deferred) of a highly compensated employee is limited under a formulation which takes into account the average deferral percentages of other eligible employees. Your employer will notify you if you are affected by that limitation.

If you are a highly compensated employee who has made excess deferrals under the deferral percentage limitation, your employer must notify you within 2½ months following the end of the plan year to which the excess SEP contributions relate. If you have excess deferrals that do not have to be withdrawn (because you had unused catch-up deferrals), the following rules on including the deferrals in income, withdrawing the deferrals and penalties do not apply to these excess deferrals. Your employer's notice will specify the amount of your excess SEP contributions, the calendar year in which your excess SEP contributions are includable in income, and that if you do not withdraw your excess SEP contributions by April 15 following the year of notification by your employer, they will be considered excess IRA contributions and subject to the 6% excise tax on excess IRA contributions reportable on IRS Form 5329.

Excess SEP contributions are includable in your gross income on the earliest dates any elective deferrals made on your behalf during the plan year would have been received by you had you originally elected to receive the amounts in cash. However, if the excess SEP contributions (not including allocable income) total less than $100, then the excess contributions are includable in your gross income in the year of notification. Income allocable to the excess SEP contributions is includable in the year with- drawn from your SEP/IRA. If you do not withdraw the income allocable to the excess SEP contributions by April 15 following the calendar year of notification by your employer, the income may be subject to a 10% penalty tax on early distributions if you are not age 59½ when you withdraw it.

The penalty tax is reported on IRS Form 5329. See also IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs).*

If you have both excess elective deferrals and excess SEP contributions, the amount of the excess elective deferrals that you withdraw by April 15 will reduce any excess SEP contributions that must be withdrawn for the corresponding calendar year.

Please refer to the IRA Disclosure Statement for more information concerning excess IRA contributions.

You may not withdraw or transfer from your SEP/IRA contributions (or income on these contributions) attributable to elective deferrals made during the plan year until 2½ months after the end of the plan year or, if sooner, when your employer notifies you that the deferral percentage limitation test (described above) has been completed for that year. In general, any transfer or distribution made before this time will be includable in your gross income and may also be subject to a 10% penalty tax for early withdrawal. You may, however, remove excess elective deferrals from your SEP/IRA before this time, but you may not roll over or transfer these amounts to another IRA.

C. Disallowed deferrals

Even if your employer is eligible to offer the salary reduction option for a plan year, the option may not be effective for the plan year if less than 50% of the employees eligible to participate elect to make elective deferrals for the plan year. If this requirement is not satisfied as of the end of a plan year, all of the elective deferrals made by participants for the year are considered "disallowed deferrals," that is, IRA contributions that are not SEP/IRA contributions.

If there are disallowed deferrals, your employer must within 2½ months after the end of the plan year to which the disallowed deferrals relate, notify you that the elective deferrals are no longer considered SEP/IRA contributions. The notice will state specifically:

1) the amount of the disallowed deferrals;

2) that the disallowed deferrals are includable in your gross income for the calendar year in which the amounts deferred would have been received by you in cash had you not made an election to defer and that the income allocable to such disallowed deferrals is includable in the year withdrawn from the IRA; and

3) that you must withdraw the disallowed deferrals (and allocable income) from your SEP/IRA by April 15 following the calendar year of notification by your employer.

Those disallowed deferrals not withdrawn by the April 15 time period will be subject to the IRA contributions limitations and then may be considered an excess contribution to your IRA. Disallowed deferrals may be subject to the 6% excise tax on excess IRA contributions, and any income allocable to a disallowed deferral when withdrawn may be subject to the 10% penalty tax on early distributions. You report both the excise and penalty taxes on IRS Form 5329.

VI. Tax credit

You may be eligible for a nonrefundable tax credit of up to 50% of the first $2,000 of "qualified retirement savings contributions," provided your adjusted gross income is within specified limits. "Qualified retirement savings contributions" include, for example, contributions to an IRA, elective deferrals to a qualified retirement plan, a SIMPLE IRA plan or SAR SEP plan, elective deferrals under an eligible deferred compensation plan maintained by a State or local government, and voluntary employee contributions to a qualified retirement plan. The amount of the tax credit is calculated by multiplying the first $2,000 of your "qualified retirement savings contributions" by the applicable percentage, which is determined in accordance with the AIG table.

For purposes of calculating the tax credit, your "qualified retirement savings contributions" may be reduced by certain distributions from certain retirement plans and IRAs made in the same tax year, the two preceding tax years and the period after the tax year and before the due date for filing your return for the tax year. Distributions received by your spouse are treated as distributions to you for purposes of reducing your "qualified retirement contributions" if you file a joint return for the tax year in which your spouse received the contribution. If you believe that you may be eligible for the tax credit, contact your tax adviser.

VII. Military service

If you are reemployed after a period of military service that is protected under the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"), you will be permitted to make additional elective deferrals, if your Employer's Prototype SEP offers a salary reduction contribution option, up to the maximum amount you would have been permitted to contribute during your period of military service, if you had actually been employed by the employer during the period. You are also entitled to any employer contributions made for any plan year during your period of military service, if you would have been eligible to receive such contribution.

You have a period equal to the lesser of five years from the date of your reemployment, or three times the period of your military service to make the additional elective deferrals. Your compensation for purposes of the “make-up” contributions is the amount you would have otherwise received from the employer during the period of your military service, or if it is not reasonably certain what that compensation would be, your average compensation from the employer during the 12 month period immediately before your military service began.

VIII. Fees for your SEP/IRA

A custodial fee is charged each year on your SEP/IRA, but will be waived for the time that your SEP/IRA is enrolled in a Merrill Lynch investment advisory program. In addition, investment in certain assets will result in additional fees. Please refer to your IRA Disclosure Statement for further information.

IX. Amendments to the prototype SEP plan

Merrill Lynch will inform your employer of any amendments to the Prototype SEP Plan or if it has decided to terminate the SEP Plus Program. Within 30 days of the effective date of an amendment to the Prototype SEP Plan, your employer is required to provide you with a copy of the amendment and an explanation of its effects.

X. Excess contributions

Contributions exceeding the yearly limitations may be withdrawn without penalty by the due date (plus extensions) for filing your tax return (normally April 15), but are includable in your gross income. Excess contributions left in your SEP/IRA after that time may have adverse tax consequences. Withdrawals of those contributions may be taxed as premature withdrawals. For more information about excess contributions that are salary reduction contributions, refer to Section V *Salary Reduction Option*.

XI. Financial institution where IRA is established to provide information

The financial institution must provide you with a disclosure statement that contains the following items of information in plain nontechnical language:

1. The law that relates to your IRA.
2. The tax consequences of various options concerning your IRA.
3. Participation eligibility rules, and rules on the deductibility of retirement savings.
4. Situations and procedures for revoking your IRA, including the name, address, and telephone number of the person designated to receive notice of revocation. (This information must be clearly displayed at the beginning of the disclosure statement.)
5. A discussion of the penalties that may be assessed because of prohibited activities concerning your IRA.
6. Financial disclosure that provides the following information:
   - (a) Projects value growth rates of your IRA under various contribution and retirement schedules, or describes the method of determining annual earnings and charges that may be assessed.
   - (b) Describes whether, and for when, the growth projections guaranteed, or a statement of the earnings rate and the terms on which the projections are based.
   - (c) States the sales commission for each year expressed as a percentage of $1,000.

In addition, the financial institution is required to provide you with a financial statement each year. You may want to keep these statements to evaluate your IRA’s investment performance.

Notice to employees

The following information explains what a Simplified Employee Pension plan ("SEP") is, how contributions are made, and how to treat these contributions for tax purposes. For more specific information, refer to the SEP agreement itself and the accompanying "Notice to Adopting Employer."

I. Simplified employee pension-defined

A SEP is a retirement income arrangement. In this "elective" SEP, you may choose to defer compensation to your own Individual Retirement Account or Annuity ("IRA"). You may base these "elective deferrals" either on a salary reduction arrangement or on bonuses that, at your election, may be contributed to an IRA or received in cash. This type of elective SEP is available only to an employer with 25 or fewer eligible employees.

Your employer must provide you with a copy of the SEP agreement containing eligibility requirements and a description of the basis upon which contributions may be made.

All amounts contributed to your IRA belong to you, even after you quit working for your employer.

II. Elective deferrals may be disallowed

You are not required to make elective deferrals to this SEP/IRA. However, if more than half of your employer's eligible employees choose not to make elective deferrals in a particular year, then no employee may participate in your employer's elective SEP for that year. If you make elective deferrals during a year in which this happens, then your deferrals for that year will be "disallowed," and the deferrals will be considered ordinary IRA contributions (which may be excess IRA contributions) rather than SEP/IRA contributions.

"Disallowed deferrals" and allocable income may be with- drawn, without penalty, until April 15 following the calendar year in which you are notified of the "disallowed deferrals." Amounts left in the IRA after that date will be subject to the same penalties discussed in Section VII *Excess Elective Deferrals* applicable to excess SEP contributions.

III. Elective deferrals — annual limitation

The maximum amount that you may defer to this SEP for any tax year is limited to the lesser of 25% of compensation (determined without including the SEP/IRA contribution) or a dollar limit under section 402(g) of the Internal Revenue Code that effective January 1, 2008 is $15,500. (The $15,500 limit will be increased periodically by the IRS to reflect the cost of living.)

The 25% limit may be reduced if your employer also maintains a SEP to which non-elective contributions are made for a plan year, or any qualified plan to which contributions are made for such plan year. In that case, total contributions on your behalf to all such SEPs and qualified plans may not exceed the lesser of $46,000 or 25% of your compensation on an annual basis for 2008. (The lesser of $45,000 or 25% of your compensation for 2007). If these limits are exceeded, the amount you may elect to contribute to this SEP for the year will be correspondingly reduced.

The dollar limit under section 402(g) of the Internal Revenue Code is an overall limit on the maximum amount that you may defer in each calendar year to all elective SEPs, SIMPLE IRA plans under section 408(p) of the Internal Revenue Code, 403(b) salary reduction arrangements, and cash or deferred arrangements under section 401(k) of the Internal Revenue Code, regardless of how many employers you may have worked for during the year.

Notwithstanding the foregoing, if you are age 50 or older by the end of your tax year and you are restricted from other- wise making any further salary deferrals under the Prototype SEP Plan, you may defer an additional amount under section 414(v) of the Code. However, your total salary deferrals may not exceed your compensation. If you are eligible for this "catch up" contribution, you may elect to defer an additional $5,000 for your tax year beginning in 2007. The $5,000 additional deferral will be increased periodically by the Internal Revenue Service to reflect cost of living adjustments under the Code.

The total "catch-up" contributions that you may make to all eligible plans maintained by all employers and exclude from income for a year cannot be more than the "catch-up" limit for that year (and for that type of plan). All retirement plans maintained by your employer will be treated as a single plan for purposes of the "catch-up" contribution limit.

These additional salary reduction contributions are not subject to any other contribution limit and are not taken into account in applying other contribution limits. They are also not subject to nondiscrimination rules as long as all eligible participants are allowed to make them.

If you are a highly compensated employee, there may be a further limit on the amount that you may contribute to a SEP/IRA for a particular year. This limit is calculated by your employer and is known as the "deferral percentage limitation." This deferral percentage limitation is based on a mathematical formula that limits the percentage of pay that highly compensated employees may elect to defer to a SEP/IRA. As discussed in the following Section VIII, Excess SEP Contributions, your employer will notify each highly compensated employee who has exceeded the deferral percentage limitation.

IV. Elective deferrals — tax treatment

The amount that you may elect to contribute to your SEP/ IRA is excludable from gross income, subject to the limitations discussed in the preceding section, and is not includable as taxable wages on Form W-2. However, these amounts are subject to FICA/FUTA taxes.

V. Additional Top-Heavy contributions

If you are not a "key employee," your employer must make an additional contribution to your SEP/IRA for a year in which the SEP is considered "top-heavy." (Your employer will be able to tell you whether you are a key employee.) This additional contribution will not exceed 3% of your compensation. It may be less if your employer has already made a contribution to your account, and for certain other reasons.

VI. Elective deferrals — excess amounts contributed

There are three different situations in which impermissible excess amounts arise under the SEP/IRA.

The first way is when "excess elective deferrals" (i.e., amounts in excess of the section 402(g) and 414(v) limits) are made. You are responsible for calculating whether you have exceeded the section 402(g) and 414(v) limits in the calendar year. For your 2008 tax year, the section 402(g) limit for contributions made to an elective SEP is $15,500 and the section 414(v) limit for additional deferrals permitted for participants age 50 or older before the end of the tax year is $5,000.

The second way is when "excess SEP contributions" (i.e., amounts in excess of the deferral percentage limitation referred to above) are made by highly compensated employees. The employer is responsible for determining whether such an employee has made excess contributions.

The third way is when more than half of an employer's eligible employees choose not to make elective deferrals for a plan year. In that case, any elective deferrals made by any employees for that year are considered "disallowed deferrals," as discussed on the previous page. Your employer is also responsible for determining whether deferrals must be disallowed on this basis.

Excess elective deferrals are calculated on the basis of the calendar year. Excess SEP contributions and disallowed deferrals, however, are calculated on the basis of the SEP plan year, which may or may not be a calendar year.

VII. Excess elective deferrals — how to avoid adverse tax consequences

Excess elective deferrals are includable in your gross income in the calendar year of deferral. Income on the excess elective deferrals is includable in the year of withdrawal from the IRA. You should withdraw excess elective deferrals under this SEP, and any allocable income, from your SEP/IRA by April 15 following the year to which the deferrals relate. These amounts may not be transferred or rolled over tax-free to another SEP/IRA.

If you fail to withdraw excess elective deferrals, and any allocable income, by April 15, the excess elective deferrals will be subject to the IRA contribution limitations of sections 219 and 408 of the Code and thus may be considered an excess contribution to your IRA. Such excess deferrals may be subject to a six percent excise tax for each year they remain in the SEP/IRA. The excise tax is reported on IRS Form 5329.

Income on excess elective deferrals is includable in your gross income in the year you withdraw it from your IRA and must be withdrawn by April 15 following the calendar year to which the deferrals relate. Income withdrawn from the IRA after that date may be subject to a 10% tax on early distributions if you are not 59½. Report the tax on IRS Form 5329. Also see IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, for a discussion of exceptions to the age 59½ rule.

If you have both excess elective deferrals and excess SEP contributions (as described in the following section), the amount of excess elective deferrals that you withdraw by April 15 will reduce any excess SEP contributions that must be withdrawn for the corresponding plan year.

VIII. Excess SEP contributions — how to avoid adverse tax consequences

If you are a "highly compensated employee," your employer is responsible for notifying you if you have made any excess SEP contributions for a particular plan year. This notification should tell you the amount of the excess SEP contributions, the calendar year in which you must include these contributions in income, and that the contributions may be subject to penalties if you do not withdraw them from your IRA within the applicable time period.

Your employer should notify you of the excess SEP contributions within 2½ months of the end of the plan year. Generally you must include the excess SEP contributions in income for the calendar year in which the original deferrals were made. This may require you to file an amended individual income tax return. However, an excess SEP contribution of less than $100 (not including earnings) is includable in the calendar year of notification. Income on these excess contributions is includable in your gross income when you withdraw it from your IRA.

You are responsible for withdrawing these excess SEP contributions (and earnings) from your IRA. You may withdraw these amounts, without penalty, until April 15 following the calendar year in which you were notified by your employer of the excess SEP contributions.

If you fail to withdraw the excess SEP contributions by April 15 following the calendar year of notification, the excess SEP contributions will be subject to the IRA contribution limitations of sections 219 and 408 of the Code and thus may be considered an excess contribution to your IRA. Thus, such excess SEP contributions may be subject to a 6% excise tax for each year they remain in your IRA. The excise tax is reported on IRS Form 5329.

If you do not withdraw the income on these excess SEP contributions by April 15 following the calendar year of notification by your employer, the income may be subject to a 10% tax on early distributions if you are not 59½ when you withdraw it. The penalty tax is reportable on IRS Form 5329.

IX. Income allocable to excess amounts

The rules for determining and allocating income to excess elective deferrals, excess SEP contributions, and disallowed deferrals are the same as those governing regular IRA contributions. The trustee or custodian of your SEP/IRA will inform you of the income allocable to excess amounts.

X. Availability of IRA contribution deduction to SEP participants

In addition to any SEP amounts, you may make regular contributions of the lesser of the maximum amount permitted under section 219 of the Code or 100% of compensation to a traditional IRA. However, the amount that you may deduct is subject to various limitations. See IRS Form 8606. Also, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, for more specific information.

XI. SEP/IRA amounts — rollover or transfer to another IRA

You may not withdraw or transfer from your SEP/IRA any SEP contributions (or income on these contributions) attributable to elective deferrals made during the plan year until 2½ months after the end of the plan year or, if sooner, when your employer notifies you that the deferral percentage limitation test (described in Section VII Excess Elective Deferrals) has been completed for that year. In general, any transfer or distribution made before this time will be includable in your gross income and may also be subject to a 10% penalty tax for early withdrawal. Report this tax on IRS Form 5329. You may, however, remove excess elective deferrals from your

SEP/IRA before this time, but you may not roll over or transfer these amounts to another IRA.

After the restriction described in the preceding paragraph no longer applies, and with respect to contributions for a previous plan year, you may withdraw, or receive, funds from your SEP/IRA, and no more than 60 days later, place such funds in another IRA, SEP/IRA qualified plan, a 403(b) plan, a 403(a) plan, or an eligible governmental 457 deferred compensation plan. This 60-day rollover requirement may be waived by the Secretary of the IRS under certain circumstances, including casualty, disaster, or other events beyond your reasonable control. Nondeductible contributions made to your IRA and after-tax contributions previously rolled over to your traditional IRA are ineligible for rollover to a qualified retirement plan, 403(b) plan, 403(a) plan or 457(b) plan. This is called a "rollover" and may not be done without penalty more frequently than at one-year intervals. However, there are no restrictions on the number of times that you may make "transfers" if you arrange to have such funds transferred between the trustees so that you never have possession of the funds.

You may not, however, roll over or transfer excess elective deferrals, excess SEP contributions, or disallowed deferrals from your SEP/IRA to another IRA or other eligible plan. These excess amounts may be reduced only by a distribution to you.

XII. Filing requirements

You do not need to file any additional forms with the IRS because of participation in the SEP.

XIII. Employer to provide information on SEP/IRAS and the SEP agreement

Your employer must provide you with a copy of the executed SEP agreement, this Notice to Employees, the form you should use to defer amounts to the SEP, the notice of excess SEP contributions or disallowed deferrals (if applicable) and a statement for each taxable year showing any contribution to your SEP/IRA. Your employer must also notify you, if you are a highly compensated employee, when the deferral percentage limitation test has been completed for a plan year.

XIV. Financial institution where IRA is established to provide information

The financial institution where your IRA is established must provide you with a disclosure statement that contains the following items of information in plain nontechnical language:

1. The statutory requirements that relate to the IRA;
2. The tax consequences that follow the exercise of various options and what those options are;
3. Participation eligibility rules, and rules on the deductibility and nondeductibility of retirement savings;
4. The circumstances and procedures under which you may revoke the IRA, including the name, address, and telephone number of the person designated to receive notice of revocation (this explanation must be prominently displayed at the beginning of the disclosure statement);
5. Explanations of when penalties may be assessed against you because of specified prohibited or penalized activities concerning the IRA; and
6. Financial disclosure information which:

   (a) Either projects value growth rates of the IRA under various contribution and retirement schedules, or describes the method of computing and allocating annual earnings and charges which may be assessed;

   (b) Describes whether, and for what period, the growth projections for the plan are guaranteed, or provides a statement of earnings rate and terms on which these projections are based; and

   (c) States the sales commission to be charged in each year expressed as a percentage of $1,000.

   See IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, and Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, available at IRS.gov, for a more complete explanation of the disclosure requirements.

In addition to the disclosure statement, the financial institution is required to provide you with a financial statement each year. It may be necessary to retain and refer to statements for more than one year in order to evaluate the investment performance of your IRA and in order that you will know how to report IRA distributions for tax purposes.

Prototype SEP PLUS employer's adoption agreement

Please type or print. Retain this agreement for your records.

Purpose

By completing and signing this Employer's Adoption Agreement, the Employer amends an existing SEP Plan as set forth in the Merrill Lynch, Pierce, Fenner & Smith Incorporated Prototype Simplified Employee Pension Plan and this Employer's Adoption Agreement.

I. Employer information

____

Name of Employer

____

Business Address

____

City/State/Zip Code

Employer's tax year for federal income tax purposes (check one):

☐ Calendar year; or

☐ Fiscal year ending on the last day of ______________________ .

For purposes of this Plan, the Plan Year is (check one):

☐ The calendar year; or

☐ The Employer's tax year.

II. Eligibility to participate

A. Eligibility.

Subject to the minimum compensation rule described in the Prototype SEP, all Employees of all Employers are eligible to participate in the Plan, except that certain union employees and nonresident aliens (as further defined in the Prototype SEP) are automatically excluded unless the appropriate box is checked below (choose one or more, if applicable):

☐ Employees subject to collective bargaining (union employees) are included.

☐ Non-resident alien employees with no U.S. source income are included.

B. Age and Service Requirements.

1. Age (check one):

☐ No minimum age requirement

☐ The Employee must be at least age (not greater than 21) ____________.

2. Service (check one):

☐ No service requirement

☐ The Employee must have worked for the Employer in at least (not more than three) ____________ of the immediately preceding five Plan Years.

III. Calculation of employer's contributions

(Check one:)

☐ Employer Contributions to the SEP/IRA of Participants shall be a uniform percentage of Participants' Compensation.

☐ Employer Contributions to the SEP/IRAs of Participants shall be calculated using "permitted disparity" (commonly referred to as "Social Security integration") in the manner described in the section entitled "Allocation Formula Providing for Permitted Disparity" in the Protoype SEP. The "Integration Level" shall be (check one):

  ☐ The Taxable Wage Base

  ☐ % of the Taxable Wage Base (See section entitled "Allocation Formula Providing for Permitted Disparity"in the Prototype SEP.)

IV. Salary reduction option

Only Employers maintaining a SEP with a salary reduction contribution option on December 31, 1996 may offer the salary reduction contribution option to their Employees under this Prototype SEP Plan.

These Employers may choose to eliminate or restore the salary reduction contribution option from their Prototype SEP Plan by checking the appropriate box below (check one):

☐ A Participant may elect Salary Reduction Contributions under the Plan.

☐ A participant may not elect salary reduction contributions under the plan.

V. Top-Heavy provisions

A. Top-Heavy contributions

Minimum allocations will be provided under the Plan only in the Plan Years in which the Plan is top-heavy, as defined in Code section 416(g) unless one of the boxes below is checked. (Complete part B if no box is checked below.)

(Check one:)

☐ The Plan will automatically satisfy the top-heavy requirements under Code section 416 each Plan Year since the Employer Contributions to the SEP/IRAs of each Participant will be at least equal to 3% of the Participants' Compensation. (Skip part B.)

☐ Minimum allocations will be provided under the following Defined Contribution Plan.
(Skip part B.)

B. Top-Heavy determinations

The determination of top-heavy status with respect to benefits under the Plan will be made on the basis of aggregate contributions as provided in the Prototype SEP unless the box below is checked.

☐ The determination of top-heavy status with respect to benefits under the Plan will be made on the basis of the aggregate value of the SEP/IRAs of Participants.

V. Effective date

The Plan provisions reflected in this Prototype SEP Plus Employer's Adoption Agreement are effective as of (Enter effective date in the space provided) _______________

VI. Plan administration

The Employer shall be the plan administrator.

Name of individual that employees may contact for more information about the Plan:

____

Name *Telephone*

By signing below, the Employer acknowledges receipt of, and represents that it has read and understood the Merrill Lynch SEP Plus Prototype Simplified Employee Pension Plan and the Merrill Lynch Prototype Disclosure Statement. The Employer understands that it may not use this form if the Employer is a member of an "affiliated service group," a controlled group of corporations, or trades or businesses under common control, unless all employees of such groups, trades or businesses are treated as employees of the Employer for purposes of participation in this Plan. The Employer agrees to make contributions in accordance with this Employer's Adoption Agreement only to a SEP/IRA maintained with Merrill Lynch, Pierce, Fenner & Smith Incorporated by or on behalf of each eligible employee. The Employer understands that each such SEP/IRA shall be governed by the terms of the Merrill Lynch Individual Retirement Account Custodial Agreement and that custodial fees, commissions and other expenses may be charged with respect to each such account.

____

Employer's Signature *Date*

____

Title (if other than sole proprietor)

A copy of the completed Prototype SEP Plus Employer's Adoption Agreement should be given to each Eligible Employee.

The Merrill Lynch SEP Plus Prototype Simplified Employee Pension Plan is sponsored by:

Merrill Lynch, Pierce, Fenner & Smith Incorporated
Retirement Plan Services
1400 American Blvd., MSC 0403
Pennington, New Jersey 08534-4128

MERRILL
A BANK OF AMERICA COMPANY

L-06-17

SIMPLE Retirement Account/ Individual Retirement Account (SRA/IRA)

The following pages contain the agreement and disclosures governing, including disclosures required by federal law, governing your SRA/IRA.

Merrill Lynch Prototype SIMPLE Retirement Account Plan

THIS MERRILL LYNCH PROTOTYPE SIMPLE RETIREMENT ACCOUNT PLAN CANNOT BE USED BY AN EMPLOYER FOR ANY CALENDAR YEAR IF IT (OR A PREDECESSOR EMPLOYER) OR AN AFFILIATE MAINTAINED A QUALIFIED PLAN AS DEFINED IN SECTION 219(G)(5)(A) OR (B) OF THE INTERNAL REVENUE CODE WITH RESPECT TO WHICH CONTRIBUTIONS WERE MADE, OR BENEFITS ACCRUED,FOR SERVICE IN ANY CALENDAR YEAR IN THE PERIOD BEGINNING WITH THE CALENDAR YEAR THE PROTOTYPE SIMPLE PLAN BECOMES EFFECTIVE AND ENDING WITH THE CALENDAR YEAR OF DETERMINATION, OTHER THAN A QUALIFIED PLAN MAINTAINED SOLELY FOR COLLECTIVELY BARGAINED EMPLOYEES AND SUCH EMPLOYEES MAY NOT PARTICIPATE IN THE PROTOTYPE SIMPLE PLAN.

The Merrill Lynch Prototype SIMPLE Plan as set forth in this booklet has been approved by the Internal Revenue Service as to form (subject to subsequent amendments). Approval by the IRS, however, is a determination as to the form, not the merits, of this prototype plan.

About Your SRA/IRA

[1] **Your SIMPLE Retirement Account/Individual Retirement Account** (SRA/IRA) is an attractive means of accumulating tax-advantaged assets for retirement. Your SRA/IRA is a custody account established for the exclusive benefit of you and your beneficiaries for which Merrill Lynch acts as custodian. Your right to the balance in your SRA/IRA cannot be forfeited at any time.

[2] The basic rules and benefits of your Merrill Lynch SRA/IRA, as well as important legal and federal tax information, are provided in this Disclosure Statement. However, the Merrill Lynch SIMPLE Retirement Account Custodial Agreement is the primary document governing your Merrill Lynch SRA/IRA and will govern in the case of any difference between these documents except as provided in the first paragraph in the Section "Investing your SRA/IRA" in this Disclosure Statement, which shall govern.

[3] Merrill Lynch does not act as your tax or legal advisor with respect to your SRA/IRA. We recommend that you consult your lawyer, accountant, or other tax advisor if you have questions beyond the scope of the information contained in this Disclosure, especially in regard to how your SRA/IRA affects your estate or tax planning. You should also consult your tax advisor regarding the tax consequences involving your SRA/IRA for the laws of the particular state, locality or foreign country where you live, as this Disclosure covers only U.S. federal tax matters and certain states, localities and foreign countries may have significantly different tax rules.

[4] *For example*, certain states may not allow state income tax exclusions for the higher level of contributions, or the additional types of rollovers permitted under the federal Tax Code after 2001. You may also refer to the appropriate year's edition of IRS Publications 590-A, Contributions to Individual Retirement Arrangements (IRAs) and 590-B, Distributions from Individual Retirement Arrangements (IRAs).

[5] To obtain more information on the services your Merrill Lynch SRA/IRA provides to you, please contact your Merrill Lynch financial advisor or a Service Representative.

REVOKING YOUR SRA/IRA

[6] If you are receiving this disclosure as a result of your initial opening of your SRA/IRA, you have the right to revoke your SRA/IRA and receive a refund of any amount given to us for your SRA/IRA within seven calendar days after you receive this disclosure agreement, or 14 calendar days from the mailing date of the disclosure agreement.

[7] If you revoke your SRA/IRA within this period, the amount returned to you would not include an adjustment for any sales commissions, administrative expenses or other fees or fluctuations in market value.

[8] You must revoke in writing to:
Manager, Retirement Plan New Accounts
Merrill Lynch, Pierce, Fenner & Smith Inc.
1700 American Blvd MSC 0703
Pennington, NJ 08534-4128

[9] Make sure your notice is postmarked, certified or registered prior to the end of the revocation period.

[10] If you have any questions, contact your financial advisor or a Service Representative at 1.800.MERRILL.

ELIGIBILITY

[11] If you are eligible to participate in your employer's SIMPLE, you (or your employer) may set up an SRA/IRA. Your employer may make contributions to your SRA/IRA on your behalf, as long as the contributions are made under your employer's SIMPLE. If you are self-employed, you may also establish an SRA/IRA if you have adopted a SIMPLE.

CONTRIBUTIONS

[12] Your SRA/IRA will accept the following types of contributions:

- Contributions made by your employer (cash only) (or yourself, if you are self-employed) on your behalf under your employer's SIMPLE by check, money order, or electronic funds transfer acceptable to us.
- Transfers or rollovers of cash, securities, or other assets from another SRA/IRA.
- The only contributions allowed to be made to an SRA/IRA are contributions under a "qualified salary reduction arrangement" under your employer's SIMPLE, which means you may not make annual traditional, Roth or Coverdell Education Savings Account contributions or rollover contributions from such types of IRAs to your SRA/IRA.

[13] *You and your employer are responsible for determining the eligibility of your contributions.* Should we discover we have received an

excess contribution, we will return the excess contribution to you only after receiving written authorization from you.

Contribution reports

[14] Each year we will send to you (or your beneficiaries) and to the IRS an IRS Form 5498 providing a valuation of your SRA/IRA at the end of the prior year. We will also send a report of your SRA/IRA contributions for the prior year made through April 15 of the current year. *If we do not receive a contribution and/or rollover deposit that is reportable on Form 5498 for a particular year, we will not send a separate form to you; your SRA/IRA valuation will be reported to you on your year-end Merrill Lynch account statement.*

[15] Upon request, Merrill Lynch will submit a Form 5498 for the year of your death to your executor reporting the end-of-year valuation of your SRA/IRA. Because any amount reported on a beneficiary's Form 5498 would not be reported on the Form 5498 for the estate, the value reported on the Form 5498 for the estate would generally be zero. Your executor has the right to request in writing a date-of-death valuation, which will be furnished within a reasonable time (generally 90 days).

ROLLOVERS AND TRANSFERS

Tax-free transfers between IRAs

[16] **You may authorize** a direct transfer of assets into your Merrill Lynch SRA/IRA from another SRA/IRA without incurring taxes or penalties, thereby preserving their tax-deferred status.

[17] *Note that a direct transfer must be made between SRA/IRA custodians or trustees and you may not receive the assets in your name.*

[18] You may not make tax-free transfers from:

- Traditional IRAs
- Roth IRAs (except for recharacterizations discussed on page 5)

[19] The rules regarding direct transfers of SRA/IRA assets also apply to direct transfers from your Merrill Lynch SRA/IRA into another SRA/IRA or an eligible traditional IRA.

Rollovers between IRAs

[20] You may roll over assets you withdraw from one SRA/IRA to another SRA/IRA subject to the following rules:

- You must complete the rollover within 60 days of the initial withdrawal or distribution. The IRS may waive this requirement if you can demonstrate a cause for the delay beyond your reasonable ability to control, such as a casualty or disaster;
- You may make only one tax-free rollover from a SRA/IRA from which or to which you made a prior rollover in any one-year period measured from the date of the first distribution;
- You can make only one rollover from a SRA/IRA to another (or the same) IRA in any 12-month period, regardless of the number of IRAs you own. You can, however, continue to make as many trustee-to-trustee transfers between IRAs as you want;
- If you are the beneficiary, you may roll over assets from your deceased spouse's SRA/IRA. You are not permitted to roll over assets from an inherited SRA/IRA if you are a non-spouse beneficiary;
- You may not roll over required minimum distributions;
- Substantially Equal Periodic Payments may not be rolled over; and
- You must report rollovers on your IRS Form 1040 for the year in which the rollover was completed.

[21] You may roll over assets to a traditional IRA from a SRA/IRA only after you have been a participant for two or more years in a SIMPLE maintained by your employer or for other reasons are not subject to the 25% penalty on premature withdrawals.

[22] The rules also apply to transfers from SIMPLE individual retirement annuities and to rollovers of assets from your Merrill Lynch SRA/IRA into another SRA/IRA or an eligible traditional IRA.

Conversions to a Roth IRA

[23] You may roll over assets from an SRA/IRA to a Roth IRA as long as, for years prior to 2010, your modified AGI for the year of the withdrawal is less than $100,000, not

including the rollover, and two years have passed since you first became a participant in a SIMPLE maintained by your employer or for other reasons you are not subject to the 25% penalty on premature withdrawals. *Such SRA/IRA to Roth IRA rollovers are frequently called "conversions." You may also exclude required minimum distributions from traditional IRAs or employer retirement plans from your modified AGI for this purpose.*

[24] **Calculate your modified AGI** by locating the "adjusted gross income" line on your IRS Form 1040 and subtracting applicable deductions as provided for in the instructions to IRS Form 1040, including:

- IRA deductions
- Foreign earned income exclusions
- Foreign housing exclusions or deductions
- Interest exclusions on U.S. savings bonds used to pay higher education expenses
- Adoption assistance program exclusions
- Deductions for qualified education loan interest

[25] *If you receive Social Security benefits, use the worksheets in IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs) to calculate your modified AGI.*

[26] The portion of a conversion that would be includible in your gross income if withdrawn will be included in your gross income. However, conversions are not subject to the 10% penalty tax for early withdrawals. The following rules apply:

- You must deposit the amount to your Roth IRA within 60 days of your SRA/IRA withdrawal. The IRS may waive this requirement if you can demonstrate a cause for the delay beyond your reasonable ability to control, such as a casualty or disaster;
- The "only one tax-free rollover in any one-year waiting period" rules applicable to SRA/IRA rollovers do not apply to conversions;
- You may *not* convert distributions from an inherited SRA/IRA. However, a spouse sole beneficiary may be able to treat the SRA/IRA as the spouse's and then convert;
- You may *not* convert required minimum distributions (see Distributions after age 73, (see page 6);
- You may *not* convert assets to a Roth IRA if you are married and filing separate income tax returns, *unless* you and your spouse lived apart for more than a year;
- Assets converted to a Roth IRA are thereafter subject to the rules governing Roth IRAs; and
- You are responsible for determining your eligibility to make a conversion.

[27] If you have been making substantially equal periodic payments exempt from the 10% premature distribution penalty (see Distributions before Age 59 1/2, below) prior to a conversion, they will be subject to a retroactive penalty unless you continue making such withdrawals from your Roth IRA until the later of:

- Five years from the date the periodic withdrawals began; or
- The earlier of your attainment of age 59 1/2, becoming disabled or your death.

[28] In general, direct transfers from an SRA/IRA to a Roth IRA made by the custodians or trustees are treated as conversions for tax purposes. *If your SRA/IRA assets were previously recharacterized from a Roth IRA, there is a minimum 30-day waiting period before you may reconvert them, and you may not make two such conversions of the same assets in one calendar year.*

Rollovers to employer retirement plans

[29] In general, if two years have passed since you first became a participant in a SIMPLE maintained by your employer or for other reasons you are not subject to the 25% penalty on premature withdrawals, you may roll over all or part of distributions you receive from your SRA/IRA into your employer's retirement plan including a section 457(b) eligible State deferred compensation plan, provided the plan accepts rollover contributions.

[30] You may roll over distributions of any kind, including cash, securities or other property, provided they are accepted by your employer's retirement plan. *Any portion of assets sold but not rolled over will be subject to tax.*

[31] If you are the beneficiary, you may roll over distributions from your deceased spouse's SRA/IRA. You are *not* permitted to roll over assets from an inherited SRA/IRA if you are a non-spouse beneficiary. (See Beneficiaries, page 8.)

[32] As with other rollover situations, rollovers to employer retirement plans must be completed within 60 days. The IRS may waive the 60-day time limit if you can demonstrate a cause for the delay beyond your reasonable ability to control, such as a casualty or disaster.

A note on recharacterizations

[33] The special rule that permits you to "recharacterize" contributions made to one type of IRA as contributions made to another type of IRA does not apply to employer contributions (including pre-tax contributions) made under your employer's SIMPLE to your SRA/IRA. Once employer contributions are made to your SRA/IRA they may not be "recharacterized" as contributions to another type of IRA.

Exceptions:

- If you make a mistake and roll over or transfer amounts from your traditional IRA to your SRA/ IRA, you may recharacterize the rollover or transfer as a contribution to another traditional IRA.
- You may recharacterize mistaken rollovers and transfers from your traditional IRA by causing the trustee or custodian of your SRA/IRA to transfer the mistaken amounts plus earnings to the trustee or custodian of your traditional IRA. You must do so before the date you are required to file your income tax return (with extensions) for the year in which you made the contributions. The rollover or transfer will be treated as a contribution to the traditional IRA.

[34] Conversions from SRA/IRAs to Roth IRAs are eligible to be recharacterized. To effect a recharacterization, you must give complete and timely instructions to the custodians or trustees of both the SRA/IRA and Roth IRA and report the converted amount as having been contributed to the SRA/IRA for the year in which the conversion was made. Tax-free transfers or rollovers between SRA/IRAs, from SRA/IRAs to traditional IRAs or to employer retirement plans and employer contributions to SEP IRAs may not be recharacterized. However, a tax-free transfer or rollover between SRA/IRAs or from an SRA/IRA to a traditional IRA will not disqualify you from recharacterizing an annual traditional IRA contribution or conversion contribution to a Roth IRA.

[35] *You are not limited on the number of recharacterization transfers you may make in a year. The IRS may grant extensions for recharacterizing invalid conversions to taxpayers who provide sufficient evidence they acted reasonably and in good faith.*

DISTRIBUTIONS

[36] **You have the right to withdraw** assets from your SRA/IRA at any time. Amounts in cash, securities or other assets withdrawn from your SRA/IRA for you or your beneficiaries are called "distributions." Distributions are subject to the rules contained in the Tax Code and to the terms of the Custodial Agreement.

[37] Generally, SRA/IRA distributions will be taxed as ordinary income. No special capital gains or averaging treatment is available. Unless you or your beneficiaries indicate otherwise on the form we provide, we will deduct federal and possibly state income taxes before payment.

[38] You must report any taxable distributions on your federal income tax return. Examples of non-taxable distributions that do not have to be reported include tax-free transfers and rollovers (see page 3).

[39] You should consult your accountant or tax advisor on how to time withdrawals to meet your financial needs, while at the same time taking into consideration your tax situation. The rules governing rollovers and distributions are complex. You should consult with your legal or tax advisor to determine whether distributions from your qualified retirement plan may be rolled over and which option is best for you.

Distributions before age 59 1/2

[40] Any distributions made before you reach age 59 1/2 from your SRA/IRA will be subject to ordinary income taxes and a 10% penalty tax unless you meet an exception.

[41] The 10% penalty is increased to 25% for premature distributions made from your SRA/IRA maintained in connection with your employer's SIMPLE plan, unless two years have passed since you first became a participant in a SIMPLE maintained by your employer.

[42] You are exempt from the premature distribution penalty if any of the following apply:

- You are totally and permanently disabled;
- You take distributions in "substantially equal periodic payments";
- Your beneficiary or estate receives distributions from your SRA/IRA in the event of your death;
- You are unemployed and the distributions do not exceed amounts paid for health insurance;
- The distributions do not exceed your deductible medical expenses;
- The distributions do not exceed your "qualified higher education expenses" for yourself, your spouse, your children or grandchildren;
- The distribution is a "qualified first-time homebuyer distribution"; *or*
- The distribution is on account of an IRS tax levy.

[43] Each of these exceptions is complex. The exceptions are explained in more detail in "Penalty for premature distributions", and "Additional notes on exemptions", (see page 11). We advise you to consult your legal or tax advisor before taking a distribution in reliance upon them.

Distributions after age 59 1/2

[44] Once you reach the age of 59 1/2, distributions from your SRA/IRA will be subject only to ordinary income taxes. Between ages 59 1/2 and 73 you may take distributions without penalty.

Distributions after age 73

[45] Once you reach age 73, the Tax Code mandates that you start required minimum distributions (RMDs) for the year you reach age 73 and each subsequent year. RMDs must begin in the calendar year you reach that age, or no later than April 1 of the following year (your required beginning date or "RBD"). If you wait, however, until the following year to make the first RMD, you will have to make a second RMD before the end of that year.

[46] If you prefer, you may purchase an annuity contract that makes payments at least equal to your RMD.

[47] While making your RMD, you may still withdraw any additional amounts you desire from your SRA/IRA.

[48] Your RMD amount will depend on whether the 1987 Tax Code proposed regulations ("1987 Regulations"), the 2001 Tax Code proposed regulations ("2001 Regulations") or 2002 Tax Code final regulations ("2002 Regulations") apply. In general, the 2002 Regulations apply to distributions made in 2003 or later. You can choose any of the three regulations for 2002 distributions. In most cases, the 2002 Regulations result in a smaller RMD amount. *This disclosure statement describes the minimum distribution rules provided in the 2002 Regulations.*

[49] If you fail to make the RMD, you may be subject to a penalty tax of 50% on the difference between your RMD amount and your actual distribution amount (see Penalty for not taking minimum distributions, page 13).

How to calculate your minimum distribution during your lifetime

[50] To calculate your minimum distribution, divide your SRA/IRA balance (the fair market value of your SRA/IRA, plus any transfers, rollovers or recharacterizations to your SRA/IRA that are outstanding, as of the preceding December 31st) by the distribution period, as shown in:

- Uniform Lifetime Table *or*
- Joint and Last Survivor Table (if your spouse is your sole beneficiary and is more than 10 years younger than you).

To use the spousal calculation, your spouse must, generally, be your sole designated beneficiary for the entire year. You will also qualify if your spouse is your sole designated beneficiary on January 1 of the year and your designated beneficiary changes, during the year, because you or your spouse dies or you divorce. Use the appropriate U.S. Treasury tables (which can be found at www.irs.gov or in IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs) when determining your life expectancy for SRA/IRA purposes.

[51] Your minimum distribution must be recalculated annually, based on your current age (and that of your primary beneficiary for spouse beneficiaries who are more than 10 years younger). You must calculate the minimum distribution separately for each SRA/IRA you own.

[52] You are responsible for determining the minimum distribution amounts. We will, generally, supply you with our calculation of your minimum distribution. To do this, we must have your correct age on file and an accurate valuation of all your investments. We will use the Uniform Lifetime Table, unless our records show your SRA/IRA qualifies for the spousal calculation. Our calculation will not adjust your balance for outstanding rollovers, transfers or recharacterizations. You are still responsible for determining the accuracy of your SRA/IRA balance and of the minimum withdrawal. Generally, we will not supply a calculation of the minimum distribution amount to your beneficiaries after your death.

[53] You must notify us when you want to receive this payment. You may set up a periodic payment plan under which you can conveniently spread the distributions throughout the year. To learn more about RMD calculations, call 1.800.MERRILL to request a copy of the "Guide to Calculating Minimum Distributions from a Traditional IRA."

Distributions after your death

[54] Following your death, the remaining balance in your SRA/IRA will be distributed to your beneficiaries (see Beneficiaries, page 8) with similar minimum distribution requirements. Subject to those minimum distribution requirements and restrictions imposed by your beneficiary designation, your beneficiary may withdraw assets from your SRA/IRA at any time. The identity of your "designated beneficiary" and whether your death occurs before or after your RBD will govern how your beneficiaries calculate their minimum distributions.

[55] For the purpose of determining required minimum distributions, your designated beneficiary is determined as of September 30th of the year following the year of your death based on your beneficiaries as of your date of death who remain beneficiaries as of the determination date. A designated beneficiary must be an individual, (a natural person rather than an estate, charity or a trust). If certain requirements are met, however, beneficiaries of a trust, that is the beneficiary of your SRA/IRA, will be treated as your SRA/IRA's beneficiaries for the purpose of determining your designated beneficiary. If your SRA/IRA has multiple beneficiaries and one is not an individual, you will not have a designated beneficiary. However, if all your beneficiaries are individuals, the oldest one will be your designated beneficiary.

[56] If you die *after* your required beginning date (RBD), the remaining balance in your SRA/IRA must be distributed over a period no longer than the longer of an individual designated beneficiary's life expectancy or your remaining life expectancy. (The Single Life Table will be used for calculating your remaining life expectancy and that of your designated beneficiary, if applicable.)

- If your spouse is the designated beneficiary, his or her life expectancy will be recalculated each year until death (the "recalculation method"), and thereafter using the "term certain method." See IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs) for more information on the term certain method and the recalculation method.
- The life expectancy of a non-spouse designated beneficiary or your remaining life expectancy will be determined under a "term certain method."
- If your spouse is your sole beneficiary, he or she may elect to roll over your SRA/IRA into his or her own SRA/IRA or elect to treat your SRA/IRA as his or her own.

- If you do not have a designated beneficiary, distributions will be calculated based on your remaining term certain life expectancy.

[57] If you die *before* your RBD:

- If you do not have a designated beneficiary, the entire balance of your SRA/IRA, must be distributed by December 31 of the year that contains the fifth anniversary of your death.
- If your spouse is your sole beneficiary, he or she may choose to postpone making withdrawals until the date you would have reached age 73.
- If your spouse is your sole beneficiary, he or she may elect to roll over your SRA/IRA into his or her own SRA/IRA or elect to treat your SRA/IRA as his or her own SRA/IRA and make the minimum withdrawals that apply to that SRA/IRA (see Distributions after age 73 on page 6), based on your spouse's own age and beneficiaries. Note beneficiaries. *Note that we will assume this election has been made if your spouse makes any contributions, rollovers or transfers to your SRA/IRA or does not take minimum distributions that would be required from your SRA/IRA.*
- If you have a designated beneficiary who is not your spouse, your beneficiary may elect to begin taking distributions no later than December 31 following the first anniversary of your death over his or her term certain life expectancy.

BENEFICIARIES

[58] **You may name** one or more beneficiaries of your SRA/IRA, including individuals, your estate, a charity or a trust. These beneficiaries may be designated primary, contingent or successor beneficiaries and may be changed at any time, but any designation or change must be in writing. Beneficiary designations will not be effective until received and accepted by Merrill Lynch.

[59] *All beneficiary designations and changes must be compatible with Merrill Lynch's administrative and operational requirements, which may vary over time.*

[60] You should review your designation periodically, particularly when there are changes in your family status, including a marriage, divorce, birth or adoption of children, death of a beneficiary or establishment of estate planning trusts.

[61] The "Beneficiary" section of the Custodial Agreement explains:

- How beneficiaries may receive your SRA/IRA assets after your death;
- Your ability to place restrictions on distributions to and successor designations by your beneficiaries;
- The treatment of your beneficiary designation if you are divorced or your marriage is annulled after you designate your spouse as your beneficiary; and
- Who will be your beneficiary or beneficiaries if you do not have a living/existing designated beneficiary.

[62] Generally, after your death, Merrill Lynch will make distributions to the listed beneficiary of record, regardless of state community property law. If, as a result of state community property law, payments are to be made to the surviving spouse rather than the named beneficiary, a written statement authorizing such payment must be submitted and signed by the spouse and the designated beneficiary.

[63] If your beneficiary is a trust or your estate, distributions will be made to the trustee(s) of the trust or the executor(s) of your estate. However, the trustee or executor may, subject to any rules we establish, direct us to make distributions to the beneficiaries of the trust or estate.

Investing Your SRA/IRA

[64] Your Merrill Lynch financial advisor or a Service Representative can offer your SRA/IRA access to available investment alternatives. In addition, you may enroll (under a separate agreement) your SRA/IRA in a Merrill Lynch investment advisory program that offers discretionary management or other advisory services. *Investment decisions are ultimately yours or your discretionary manager's or advisor's and you or your discretionary manager or advisor must decide whether an investment is consistent*

with your personal savings goals and investment objectives. Notwithstanding anything to the contrary in the Custodial Agreement, effective February 1, 2022, Merrill Lynch acknowledges that it is acting as a fiduciary under Title I of the Employee Retirement Income Security Act (ERISA) and Section 4975 of the Internal Revenue Code (Section 4975) in its capacity as a broker-dealer when it provides investment advice and makes recommendations to you regarding securities or investment strategies in your SRA/IRA. The Merrill Best Interest Disclosure Statement provides a description of services and information relating to our costs and fees, compensation earned and material conflicts of interest as required under these rules.

[65] The investments in your SRA/IRA will be held by us, and may be held in our name or the name of a selected nominee. Interest, dividends and other distributions on shares will be paid to us for your account. Dividends and other distributions from mutual funds will be paid in cash and swept with other cash balances into the applicable money market accounts (see Cash Balances on page 10).

INVESTMENTS

[66] Your SRA/IRA may invest in one of Merrill Lynch's money market funds or in one or more of the following types of investments obtainable through Merrill Lynch and its affiliates:

- Securities traded on recognized exchanges or "over the counter"
- Mutual funds
- Government securities, such as Treasury bills
- Certain annuity contracts
- One ounce American Gold or Silver Eagle coins issued by the United States
- Listed covered call options
- Put options against long positions

[67] The following investments and transactions are generally *not* permitted:

- New issue offerings of equity and preferred securities where Merrill Lynch or an affiliate acts as the underwriter of the securities
- Investments acquired on margin
- Commodities transactions (including futures contracts)
- Options strategies not described above
- Series E and EE U.S. savings bonds
- Investments in non-U.S. dollar-denominated debt securities
- Foreign currency
- Notarial stock
- Chattel paper
- Shares of "restricted" stock
- Other investments and transactions that we designate from time to time

[68] The Tax Code prohibits your SRA/IRA from making the following types of investments (or treats them as distributions):

- Life insurance contracts
- Collectibles, including works of art, rugs, antiques, certain metals, gems, stamps, most coins, and alcoholic beverages

[69] All investments must be compatible with Merrill Lynch's administrative and operational requirements and procedures of the account system through which your SRA/IRA is administered, which may change from time to time. Contact your financial advisor or a Service Representative for more information on permissible investments.

[70] In no event may the assets in your SRA/IRA be commingled with other property except in a common trust fund or a common investment fund.

[71] We will invest and reinvest your contributions and earnings in your SRA/IRA only after receiving proper instructions from you or, as appropriate, your beneficiary, your estate's legal representative or any other person authorized to give such instructions.

[72] *The investments you purchase for your SRA/IRA may fluctuate in value and have varying rates of return. Therefore the value of your SRA/IRA in the future can neither be guaranteed nor projected.*

[73] *If we cannot locate you or your beneficiary,* Merrill Lynch can, with no responsibility for the consequences, sell any or all the assets in your SRA/IRA. We may then, if not already invested or deposited through a sweep option in effect for your account, invest in a money market fund or deposit the proceeds in an interest-bearing

account. We will do so only after waiting at least two months from the date we attempt to locate you or your beneficiary by sending a written notice to the last address shown for you or your beneficiary in our records.

A note on foreign securities

[74] Dividends and earnings on investments in foreign securities and mutual funds may be subject to foreign tax withholding. These withholdings are often ineligible for the U.S. foreign tax credit if they are for securities held by tax-exempt accounts including SRA/IRAs.

[75] As a result, the effective yield on foreign securities and mutual funds held in your SRA/IRA may be lower than the effective yield of identical investments held in a non-retirement account. You may find it preferable to hold foreign investments in a taxable investment portfolio, should you have one, instead of your SRA/IRA.

CASH BALANCES

[76] **Merrill Lynch provides** a daily "sweep" feature to ensure all your assets are working for you full time.

[77] All uninvested cash balances (such as interest income, dividends and contributions received) of $1 or more are automatically deposited in money market deposit accounts established through the Retirement Asset Savings Program (RASP).

[78] With RASP, a money market deposit account is established at Bank of America, N.A., Bank of America California, N.A., and any other Merrill Lynch affiliated bank.

Merrill Lynch is not a bank and FDIC deposit insurance only covers the failure of an FDIC-insured bank. Certain conditions must be satisfied for deposit insurance coverage to apply when bank deposits are opened on your behalf in the name of Merrill Lynch as your agent. Merrill Lynch has in place business requirements and practices that are reasonably designed to satisfy those conditions, which include, but are not limited to, proper account titling and recordkeeping.

[79] For more information, see the Retirement Asset Savings Program Fact Sheet.

[80] If you enroll your SRA/IRA in a Merrill Lynch investment advisory program, uninvested cash balances will be deposited in the RASP.

[81] Additional or alternative daily sweep options may be available for certain clients or in certain situations. For more information regarding your Sweep Program, please refer to your Client Relationship Agreement.

SIPC INSURANCE AND ADDITIONAL COVERAGE

[82] The securities and cash we hold in your account are protected by the Securities Investor Protection Corporation (SIPC) for up to $500,000 (inclusive of up to a maximum of $100,000 for cash).

[83] In addition, Merrill Lynch has obtained "excess-SIPC" coverage from Lloyd's of London. The Lloyd's policy provides further protection for each customer (including up to $1.9 million for cash), subject to an aggregate loss limit of $1 billion for all customer claims.

[84] Neither SIPC protection nor the additional "excess-SIPC" coverage applies to deposits made through a bank deposit program or to other assets that are not securities. *Each account held by a separate customer (as defined by applicable law) is treated separately for purposes of the above protection*. You may obtain further information about SIPC, including the SIPC Brochure, via the SIPC's website at www.sipc.org or by calling SIPC at 1.202.371.8300. Deposits made under RASP programs are the obligation of the Merrill Lynch Affiliated Banks and are not obligations of, or guaranteed by, Merrill Lynch, its parent company, Merrill Lynch & Co., Inc., or any of its subsidiaries. **Merrill Lynch, Pierce, Fenner & Smith Incorporated "Merrill Lynch" is not a bank and is separate from its FDIC-insured affiliates, which include Bank of America, N.A., Bank of America California, N.A. and other depository institutions. FDIC deposit insurance only covers the failure of an FDIC-insured bank. Certain conditions must be satisfied for deposit insurance coverage to apply when bank deposits are opened on your behalf in the name of Merrill Lynch as your agent. Merrill Lynch**

has in place business requirements and practices that are reasonably designed to satisfy those conditions, which include, but are not limited to, proper account titling and recordkeeping. Except where indicated, securities sold, offered or recommended by Merrill Lynch are not insured by the FDIC and are not obligations of, or endorsed or guaranteed in any way by any bank and may fluctuate in value.

About Taxes

[85] **Your SRA/IRA** is designed to provide you with an opportunity to defer federal income tax on contributions and any gains and income on the assets in your SRA/IRA until they are withdrawn or distributed.

[86] Certain investments, however, such as limited partnerships, may generate unrelated business income that may be taxable in the year earned regardless of whether withdrawals were made during that year.

[87] Withdrawals, whether of the principal balance or of gains and income, are, generally, subject to income tax at the regular rates when withdrawn (see Distributions, page 5). No special capital gains or averaging treatment is available.

[88] *You should consult your tax advisor about your particular tax situation as this Disclosure applies only to U.S. federal taxes; certain states have significantly different tax rules governing deductibility of contributions and income exclusion for rollovers.*

LOSS OF TAX STATUS

[89] **The Tax Code** prohibits you from using your SRA/IRA to engage in certain transactions under penalty of losing your SRA/IRA's tax-deferred status. For example, you may not borrow from your account, sell property to it or buy property from it.

[90] *If your SRA/IRA loses its tax-deferred status, the entire SRA/IRA balance must be included in your gross income for the year the tax-deferred status was lost.*

[91] *The balance will also be subject to the 10% (or 25%) penalty tax for premature distributions described below (unless you are eligible for an exemption).*

[92] If you pledge part of your SRA/IRA as security (collateral) for a loan, only the part pledged will be considered as having been distributed to you for the year it is pledged. The amount must be included in your gross income and will be subject to the 10% (or 25%) penalty for premature distribution (unless you are eligible for an exemption).

PENALTIES

Penalty for premature distributions

[93] **In general,** any withdrawals you make before reaching the age of 59 1/2 will be subject to a 10% penalty. The 10% penalty is increased to 25%, unless two years have passed since you first became a participant in a SIMPLE maintained by your employer. This penalty is in addition to ordinary income taxes imposed on withdrawals. (For more information, review the Additional notes on exemptions, below.)

[94] You are exempt from the 10% (or 25%) penalty if:

- You are totally and permanently disabled;
- You take distributions in "substantially equal periodic payments";
- The distributions are received by your beneficiary or estate *after* your death;
- You are unemployed and the distributions do not exceed amounts paid for health insurance;
- The distributions do not exceed your deductible medical expenses;
- The distributions do not exceed your "qualified higher education expenses" for yourself, your spouse, your children or grandchildren;
- The distribution is a "qualified first-time homebuyer distribution"; or
- The distribution is on account of an IRS tax levy.

Additional notes on exemptions

[95] The methods for calculating "substantially equal periodic payments" were revised in an IRS ruling in October 2002. The new methods described below must be used for all series of payments beginning after 2002 and you may elect to use the old or new methods for a series of payments beginning in 2002. The three new calculation methods are:

- Required Minimum Distribution Method: Your annual payment amount is determined each year by dividing the account balance in that year by the current year's life expectancy factor applicable to you or to you and your beneficiary from the Uniform Lifetime Table, the Joint and Last Survivor Table or the Single Life Table. (See, IRS Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs).) You must use the same Table each year.
- Fixed Amortization Method: Your annual payment amount is determined in the first year and does not change thereafter er. Your annual payment amount will be calculated by amortizing your beginning account balance using an interest rate not exceeding 120% of the federal mid-term rate during either of the two months preceding the first payment and one of the three life expectancy Tables discussed above under the Required Minimum Distribution Method.
- Fixed Annuitization Method: Your annual payment amount is determined in the first year and does not change thereafter er. Your annual payment amount will be calculated by dividing your beginning account balance by an annuity factor that is derived from an IRS mortality table (based on your life expectancy or the joint and last survivor expectancy of you and your beneficiary) and an interest rate not exceeding 120% of the federal mid-term rate during either of the two months preceding the first payment.

[96] In general, to avoid retroactive imposition of the 10% (or 25%) penalty and interest, you must continue taking substantially periodic payments under your chosen method for at least five years or until you reach age 59 1/2, whichever is longer. However, you may make a onetime change to the new Required Minimum Distribution Method from either of the new Fixed Methods or from one of the older allowable methods to any one of the three new methods. Further, you may discontinue taking substantially equal periodic payments if you become disabled and your beneficiary may do so following your death. Rules governing the calculation of substantially equal periodic payments are complex; you should consult a qualified tax advisor.

[97] If your distributions are used to pay health insurance premiums:

- You must have received federal or state unemployment compensation for 12 consecutive weeks. *Note that if the only reason you did not receive unemployment compensation was because you had been self-employed, you are still eligible for the exemption*;
- You must have received the distributions during the tax year in which you received the unemployment compensation, or the following year; *and*
- You must have been re-employed for less than 60 days.

[98] "Qualified higher education expenses" include:

- Tuition, fees, books, supplies and equipment required for enrollment or attendance at an "eligible educational institution" (undergraduate or graduate courses); *and*
- Room and board expenses, up to the minimum allowed when calculating the cost of attendance for federal aid programs *(students must attend education institution at least half-time),* or the actual cost of student housing owned or operated by the school *(for years 2002-2010 only),* if higher.

[99] *You must subtract from "qualified education expenses" all qualified scholarships, certain educational assistance provided to military veterans and reservists, and other payments for educational expenses (not including gifts and inheritances) that are excluded from the student's gross income under federal laws.*

[100] "Eligible educational institutions" include:

- Post-secondary educational institutions offering credit towards a bachelor's, associate's, graduate or professional degree or another post-secondary credential; and
- Certain proprietary schools and post-secondary vocational institutions, if eligible to participate in U.S. Department of Education student aid programs.

[101] A "qualified first-time homebuyer distribution" is a withdrawal or distribution used to pay the costs of acquiring, constructing or reconstructing your principal residence or the principal residence of you or your spouse, or a child, grandchild or ancestor of you or your spouse. Eligible expenses include usual or reasonable settlement, financing or other closing costs. The following rules apply:

- The new owner must have had no ownership interest in a principal residence in the two years prior to this acquisition;
- Individuals with foreign homes or on extended active duty in the Armed Forces may not qualify as first-time homebuyers if the period for tax-free rollover of gain on the sale of a prior residence has been suspended;
- The amount withdrawn must be used to pay such costs or rolled over into your SRA/IRA within 120 days (in which case you are not subject to the limit of one rollover per year); *and*
- The total lifetime amount that can qualify as a first-time homebuyer distribution from all IRAs (including your traditional and Roth IRAs and SRA/IRAs) is $10,000.

Penalty for excess contributions

[102] Excess contributions—the portion of a contribution that exceeds allowable limits—are subject to a *6% penalty*. The 6% penalty is charged again every year that the excess remains in your account.

[103] *Example:* If you are under age 50 and make pre-tax deferrals of $11,000 in 2008 to your SRA/IRA, your excess contribution for 2008 is $500 and you would owe the IRS $30 for each year the excess remains in your account. The limit on pre-tax deferrals to an SRA/IRA for 2008 is $10,500 if you are under age 50.

[104] To avoid the 6% penalty, you may "correct" excess contributions by withdrawing the excess and any related earnings prior to your tax-filing deadline (including extensions) for the tax year for which the excess contribution was made.

[105] *Withdrawals of those contributions (and earnings) may be taxed as premature withdrawals. For more information about excess contributions, including taxation, penalties and alternative conversion methods, consult your tax advisor.*

[106] *You are responsible for computing the earnings on excess contributions and indicating the amount on a distribution form provided by Merrill Lynch.*

Penalty for not taking minimum distributions

[107] After age 73, you are required to take a minimum distribution each year. After your death, your beneficiary or beneficiaries are required to take minimum distributions. If you or your beneficiary fail to take required minimum distributions, you or they may be subject to a penalty tax of 50% on the difference between the required and actual withdrawals.

[108] *Example:* If your minimum withdrawal is $10,000 and you only withdrew $9,000, the penalty would be $500: ($10,000–$9,000) x 50%.

[109] In certain cases, the IRS may waive application of this penalty. You should consult your tax advisor on this subject.

OTHER TAX ISSUES
When to File IRS Form 5329

[110] You must file IRS Form 5329 with your federal income tax return when:

- You owe the 6% penalty tax on excess contributions;
- You owe the 10% (or 25%) penalty tax on early withdrawals, but distribution code 1 is not shown in box 7 of your Form 1099-R (Distributions from Pensions, Annuities, Retirement or Profit Sharing Plans, IRAs, etc.);

- You do *not* owe the 10% (or 25%) penalty tax, but distribution codes 2, 3 or 4 do *not* appear in box 7 of your Form 1099-R, or the code shown is incorrect; *or*
- You owe the 50% penalty tax for failing to make a minimum distribution.

Estate and gift taxes

[111] Generally, at your death, the total value of assets in your SRA/IRA is included in your gross estate for federal estate tax purposes. However, deductions are allowed if your beneficiary is either your spouse or a charity. You should consult your tax advisor concerning this estate tax.

[112] Generally, naming a beneficiary to receive payments from your SRA/IRA is not considered a gift subject to federal gift tax, even if the designation is irrevocable. This is because the account owner typically retains the right to direct distributions, including rollovers and transfers.

Tax Credit

[113] You may be eligible for a nonrefundable tax credit of up to 50% of the first $2,000 of "qualified retirement savings contributions," provided your adjusted gross income is within specified limits. "Qualified retirement savings contributions" include, for example, contributions to an IRA, elective employer or employee deferrals to a qualified retirement plan, elective deferrals under an eligible deferred compensation plan maintained by a State or local government, and voluntary employee contributions to a qualified retirement plan. The amount of the tax credit is calculated by multiplying the first $2,000 of your "qualified retirement savings contributions" by the applicable percentage, which is determined in accordance with the following table:

ADJUSTED GROSS INCOME (2008 LIMITS)*						
Joint Return		**Head of a Household**		**All Other Cases**		**%**
Over	Not Over	Over	Not Over	Over	Not Over	
$0	$32,000	$0	$0	$16,000	$16,000	50
$32,000	$34,500	$24,000	$25,875	$16,000	$17,250	20
$34,500	$53,000	$25,875	$39,750	$17,250	$26,500	10
$53,000		$39,750		$26,500		0

*Periodically indexed for inflation.

[114] For purposes of calculating the tax credit, your "qualified retirement savings contributions" may be reduced by certain distributions from certain retirement plans and IRAs made in the same tax year, the two preceding tax years and the period after the tax year and before the due date for filing your return for the tax year. Distributions received by your spouse are treated as distributions to you for purposes of reducing your "qualified retirement contributions" if you file a joint return for the tax year in which your spouse received the contribution. If you believe that you may be eligible for the tax credit, contact your tax advisor.

Additional information available

[115] For more information about taxes and your SRA/IRA, you should obtain a copy of IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs) or 590-B, Distributions from Individual Retirement Arrangements (IRAs),or a replacement publication. You can obtain a copy of IRS Publication 590-A or 590-B at www.irs.gov.

About Fees

ANNUAL CUSTODIAL FEES		
SRA/IRA	**0.25% of net assets, subject to**	
Single-participant SIMPLE (per account)	**Minimum** $60	**Maximum** $100
Multi-participant SIMPLE (per account)	**Minimum** $50	**Maximum** $100

[116] You may also contact any district office of the IRS directly.

[117] Custodial fees are calculated on a calendar year basis and are charged in the calendar quarter containing your account opening anniversary date ("anniversary quarter"). The net assets of the account is the valuation of your account as of the month ending the calendar quarter preceding your anniversary quarter. For example, if you have a 1st quarter anniversary, your assets would be based on the net asset value of your account on the last business day of the preceding year. For the first fee year, the custodial fee will be charged in the quarter following the account opening, based on the net asset value on the last day of the quarter in which the account was established. If the account has not been funded, we will value your account as of the last day of the quarter in which the account is funded to determine the custodial fee.

[118] The custodial fee for an SRA/IRA will be waived for the time that your SRA/IRA is enrolled in a Merrill Lynch investment advisory program. We may also waive fees at any time.

OTHER FEES

[119] Brokerage commissions, sales charges, asset-based fees and other routine charges for transactions in, or the investment of, the assets in your SRA/IRA will be assessed when applicable.

[120] Merrill Lynch also may receive compensation from certain providers of investment alternatives for your SRA/IRA. Our fees, commissions and charges with respect to your SRA/IRA may change from time to time.

[121] A late fee may be charged to accounts with past due balances.

[122] For accounts with balances of $1 or less, a fee equal to the account balance may be assessed to such account resulting in the subsequent account closure, regardless of your household's aggregate account balance.

[123] If your account is closed or transferred, we will charge a $75 account closeout fee. The account closeout fee will be charged in addition to any pending custodial fees due on your account. Merrill Lynch will charge the account closeout fee to your SRA/IRA.

[124] *The account closeout fee for an IRA may be waived under certain services or programs offered by Merrill Lynch.*

Fee payment methods

[125] You may indicate to your financial advisor or a Service Representative how you wish to pay the custodial fee and Merrill Lynch investment advisory program fees (if applicable).

[126] You may choose one of the following methods:

- By check (not available for MESD);
- By transfer from another Merrill Lynch account (not available for MESD); or
- By direct deduction from your SRA/IRA.

[127] If you pay the custodial fee before it is charged to your SRA/IRA, the amount of the custodial fee may be tax deductible. You may *not* reimburse your account for the fee once it has been paid from your account.

[128] In certain circumstances, fees may not be deducted from your SRA/IRA due to legal considerations. We may change the available methods and the timing of payment of custodial fees from time to time.

[129] *Merrill Lynch may sell assets in your SRA/IRA to cover securities purchases and other expenses.*

IRS Approval

[130] **The Internal Revenue Service** has approved the Merrill Lynch SIMPLE Retirement Account Custodial Agreement as set forth in this booklet as to form (subject to subsequent amendments). Approval by the IRS is a determination as to the form, not the merits, of this SRA/IRA.

L-12-21

Custodial Agreement

[1] **This custodial agreement**, adopted in accordance with Merrill Lynch's procedures for adopting an SRA/IRA, governs your SIMPLE Retirement Account/Individual Retirement ("SRA/IRA") of which Merrill Lynch is the custodian.

[2] Your SRA/IRA is being established for, and this agreement shall be interpreted in accordance with, the purpose of providing you with the funding vehicle for your benefits under your employer's Savings Incentive Match Plan for Employees (SIMPLE) plan, including the Merrill Lynch SIMPLE Retirement Account Plan (SRA/IRA Plan) Program, pursuant to Section 408(p) of the Tax Code.

[3] Throughout this agreement, the words **you** and **your** refer to the person for whom your SRA/IRA is established or maintained, and **Merrill Lynch**, **we**, **us**, and **our** refer to Merrill Lynch, Pierce, Fenner and Smith Incorporated, a registered broker-dealer and wholly-owned subsidiary of Bank of America Corporation. Merrill Lynch is the custodian of your SRA/IRA. By **Tax Code**, we refer to the Internal Revenue Code of 1986 and the regulations adopted under it, both as amended. By **SRA/IRA**, we refer to a SIMPLE retirement account/individual retirement account established to hold contributions made on your behalf under your employer's SIMPLE plan, which is not a traditional IRA, a Roth IRA, or a Coverdell Education Savings Account (formerly called an Education IRA), which is either a Merrill Lynch SRA/IRA or, an SRA/IRA with another financial institution.

[4] Your SRA/IRA is established when we accept the first deposit your employer makes on your behalf to your account. Merrill Lynch has the right to reject an account that has not been established in accordance with our administrative procedures.

Contributions

[5] Under this Agreement, we will accept the following contributions made by check, money order, electronic funds transfer, or in-kind transfer of investments:

- SIMPLE plan contributions (including income deferrals) made by your employer for your benefit described in Section 408(p) of the Tax Code. However, you and your employer are responsible for determining whether the contribution is within the limits set by the Tax Code and whether your employer's SIMPLE plan meets the requirements of Section 408(p) of the Tax Code (cash only).
- Rollovers or transfers of assets (cash, securities or other property) from another SRA/IRA.
- Recharacterizations of SRA/IRA conversions from a Roth IRA under Section 408A(d)(6) of the Tax Code and the Treasury Regulations thereunder.

[6] All non-cash assets must be compatible with our administrative and operational requirements. Cash contributions may be by check, money order or electronic funds transfer acceptable to us.

[7] We will *not* accept:

- Contributions made by you or on your behalf to an individual retirement account (IRA) which is a traditional IRA, Roth IRA or Coverdell Education Savings Account.
- Rollovers or transfers of assets from any IRA or retirement plan other than an SRA/IRA.
- Contributions (including income deferrals) made on your behalf under an employer's Simplified Employee Pension (SEP) plan pursuant to Section 408(k) of the Tax Code.
- Non-cash assets that are incompatible with our administrative and operational requirements.

[8] We will not knowingly accept SIMPLE plan contributions that exceed limits set under Tax Code Section 408(p) or from an employer's SIMPLE plan that does not meet the requirements of Section 408(p) of the Tax Code.

[9] If we discover an excess contribution, we will only return the excess to you after receiving specific written authorization from you.

Distributions

[10] Any amount you or your beneficiaries receive from your SRA/IRA is called a "distribution."

[11] You may withdraw all or part of the assets in your SRA/IRA at any time to the extent your ability to do so has not been restricted by assigning assets in your SRA/IRA as security to repay the restricted amount of a distribution from a retirement plan as permitted under applicable U.S. Treasury regulations. Following your death, your beneficiary currently entitled to benefits can withdraw all or any part of his or her interest in your SRA/IRA, in a single sum, installments, or in the form of an annuity, at any time except to the extent of your assignment discussed in the preceding sentence or your beneficiary designation has restricted that beneficiary from taking certain distributions exceeding required minimum distributions (see Minimum Distributions (General Rules) and Minimum Distributions after Your Death, below).

[12] We will make distributions from your SRA/IRA after your proper completion of a withdrawal form, and its acceptance, according to our established policies. Distributions may be made directly to you or, subject to our rules and procedures, to your other Merrill Lynch non-retirement account. When you request a cash distribution, you must inform us as to which assets should be sold to make the distribution.

[13] *The distribution of non-cash investments, such as stocks or mutual fund shares, from your SRA/IRA involves the re-registration of these assets and can frequently take several weeks. In addition, certain investments are not readily saleable and/ or may be transferred into another owner's name only at specified times. You should allow extra time for processing such distributions, particularly when planning required minimum withdrawals.*

Minimum Distributions (General Rules)

[14] As described further in Minimum Distributions During Your Lifetime (this page) and Minimum Distributions after Your Death (see page 19), certain "required minimum distributions" must be paid from your SRA/IRA to you during your lifetime and to your beneficiaries following your death. Such minimum distributions will be based on Tax Code Section 408(a)(6) and the U.S. Treasury Regulations issued thereunder, the provisions of which are included in your SRA/IRA by reference. Except for minimum distributions under the five-year rule of Minimum Distributions after Your Death (see page 19), minimum distributions will be required for certain distribution calendar years. The amount required to be distributed for each distribution calendar year will be determined by dividing the fair market value of your SRA/ IRA as of December 31st preceding such year by distribution periods that are determined under U.S. Treasury Regulations. The value of your SRA/IRA as of any December 31st will include the value of rollovers, transfers and recharacterizations to your SRA/IRA from other plans or accounts that are outstanding as of that date.

[15] These minimum distributions may be paid to you or to your beneficiary from your SRA/IRA or they may be satisfied by purchasing an annuity that satisfies the requirements of U.S. Treasury Regulation Section 1.401(a)(9)-6, as of the purchase date.

[16] For purposes of computing required minimum distributions from your SRA/IRA, your "designated beneficiary" will be the natural person who is treated as a designated beneficiary under U.S. Treasury Regulation Section 1.401(a)(9)-4.

Minimum Distributions During Your Lifetime

[17] Your SRA/IRA must commence being distributed no later than the first day of April following the calendar year in which you attain age 73. This is your "required beginning date." Although distributions need not commence until your required beginning date, the first distribution must be for the year in which you attain age 73 and may be made in that year. If your first minimum distribution is made in the calendar year after you attain age 73 (by April 1st), an additional required minimum distribution must be made to you by the end of that year. For example, if you attain age 73 on September 1, 2004, your required beginning date will be April 1, 2005 and, irrespective of whether your first minimum distribution (for 2004) is made in 2004 or between January 1 and April 1, 2005, another distribution (for 2005) must be made by December 31, 2005.

[18] The distribution period for computing your required minimum distribution for each year will be the greater of: (1) the distribution period for your attained age in that year from the Uniform Lifetime Table in Treasury Regulation § 1.401(a)(9)-9 Q&A-2 or (2) if your spouse is your sole beneficiary for the full year and your spouse is more than 10 years younger than you, the distribution period from the Joint and Last Survivor Table of Treasury Regulation Section 1.401(a)(9)-9 Q&A-3 based on the attained ages of you and your spouse in such year.

Minimum Distributions After Your Death

[19] If you die *after* your required beginning date, but before your entire interest in your SRA/IRA has been distributed, the remaining balance of your SRA/IRA must continue to be distributed to your beneficiary at least as rapidly as follows:

- If you have a designated beneficiary as of September 30 of the year following the year of your death, the distribution period will be the longer of the period that will apply if you do not have a designated beneficiary as described below, or your designated beneficiary's life expectancy determined under (A) or (B) below:

  (A) If your spouse is your sole designated beneficiary, your spouse beneficiary's life expectancy will be recalculated each year through your spouse's year of death and will be determined using your spouse's age as of his or her birthday in the year following the year of his or her death and reduced by one for each subsequent year

  (B) If you have a non-spouse designated beneficiary, his or her life expectancy will be determined using the beneficiary's age as of his or her birthday in the year following the year of your death and reduced by one for each subsequent year.

- If you do not have a designated beneficiary, the distribution period will be your remaining term certain life expectancy determined in the year of your death and reduced by one for each subsequent year.

[20] If you die *before* your required beginning date, then your entire SRA/IRA must be distributed to your beneficiary by December 31 of the calendar year containing the fifth anniversary of your death except to the extent that an election is made to receive distributions in accordance with the following:

- If your interest is payable to a designated beneficiary, he or she may elect to receive your entire interest over a period not greater than the life expectancy of the designated beneficiary, determined using his or her age at his or her birthday in the year following the year of your death, and if the designated beneficiary is not your surviving spouse, payments must commence no later than December 31 of the calendar year following the year in which you died.
- If your sole designated beneficiary is your surviving spouse, the distributions are required to commence by the later of:

  (A) December 31 of the calendar year immediately following the calendar year in which you died; *or*

  (B) December 31 of the calendar year in which you would have attained 73. If your surviving spouse sole designated beneficiary dies before distributions are required to begin, the remaining interest in your SRA/IRA must be distributed to the successor beneficiary by December 31 of the calendar year containing the fifth anniversary of your spouse's death. However, if the successor beneficiary is a designated beneficiary, he or she may elect to have the remaining interest distributed, starting by the calendar year following your spouse's death, over the successor designated beneficiary's remaining life expectancy determined using such beneficiary's age as of his or her birthday in the year following the death of your spouse.

[21] If your sole designated beneficiary is your surviving spouse and your beneficiary designation has not specifically restricted your spouse from doing so, your spouse may roll over your SRA/IRA assets into his or her own SRA/IRA or may elect to treat your SRA/IRA as his or her own SRA/IRA. This election will be deemed to have been made if your surviving spouse has a contribution made to the account by his or her employer under its SIMPLE plan or makes a rollover contribution to or from the account, does not take a required minimum distribution otherwise required or delivers a notice to us that he or she is making this election. Following such election, or deemed election, your spouse must take distributions under Minimum Distributions During Your Lifetime, substituting "your spouse" for "you" and "your spouse's" for "your."

[22] Minimum distributions after your death, except for the five-year rule must be made over the applicable life expectancy computed by use of the Single Life Table in Q&A-1 of U.S. Treasury Regulation Section 1.401(a)(9)-9. If your designated beneficiary is your surviving spouse, his or her life expectancy will be recalculated annually by using the number in the Single Life Table corresponding to your spouse's age in the year. For all other beneficiaries, the applicable life expectancy will be the number in the Single Life Table corresponding to the attained age of your beneficiary during the calendar year specified in (A) & (B) above, and payments for any subsequent calendar year will be calculated based on such life expectancy reduced by one for each calendar year which has elapsed since the calendar year a life expectancy was first calculated. A similar term certain calculation will be made for your spouse beneficiary for years after his or her death, beginning with the year of his or her death.

Beneficiaries

[23] You may name one or more beneficiaries of your SRA/IRA, including individuals, your estate, a charity or a trust. These beneficiaries may be designated primary, contingent or successor beneficiaries and may be changed at any time, but must be designated in writing and are not effective until we receive and accept them. Unless your beneficiary designation provides otherwise, your beneficiaries may themselves designate successor beneficiaries who will take precedence over successor beneficiaries designated by you.

[24] We reserve the right not to accept any beneficiary designation that is incompatible with our administrative and operational capabilities, even if such designation is otherwise allowable. A proper written designation or change of beneficiary, which you or your beneficiary executed prior to your or your beneficiary's death and which we receive following your or your beneficiary's death, will govern distributions from your SRA/IRA following, but not prior to, our acceptance of the designation.

[25] You may restrict a beneficiary from taking distributions in excess of specified amounts, although these distributions must at least equal required minimum distributions described in Minimum Distributions after Your Death, page 19.

[26] After your death, Merrill Lynch will make distributions to the listed beneficiary of record, regardless of state community property law. If, as a result of state community property law, payments are to be made to the surviving spouse rather than the named beneficiary, a written statement authorizing such payment must be submitted and signed by the spouse and the designated beneficiary.

[27] If your beneficiary is a trust or your estate, distributions will generally be made to the relevant trustee or the executor(s) of your estate. However, the trustee or executor may, subject to any rules we establish, provide written directions to us to make distributions to the beneficiaries of the trust or estate of its interest in your SRA/IRA.

[28] If you are divorced or your marriage is annulled after you designate your spouse as the beneficiary, the designation is void *unless*:

- The decree of divorce or annulment designates such spouse as beneficiary;
- You designate your spouse as beneficiary; or
- Such spouse is re-designated to receive proceeds or benefits in trust for, on behalf of, or for the benefit of your child or dependent.

[29] Unless otherwise provided in your beneficiary designation, if a primary beneficiary predeceases you, his or her share will be distributed to remaining primary beneficiaries in proportion to their payment percentages. If no primary beneficiaries survive you, the balance will be distributed to your contingent beneficiaries.

[30] If you have not designated a beneficiary, or if no beneficiary survives you, your SRA/IRA balance will be paid to your surviving spouse, or, if you are not survived by your spouse, to your estate.

Investments

[31] You are responsible at all times for directing the investment of assets in your SRA/IRA, including the direction to enroll in a Merrill Lynch investment advisory program. *We do not assume liability for any losses incurred in your SRA/IRA as a consequence of the investments you selected, including the direction to enroll in a Merrill Lynch investment advisory program.*

[32] Your SRA/IRA may invest in one or more investment alternatives we offer, subject to any rules we may reasonably establish, or your SRA/IRA may sell any such assets and reinvest the proceeds. All investments must be compatible with our administrative and operational requirements, which may change from time to time.

[33] Dividends and other distributions on shares of mutual funds in which your SRA/IRA is invested will be paid in cash, where the option exists and will be deposited along with other cash balances (see Cash Balances on page 22).

[34] In no event may the assets in your SRA/IRA be commingled with other property except in a common trust fund or a common investment fund.

[35] Your SRA/IRA cannot invest in collectibles (works of art, antiques, rugs, most metals, gems, stamps, most coins and alcoholic beverages) and life insurance contracts.

[36] You may enroll your SRA/IRA in a Merrill Lynch investment advisory program, as provided under a separate agreement. Except as provided under a such separate agreement, Merrill Lynch will not have discretionary authority or control with respect to the investment of your SRA/IRA assets and will not render advice that is individualized for your SRA/IRA under any mutual agreement, arrangement or understanding that the advice will serve as a primary basis for your SRA/IRA investment decisions.

[37] Except as provided under a separate agreement, we have no duty to determine or advise you or any other person of the investment consequences resulting from your or their actions involving your SRA/IRA and we are not liable for the investment consequences of your or their actions, or of our actions following your directions, or of our failing to act in the absence of your or their directions. In addition, we have no duty to determine or advise you or any other person of the tax or other consequences resulting from your or their actions involving your SRA/IRA and we are not liable for the tax or other consequences of your or their actions, or of our actions following your directions, or of our failing to act in the absence of your or their directions.

[38] Except as provided under a separate agreement, we will not make any investments or dispose of any investments in your SRA/IRA without your direction, except as otherwise provided in this agreement. For instance, we

may sell assets to pay amounts owed to us or if your SRA/IRA is considered abandoned, in which case we will pay the assets to the state of your last known residence.

[39] Unless you are enrolled in a Merrill Lynch investment advisory program, we are not responsible for reviewing the assets in your SRA/IRA or for making recommendations on acquiring, retaining or selling any assets. No Merrill Lynch Research opinion, Independent Research opinion, the inclusion of a security on any list, or any information provided to you either on the Merrill Edge website or by mail or any other means constitutes a recommendation to you to purchase, hold or sell any investment nor should you view Merrill Lynch as providing impartial investment advice to you by reason of making such research, opinions, lists or information available to you.

[40] You may appoint an investment advisor or other person to act as your representative with authority to direct investments of any assets in your SRA/IRA. If you do so, you *agree* that the appointment is effective only if:

- We have received a signed copy of an agreement between you and such person, which is acceptable to us and which specifies that such person may act on your behalf and direct us as to how to invest your assets; and
- We do not object to acting on the directions of such person, which objection we may assert at any time for any reason.

[41] *Note that "you" and "your" may refer to this investment advisor with respect to investment decisions, but not with respect to account ownership and contributions.*

[42] We may hold securities in your SRA/IRA in our name or the name of any nominee we select, without qualification or description of ownership.

[43] We may make, sign and deliver any written contracts, waivers, releases or other documents necessary to carry out your instructions.

[44] We may establish sub-accounts for permitted investment purposes.

[45] We will provide you with all notices, prospectuses, financial statements, proxies and proxy solicitations we receive concerning investments in your SRA/IRA. We will follow your written instructions for voting shares and exercising other rights of ownership. Subject to, and except as permitted by any applicable rules of the Securities and Exchange Commission and any national securities exchanges, in the absence of written instructions from you, we will not exercise such rights in the absence of authorization from you, and will not be responsible for the consequences of failing to take action.

[46] If we cannot locate you or your beneficiary, Merrill Lynch can, with no responsibility for the consequences, sell any or all the assets in your SRA/IRA. We may then, if not already deposited through a sweep option in effect for your account, invest in a money market fund or deposit the proceeds in an interest-bearing account. We will do so only after waiting at least two months from the date we attempt to locate you or your beneficiary by sending a written notice to the last address shown for you or your beneficiary in our records.

Annuity contracts

[47] If annuity contracts are offered as investments for your SRA/IRA, Merrill Lynch, as custodian, must own any annuity and will exercise all rights under the annuity by following your written instructions.

[48] We are not responsible for the validity of any annuity held in your SRA/IRA or the failure of any insurance company to make annuity payments. Also, unless caused by gross negligence or willful misconduct, our failure to purchase an annuity or pay an annuity premium when due will not give anyone a claim against us.

[49] If your contribution toward an annuity is not sufficient to pay the premium due, we will notify you and inquire whether you wish us to sell any assets in the SRA/IRA to pay the premium. If we are unable to pay the premium when due, depending on the terms of the annuity contract, the annuity will either be placed on a paid up basis or the annuity benefit amount will be reduced.

[50] Any death benefit under the annuity must be payable to your SRA/IRA for distribution to any beneficiary designated under your SRA/IRA.

Cash balances

[51] *You authorize* the deposit of cash balances in your SRA/IRA in accounts with Bank of America, N.A. America, N.A. or Bank of America California, N.A., or with affiliated or unaffiliated depositary institutions that bear interest equal to daily yields as shown on our website. If a deposit program is not available for your SRA/IRA, cash balances will be deposited in the option made available for cash balances.

Fees

[52] *You agree* to pay us all applicable fees and costs, including:

- Fees for our services as custodian of your SRA/IRA, according to our current schedule, which may change from time to time;
- Merrill Lynch investment advisory program fees, when applicable;
- All applicable taxes, including transfer taxes on investments; and investments; *and*
- Any other expenses we incur as custodian or that may otherwise be properly charged to your account.

[53] We may deduct directly from your SRA/IRA any such fees, tax reimbursements or expenses owed to us. If sufficient cash is not available in your SRA/IRA, we reserve the right to sell any assets in your SRA/IRA to cover amounts due us. We may also, at your direction, deduct fees and expenses of any investment advisor you appoint, to the extent not paid by you or otherwise prohibited.

Our rights and responsibilities

[54] We have no duty to perform any actions other than those specified in this agreement. We can accept and rely conclusively on any instructions or other communications we reasonably believe to have been given either by you or some other authorized person. We can assume that the authority of such person continues in effect until we receive written notice to the contrary.

[55] We will keep accurate and detailed records of all transactions concerning your SRA/IRA.

[56] We will submit such annual and other written reports to you and the IRS as required of us by law, including such information concerning required minimum distributions as prescribed by the Commissioner of the Internal Revenue Service. All distributions from your SRA/IRA, including those resulting from account revocations, are reported to you and the IRS on Form 1099-R.

[57] If you do not write to us to object to a report within 60 days after we send it to you, you will be considered to have approved it and to have released us from all responsibility for matters covered by the report.

[58] *You agree* to provide us with any information we may need to comply with our legal reporting requirements. You will continue to be responsible for filing your tax return and any other reports required of you by federal law.

Taxes

[59] If investments in your SRA/IRA generate “unrelated business taxable income” of more than $1,000 during the year, we may have to calculate and pay income taxes on that amount. If so, we reserve the right to impose a fee for filing a tax return for your SRA/IRA.

Resigning as custodian

[60] If we ever resign as custodian, we will notify you in writing at your last known address at least thirty (30) days in advance of our resignation. You acknowledge and agree that, upon your receipt of notice of our resignation as your custodian: (i) you will have the right to select your successor custodian, provided that you have given us written instruction to transfer your SRA/IRA assets to another SRA/IRA custodian or trustee in advance of the effective date of our resignation; (ii) if you have not provided us with instructions regarding your preferred successor custodian, we may, in our sole discretion and without further notice to you, designate a successor custodian (including one affiliated with us) on your behalf; and (iii) in the event no successor custodian is designated by you (including in particular if we

appoint a successor custodian on your behalf), we may liquidate without further notice to you all of the assets in your account, and all proceeds from such liquidation will be either (a) transferred to the successor custodian or (b) sent to your last known address in the form of a check. Please note that in the event we liquidate any of your assets, any outstanding obligations and/or debit balance(s) you may owe in your SRA/ IRA account(s), including any annual and closing fees, will be deducted by Merrill Lynch prior to any checks being issued. Additionally, the liquidation of any security may incur fees, including mutual fund contingent deferred sales charges, or other applicable liquidation fees, which also will be paid with the proceeds of your liquidated assets.

[61] You are required to direct us to transfer your account to some other trustee or custodian in the unlikely event that the IRS notifies us that we no longer qualify to act as custodian. We will make a transfer after receipt of the new custodian or trustee's written acceptance of the appointment.

[62] *Certain investments, such as limited partnerships, generally can be transferred only annually, semi-annually or at some other specified intervals. Additionally, some investments, such as certain certificates of deposit (CDs), cannot be delivered and must be either liquidated or held with the custodian until maturity.*

Nonforfeitability

[63] Your right to the balance in your SRA/IRA cannot be forfeited at any time.

Exclusive benefit and restrictions on sale or transfer

[64] Your SRA/IRA is exclusively for the benefit of you and your beneficiaries. After your death, your beneficiaries, except as specifically provided to the contrary, will have all the rights and all the obligations you had with respect to your SRA/IRA. You cannot sell or assign any interest in your SRA/IRA. However, you may be able to transfer all or part of your SRA/IRA to a former spouse under the terms of a divorce decree or written agreement made in connection with your divorce. Following your death, the trustee of a trust or the personal representative of an estate which is your beneficiary may be able to direct us to make distributions directly to the beneficiaries of such trust or estate, as provided in Beneficiaries on page 8.

Indemnification

[65] *You agree* to repay us for any liabilities or expenses we may incur as a result of this agreement, other than those arising out of our failure to perform our specified duties.

[66] Except as to controversies arising between us, we can apply to a court at any time for judicial settlement of any matter involving your SRA/IRA. If we do so, we must give you the opportunity to participate in the court proceeding, but we can also involve other persons.

[67] Any expenses we incur in legal proceedings involving your SRA/IRA, including attorney's fees, are chargeable to your SRA/IRA and payable by you if not paid from your SRA/IRA.

Arbitration

[68] **This Agreement contains a predispute arbitration clause. By signing an arbitration agreement the parties agree as follows:**

- **All parties to this Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.**
- **Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.**
- **The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.**
- **The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.**
- **The panel of arbitrators may include a minority of arbitrators who were or are affiliated with the securities industry.**

- **The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.**
- **The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.**

[69] **You agree that all controversies that may arise between us shall be determined by arbitration. Such controversies include, but are not limited to, those involving any transaction in any of your accounts with Merrill Lynch, or the construction, performance or breach of any agreement between us, whether entered into or occurring prior, on or subsequent to the date hereof.**

[70] **Any arbitration pursuant to this provision shall be conducted only before the Financial Industry Regulatory Authority, Inc. (FINRA) or an arbitration facility provided by any other exchange of which Merrill Lynch is a member, and in accordance with the respective arbitration rules then in effect in FINRA or such other exchange.**

[71] **You may elect in the first instance whether arbitration shall be conducted before FINRA or another exchange of which Merrill Lynch is a member, but if you fail to make such election by registered letter addressed to Merrill Lynch at the office where you maintain your account before the expiration of five days after receipt of a written request from Merrill Lynch to make such election, then Merrill Lynch may make such election.**

[72] **Judgment upon the award of the arbitrators may be entered in any court, state or federal, having jurisdiction.**

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

[74] **This agreement does not prohibit or restrict you from requesting arbitration of a dispute in the FINRA arbitration forum as specified in FINRA rules.**

[75] **Notwithstanding the foregoing, any agreement or award made as a result of an arbitration proceeding shall not be in violation of Section 408 of the Tax Code and related regulations.**

Governing Law

[76] The laws of the State of New York and federal law applicable to individual retirement accounts (IRAs) shall govern this agreement, and its enforcement, without regard to the community property laws of any state.

Amendments

[77] We reserve the right to amend this agreement and will give you written notice of any amendment. Written notice of any amendment in a manner determined by Merrill Lynch, including electronic delivery or posting electronically to an internet address.

Binding effects on successors

[78] You and we agree that this agreement will be binding on and will inure to the benefit of the beneficiaries, heirs, successors and personal representatives of you, your beneficiaries and Merrill Lynch.

Electronic Delivery

[79] We will provide any notice (written or otherwise) required under the SRA/IRA or the Tax Code in a manner determined by us, in our sole discretion, including electronic delivery or posting to an internet address.

L-12-21

Prototype SIMPLE Retirement Account Plan

ARTICLE I: DEFINITIONS

As used in this Prototype SIMPLE Retirement Account Plan and Employer's Adoption Agreement, each of the following terms shall have the meaning for that term set forth in this Article I:

"Affiliate" means any corporation or unincorporated business (other than the Employer): (a) which is controlled by, or under common control with, the Employer within the meaning of section 414(b) or (c) of the Code,

(b) which is a member of an "affiliated service group" (as defined in section 414(m) of the Code) which includes the Employer, or (c) which is required to be aggregated with the Employer under section 414(o) of the Code and the regulations thereunder.

"Business" means in the case of an Employer that is a sole proprietorship or partnership, the trade or business of the Employer with respect to which this Plan is adopted, and in the case of an Employer that is a corporation, each trade or business of the corporation.

"Code" means the Internal Revenue Code of 1986, as now in effect or as amended from time to time. A reference to a provision of the Code shall be to such provision and any valid regulations pertaining thereto as well as to the corresponding provision of any legislation which amends, supplements or supersedes that provision and any valid regulations pertaining thereto.

"Compensation" means:

(a) For an Employee other than a Self-Employed Individual, wages [as defined in Code section 3401(a)] included in the "Wages, Tips and Other Compensation" box on the Internal Revenue Service Form W-2 furnished to the Employee, which information is required to be reported by the Employer under Code section 6051(a)(3). Compensation shall also include any amount which is contributed by the Employer pursuant to a salary reduction agreement and which is not includible in the gross income of the Employee under Code sections 402(e)(3), 402(h), 402(k), 403(b), or compensation deferred under section 457 included in the appropriate box on the Form W-2 (Box 12 for 200), which information is required to be reported under Code section 6051(a)(8). Compensation does not include any amounts deferred by the Employee pursuant to a section 125 cafeteria plan.

(b) For a Self-Employed Individual, his or her Net Earnings for the year involved, including any Salary Reduction Contributions made on his or her behalf under this Prototype SIMPLE Plan and without reduction for any deduction otherwise available to such individual with respect to any other contribution made to the Plan on his or her behalf.

(c) In addition to other applicable limitations set forth in the Plan, the annual Compensation of each Employee (including a Self-Employed Individual) taken into account under the Plan in determining the amount of the Employer's Nonelective Contribution, if any, shall not exceed $23,000, as adjusted by the Commissioner for increases in the cost of living in accordance with section 401(a)(17)(B) of the Code.

"Election Period" means the 60-day period before the beginning of any Plan Year and a 60-day period that includes either the day an Eligible Employee becomes eligible to make Salary Reduction Contributions, or the day immediately before such day, as determined by the Employer.

"Eligible Employee" means any Employee of an Employer other than an Employee in either or both of the following categories of Employees:

(a) Employees included in a unit of Employees covered by a collective bargaining agreement between the Employer or any Affiliate and "employee representatives," if retirement benefits were the subject of good faith bargaining and 2% or less of the Employees who are covered pursuant to that agreement are professionals as defined in Treasury Regulation § 1.410(b)-9(g). For this purpose, the term "employee representatives" does not include any organization more than half of whose members are Employees who are owners, officers or executives of the Employer or any Affiliate.

(b) Nonresident aliens within the meaning of Code section 7701(b)(1)(B) who receive no earned income within the meaning of Code section 911(d)(2) from the Employer or any Affiliate which constitutes income from sources within the United States within the meaning of Code section 861(a)(3).

Notwithstanding the foregoing, the Employer's Adoption Agreement may provide for inclusion of either or both categories of Employees as Eligible Employees.

"Employee" means a Self-Employed Individual, any individual who is employed by the Employer in the Business and any individual who is employed by an Affiliate. Each Leased Employee shall also be treated as an Employee of the recipient Employer.

"Employer" means the corporation, proprietorship, partnership or other organization (or any successor thereto) which adopts the Plan by execution of an Employer's Adoption Agreement. Each Affiliate shall also adopt this Plan, and each of such adopting Affiliates shall be deemed an "Employer" with respect to the Plan; provided that the Employer signing the Employer's Adoption Agreement shall (a) be the Plan sponsor within the meaning of ERISA section 3(16)(B), and (b) have the authority to act for all participating Employers with respect to Plan administration and the execution and amendment of the Plan.

"Employer Contributions" means the contributions made on a Participant's behalf described in Article IV.

"Employer Matching Contributions" means the Employer Contributions described in Subsection A of Article IV.

"Employer Nonelective Contributions" means the Employer Contributions described in Subsection B of Article IV.

"Employer's Adoption Agreement" means a document so designated with respect to this SIMPLE Plan and executed by the Employer, as amended from time to time.

"ERISA" means the Employee Retirement Income Security Act of 1974, as now in effect or as amended from time to time. A reference to a provision of ERISA shall be to such provision and any valid regulations pertaining thereto as well as to the corresponding provision of any legislation which amends, supplements or supersedes that provision and any valid regulations pertaining thereto.

"Leased Employee" means any individual (other than an Employee) who, pursuant to an agreement between the recipient Employer and any other person (the "leasing organization"), has performed services for the recipient Employer (or for the recipient Employer and "related persons" determined in accordance with Code section 414(n)(6)) on a substantially full-time basis for a period of at least one year, such services are performed under the primary direction or control of the recipient Employer and any other individual who must be treated as a "leased employee" under regulations adopted pursuant to Code section 414(o).

"Net Earnings" means the net earnings from self-employment (within the meaning of Code section 1402(a)) of a Self-Employed Individual with respect to the Employer. "Net Earnings" shall be determined as if the term "trade or business" for purposes of Code section 1402 included service described in Code section 1402(c)(6).

"Participant" means an Eligible Employee who satisfies the eligibility requirements of Article II with respect to the Plan Year involved and (a) has elected to make Salary Reduction

Contributions under this Prototype SIMPLE Plan, or (b) is entitled to receive an allocation of an Employer Nonelective Contribution.

"Plan" means the simple retirement account plan of the Employer in the form of this Prototype SIMPLE Plan and the applicable Employer's Adoption Agreement executed by the Employer.

"Plan Year" means the calendar year. If the Plan becomes effective on a date between January 1 and October 1, the term "Plan Year" shall also include the short period commencing on the effective date and ending on December 31 of the calendar year in which the Plan first became effective; provided, however, that for all purposes of measuring Compensation under this Prototype SIMPLE Plan for such first Plan Year, Compensation shall be determined on the basis of the entire calendar year in which the first Plan Year began.

"Prototype SIMPLE Plan" means Merrill Lynch's Prototype SIMPLE Retirement Account Plan as set forth in this document, as amended from time to time.

"Qualified Military Service" means any service in the uniformed services (as defined in Chapter 43 of Title 38, United States Code) where an Employee is entitled to reemployment rights under such Chapter with respect to such service.

"Salary Reduction Agreement" means an agreement entered into between an Employee and the Employer to reduce the Compensation otherwise payable directly to the Participant in cash, as further described in Article III of this Prototype SIMPLE Plan.

"Salary Reduction Contributions" means the contributions made on a Participant's behalf described in Article III.

"Self-Employed Individual" means an individual described in section 401(c)(1) of the Code.

"SRA/IRA" means the simple retirement account, as that term is defined in section 408(p)(1) of the Code, established by or on behalf of an Employee for investment of contributions made on behalf of the Employee under the Plan. The SRA/IRA must be either an Internal Revenue Service model IRA, Form 5305-S or 5305-SA, or a Service-approved prototype SIMPLE retirement account.

ARTICLE II: ELIGIBILITY TO PARTICIPATE

Each individual who is an Eligible Employee who received at least $5,000 in Compensation from the Employer during any two preceding calendar years and who is reasonably expected to receive at least $5,000 in Compensation during the Plan Year shall be eligible to participate in the Plan and to receive an allocation to his or her SRA/IRA for the Plan Year.

Notwithstanding the foregoing, the Employer's Adoption Agreement may permit Eligible Employees with less than $5,000 in Compensation in any prior calendar year, and Eligible Employees who are reasonably expected to earn less than $5,000 in the Plan Year involved, to participate.

Immediately before the Election Period, the Employer shall notify each Eligible Employee who satisfies the foregoing eligibility requirements of the Employee's eligibility to participate in the Plan. Such notice shall include a copy of the summary description as described in section 408(l)(2)(B) of the Code.

ARTICLE III: SALARY REDUCTION CONTRIBUTION

Each Participant may, pursuant to a Salary Reduction Agreement, make an election during the Election Period to have Compensation that is received subsequent to the election reduced, through continuing contributions by an amount based on a percentage of his Compensation, not in excess of the amount specified in Code section 408(p)(2)(E) for the applicable calendar year.

Notwithstanding the foregoing, a Participant who is age 50 or over by the end of the Participant's tax year may make additional Salary Reduction Contributions to the Plan in accordance with, and subject to the limitations of, Code section 414(v) and any guidance issued thereunder. A Participant's total Salary Reduction Contributions cannot exceed his

Compensation. All retirement plans maintained by the Employer will be treated as a single plan for purposes of these additional Salary Reduction Contributions. These additional Salary Reduction Contributions are not subject to any other contribution limit and are not taken into account in applying other contribution limits.

The Employer or an Affiliate will contribute these amounts as Salary Reduction Contributions to the Participant's SRA/IRA as an Employer Contribution for the Plan Year. This contribution will be made as of the earliest date on which contributions for a Participant can be reasonably segregated from the Employer's general assets, but in no event later than 30 days after the last day of the month with respect to which the Salary Reduction Contributions are to be made.

No Salary Reduction Contributions may be made by a Participant on the basis of Compensation that the Participant received before the later of the Effective Date of this Plan, as specified in the Employer's Adoption Agreement or the execution by the Participant of a Salary Reduction Agreement.

A Participant may increase or decrease his or her Salary Reduction Contributions for any Plan Year during the Election Period for such Plan Year by providing written notice of such modifications to the Employer. Notwithstanding the foregoing, the Employer's Adoption Agreement may permit more frequent modifications of a Participant's Salary Reduction Contributions.

A Participant may elect to cease Salary Reduction Contributions at any time during the Plan Year; provided, however, that the Participant may not elect to resume Salary Reduction Contributions until the beginning of the next Plan Year, unless the Employer's Adoption Agreement provides otherwise.

ARTICLE IV: EMPLOYER CONTRIBUTIONS

A. Employer Matching Contribution

Subject to Subsection B, the Employer shall make an Employer Contribution Matching Contribution for each Plan Year to the SRA/IRA of each Participant in an amount equal to each Participant's Salary Reduction Contributions, for the Plan Year of up to 3% of the Participant's Compensation for the Plan Year.

Notwithstanding the foregoing, the Employer may elect to match a percentage lower than 3% of each Participant's Compensation (but not less than 1%) in any two Plan Years during the five-year period ending with such Plan Year. If any Plan Year in the foregoing five-year period is a year prior to the first year any simple retirement account as described in section 408(p) of the Code is in effect with respect to the Employer (or any predecessor), the Employer shall be treated as if the level of Employer Matching Contributions was 3% for such prior Plan Year.

If the Employer elects to match a percentage of each Participant's Compensation lower than 3% for any Plan Year, it shall notify those Eligible Employees entitled to receive such notice of such lower percentage within a reasonable period of time before the Election Period for such Plan Year.

B. Employer Nonelective Contribution

If the Employer so elects, in lieu of the Employer Matching Contributions for any Plan Year, the Employer may make an Employer Nonelective Contribution for such year to the SRA/IRA of each Eligible Employee who satisfies the eligibility requirements set forth in Article II and who has at least $5,000 of Compensation from the Employer for the Plan Year. The Employer Nonelective Contribution shall be equal to 2% of each such Eligible Employee's Compensation.

Notwithstanding the foregoing, the Employer's Adoption Agreement may permit Eligible Employees to receive an Employer Nonelective Contribution even if they do not have at least $5,000 in Compensation from the Employer for the Plan Year, but who otherwise satisfy the eligibility requirements set forth in Article II.

If the Employer elects to make an Employer Nonelective Contribution for a Plan Year, it shall notify those Eligible Employees entitled to receive such notice of such election within a reasonable period of time before the 60-day Election Period for such Plan Year.

C. Deductibility of Employer Contributions

The Employer may, subject to limitations contained in the Code, deduct contributions made to the Plan in the taxable year of the Employer with or within which the Plan Year ends. Employer Matching Contributions or Employer Nonelective Contributions made for a particular taxable year of the Employer must be contributed by the due date of the Employer's income tax return (including extensions) and are deemed made in such taxable year for purposes of the Employer's deduction.

D. Employer Tax Credit

Employers who employ 100 or fewer employees who have received at least $5,000 of Compensation from the Employer in the preceding year and employ at least one employee who is not a highly compensated employee, as defined in Code section 414(q), may claim a tax credit of 50% of the administrative and retirement-education expenses incurred for the Plan. The credit is limited to $500 and may be claimed by the Employer for the first three years of the plan.

ARTICLE V: VESTING

Each Participant shall be fully vested at all times in his Salary Reduction Contributions, Employer Matching Contributions and Employer Nonelective Contributions, if any.

ARTICLE VI: MILITARY SERVICE

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to Qualified Military Service will be provided in accordance with section 414(u) of the Code.

ARTICLE VII: TRANSFERS AND WITHDRAWALS

The Employer may not require a Participant to retain any portion of the contributions made to the Participant's SRA/IRA in such SRA/IRA, or otherwise impose any withdrawal restrictions.

In accordance with section 408 of the Code, any amount paid or withdrawn from a Participant's SRA/IRA may be rolled over or transferred on a tax-free basis, at any time, to another individual retirement account or annuity designed solely to hold funds under a simple retirement account plan. A Participant may also roll over or transfer on a tax-free basis any amount paid or withdrawn from the Participant's SRA/IRA to a traditional individual retirement account or annuity after a two-year period has expired since the Participant first participated in the Plan or any other simple retirement account maintained by the Participant's employer under section 408(p) of the Code.

A Participant may also roll over on a tax-free basis any amount paid or withdrawn from the SRA/IRA to a qualified retirement plan, 403(b) plan, 403(a) plan or an eligible governmental 457 plan in accordance with Code section 408(d)(3), after a two-year period has expired since the Participant first participated in the Plan or any other simple retirement account maintained by the Participant's employer under section 408(p) of the Code.

Any amount paid or withdrawn from a Participant's SRA/IRA during the two-year period beginning on the date that the Participant first became a Participant in the Plan or any other simple retirement account maintained by the Participant's employer under section 408(p) of the Code, and that is subject to the additional tax on early distributions under section 72(t) of the Code, will be subject to a 25% (rather than 10%) additional tax for early withdrawal.

ARTICLE VIII: EMPLOYER ELIGIBILITY REQUIREMENTS

An Employer, with respect to any Plan Year, must have no more than 100 Employees who received at least $5,000 of Compensation from the Employer for the preceding Plan Year to be an employer eligible to maintain this Prototype SIMPLE Plan; provided, however, that an eligible employer who establishes and maintains this Plan for one or more years and fails to satisfy the foregoing eligibility requirements for any subsequent year shall be treated as an eligible employer for the two years following the last year the employer qualified as an eligible employer.

In addition, an Employer (or any predecessor employer) who maintained a "qualified plan" (which is defined as a plan, contract, pension or trust described in section 219(g)(5)(A) or (B) of the Code) with respect to which contributions were made or benefits were accrued, for service in any calendar year in the period beginning with the calendar year the Prototype SIMPLE Plan became effective and ending with the calendar year for which the determination is being made, will not be eligible to maintain this Plan and neither Salary Reduction Contributions nor Employer Contributions may be made under this Plan. Notwithstanding the foregoing, an Employer will be eligible to maintain this Plan, if it also maintains a "qualified plan(s)" (as defined above) solely for the category of Employees described in Section 1.6(a) of the Plan and the Employer's Adoption Agreement does not provide for inclusion of such category of Employees as Eligible Employees.

Notwithstanding anything herein to the contrary, if the Employer fails to satisfy any of the requirements described in this Article VIII and the first paragraph of Article II hereof on account of an acquisition, disposition, or similar transaction, the Employer shall not be treated as failing to meet such requirement during the period beginning on the date of the transaction and ending on the last day of the second calendar year following the calendar year in which such transaction occurs, if the following requirements are met: (a) the Employer satisfies requirements similar to the rules under section 410(b)(6)(C)(i)(II) of the Code, and (b) the Plan would satisfy such requirement after the transaction if the Employer that maintained the Plan before the transaction had remained a separate Employer.

ARTICLE IX: AMENDMENT

Merrill Lynch reserves the right to amend this Plan and will give the Employer written notice of any amendment. The Employer may amend the Plan as applied to the Employer by changing its elections on the Adoption Agreement and will give Merrill Lynch written notice of any such change in election. Notwithstanding the foregoing, any amendment must conform to the substantive provisions of the Plan notice provided to Participants for the calendar year.

ARTICLE X: ELECTRONIC DELIVERY

Merrill Lynch shall provide any notice (written or otherwise) required under the Plan or the Code in a manner determined by Merrill Lynch, in its sole discretion, including electronic delivery or posting to an internet address.

L-11-16

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

Sponsor Name: MERRILL LYNCH PIERCE FENNER & SMITH INC
Arrangement Description: SIMPLE IRA Custodial Account 003
FFN: 50194150009-003 Case: 200300618 EIN: 13-3180817
BPD: 09 Plan: 003 Letter Serial No: K101096b

MORGAN LEWIS & BOCKIUS LLP
VIVIAN S MCCARDELL ESQ
1701 MARKET STREET
PHILADELPHIA, PA 19103

Contact Person:
Ms. Arrington 50-00197
Telephone Number:
(202) 283-8811
In Reference To:
T:EP:RA:T2
Date: 01/28/2004

** COPY FOR AUTHORIZED REPRESENTATIVE **

Dear Applicant:

In our opinion, the amendment to the form of the prototype trust, custodial account or annuity contract identified above is acceptable under section 408 of the Internal Revenue Code, as amended through the Job Creation and Workers assistance Act of 2002, for use as a SIMPLE IRA under Code section 408(p). This opinion letter may not be relied on with respect to whether a SIMPLE IRA Plan, under which contributions are made by an employer to the SIMPLE IRA, satisfies the requirements of Code section 408(p).

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

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

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

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

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

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

Sincerely yours,

Paul T. Shultz

Director,
Employee Plans Rulings & Agreements

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

Sponsor Name: MERRILL LYNCH PIERCE FENNER & SMITH INC
Plan Description: Prototype SIMPLE IRA Plan 001
FFN: 50994150000-001 Case: 200300617 EIN: 13-3180817
BPD: 00 Plan: 001 Letter Serial No: K901095b

Contact Person:
Ms. Arrington 50-00197
Telephone Number:
(202) 283-8811
In Reference To:
T:EP:RA:T2
Date: 01/28/2004

MORGAN LEWIS & BOCKIUS LLP
VIVIAN S MCCARDELL ESQ
1701 MARKET STREET
PHILADELPHIA, PA 19103

** COPY FOR AUTHORIZED REPRESENTATIVE **

Dear Applicant:

In our opinion, the amendment to the form of your Savings Incentive Match Plan for Employees of Small Employers (SIMPLE IRA Plan) does not adversely affect its acceptability under section 408(p) of the Internal Revenue Code. This SIMPLE IRA Plan is approved for use only in conjunction with one or more SIMPLE Individual Retirement Arrangements (SIMPLE IRAs), each of which meets the requirements of Code section 408(p) and has received a favor- able opinion letter, or is a model SIMPLE IRA (Form 5305-S or 5305-SA).

An employer that adopts this approved prototype will be considered to have a SIMPLE IRA Plan that satisfies the requirements of Code section 408(p) provided that the terms of the plan are followed and that it is used in conjunction with one or more approved SIMPLE IRAs. Please provide a copy of this letter to each adopting employer.

Code section 408(l)(2) requires an employer that adopts a SIMPLE IRA Plan to provide to employees certain information about the SIMPLE IRA Plan.

Your prototype may have to be amended to include or revise provisions to comply with future changes in the law or regulations.

If you, the sponsoring organization, have any questions concerning the IRS processing of this case, please call the above telephone number. This number is only for use of the sponsoring organization. Individual participants and/or adopting employers with questions concerning the plan should contact the sponsoring organization. The sponsoring organization must provide its address and telephone number for inquiries by individual participants and adopting employers.

If you write to the IRS regarding this plan, please provide your telephone number and the most convenient time for us to call in case we need more information. *Whether you call or write, please refer to the File Folder Number (FFN) shown in the heading of this letter.*

You should keep this letter as a permanent record. Please notify us in writing if you modify or discontinue sponsorship of this prototype plan.

Sincerely yours,

Paul T. Shultz

Director,
Employee Plans Rulings & Agreements

The following is a copy of the written notice of approval, issued by the Internal Revenue Service on August 3, 1987. The notice, which the IRS requires that we provide for your information indicates that Merrill Lynch is approved to act as a nonbank custodian.

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

Person to Contact:
Mr. I. Porter

Telephone Number:
(202) 566-6120

Refer Reply to:
OP:E:EP:R:7

Date:
AUG 3 1987

Merrill Lynch, Pierce, Fenner
& Smith Inc.
One Liberty Plaza
165 Broadway
New York, NY 10080

E.I.N. 13-3180817

Dear Applicant

In a letter dated April 14, 1987, as supplemented by letters dated up to and including July 7, 1987, you requested a written notice of approval that Merrill Lynch, Pierce, Fenner & Smith may act as a nonbank custodian of individual retirement accounts (IRAs) and as a nonbank custodian for plans qualified under section 401 of the Internal Revenue Code as provided in section 1.401-12(n) of the Income Tax Regulations.

Section 408(h) of the Code provides that a custodial account shall be treated as a trust under section 408(a), if the assets of such account are held by a bank (as defined in section 408(n) of the Code) or such other person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will administer the account will be consistent with the requirements of section 408, and if the custodial account would, except for the fact that it is not a trust, constitute an IRA described in section 408(a). In the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account will be treated as the trustee thereof.

Section 401(f)(2) of the Code provides that a custodial account shall be treated as a qualified trust under this section if the custodial account would, except for the fact that it is not a trust, constitute a qualified trust under this section, and the custodian is a bank (as defined in section 408(n)) or another person who demonstrates, to the satisfaction of the Secretary, that the manner in which such other person will hold the assets will be consistent with the requirements of section 401. In the case of a custodial account treated as a qualified trust by reason of section 401(f), the person holding the assets of such account shall be treated as the trustee.

-2-

Merrill Lynch, Pierce, Fenner & Smith Inc.

Section 1.401-12(n) of the regulations provides that a nonbank applicant must file a written application with the Commissioner of Internal Revenue demonstrating, as set forth in that section, that the manner in which the person will administer trusts will be consistent with the requirements of section 401 of the Code. Section 1.401-12(n) of the regulations is used to determine the ability of a nonbank applicant to act as a trustee of IRAs or as a custodian of IRAs and of retirement plans qualified under section 401 of the Code.

Based on all the representations made in the application we have concluded that Merrill Lynch, Pierce, Fenner & Smith Inc. meets the requirements of section 1.401-12(n) of the regulations and, therefore, is approved to act as a nonbank custodian for IRAs and for plans qualified under section 401 of the Code.

Merrill Lynch, Pierce, Fenner & Smith Inc. may not act as a custodian unless it undertakes to act only under custodial instruments which contain a provision to the effect that the grantor is to substitute another custodian upon notification by the Commissioner that such substitution is required because the applicant has failed to comply with the requirements of section 1.401-12(n) of the regulations, or is not keeping such records, or making such returns or rendering such statements as are required by forms or regulations.

Merrill Lynch, Pierce, Fenner & Smith Inc. is required to notify the Commissioner of Internal Revenue, Attn: OP:E:EP, Internal Revenue Service, Washington, D.C. 20224, in writing, of any change which affects the continuing accuracy of any representations made in its application required by section 1.401-12(n) of the regulations. Furthermore, the continued approval of its application to act as a custodian is contingent upon the continued satisfaction of the criteria set forth in section I.401-12(n) of the regulations.

This letter constitutes a determination as to whether Merrill Lynch, Pierce, Fenner & Smith Inc. may act as a custodian for IRAs under section 408 of the Code and for plans qualified under section 401 and does not bear upon its capacity to act as a custodian under any other applicable state or federal law.

-3-

Merrill Lynch, Pierce, Fenner & Smith Inc.

The prior nonbank passive custodial approval letter issued January 28, 1977, to Merrill Lynch Pierce Fenner & Smith Inc. is revoked as of the date of this letter.

Sincerely yours,

Allen Katz

Allen Katz
Chief, Employee Plans
Rulings Branch

Merrill Lynch Retirement Asset Savings Program Fact Sheet

[1] This Fact Sheet describes the Retirement Asset Savings Program offered to certain sponsors and beneficiaries of retirement plan accounts at Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch").

ABOUT THE RETIREMENT ASSET SAVINGS PROGRAM

[2] The Retirement Asset Savings Program ("RASP") is a feature of retirement plan accounts for which Merrill Lynch is custodian (each a "Retirement Plan Account"). These include Individual Retirement Accounts, Roth Individual Retirement Accounts, Individual Retirement Rollover Accounts, Simplified Employee Pension, SIMPLE IRA, Coverdell Education Savings Accounts and BASIC™ Plan accounts.

[3] The RASP feature makes available to you a money market deposit account ("Deposit Account"), for each Retirement Plan Account which is opened on your behalf by Merrill Lynch, acting as your agent, at one or more participating depository institutions, the deposits of which are insured by the Federal Deposit Insurance Corporation ("FDIC"), an independent agency of the U.S. Government.

Merrill Lynch is not a bank and FDIC deposit insurance only covers the failure of an FDIC-insured bank. Certain conditions must be satisfied for deposit insurance coverage to apply when bank deposits are opened on your behalf in the name of Merrill Lynch as your agent. Merrill Lynch has in place business requirements and practices that are reasonably designed to satisfy those conditions, which include, but are not limited to, proper account titling and recordkeeping.

[4] A minimum deposit of $1 is required to open an account through RASP. However, no deposit relationship shall be deemed to exist prior to the receipt and acceptance of your funds by a participating depository institution.

[5] Each deposit into a Deposit Account is a direct obligation of the depository institution at which the Deposit Account is established and is not directly or indirectly an obligation of Merrill Lynch. Merrill Lynch does not guarantee in any way the financial condition of any institution at which you may establish accounts through RASP. Upon request, you will be provided with the publicly available summary financial information relating to participating institutions. Securities offered by Merrill Lynch are not backed or guaranteed by any bank nor are they insured by the FDIC.

[6] Deposits at each depository institution in which your funds are deposited through RASP are insured by the FDIC to a maximum amount of $250,000 (including principal and accrued interest) for all qualifying retirement account deposits held in the same legal capacity, except for Coverdell Education Savings Accounts which are FDIC insured in the Trust Account category (Trust Account). Trust deposits are insured in an amount up to $250,000 multiplied by the total number of eligible beneficiaries identified by each grantor, up to a maximum of five beneficiaries per grantor. The Trust Account category provides for a maximum amount of deposit insurance coverage of $1,250,000 per grantor, per insured depository institution for trust deposits. Your federal deposit insurance protection takes effect as soon as a depository institution receives your deposit. Any deposits, including certificates of deposit ("CDs"), that you maintain in the same legal capacity as your Retirement Plan Account directly with a particular depository institution, through other Merrill Lynch accounts or through another intermediary would be aggregated with the deposits maintained in the Deposit Accounts at that institution for purposes of the FDIC insurance limit. Since there may be more than one depository institution at which you may establish a Deposit Account, you may have more than the Standard Maximum Deposit Insurance Amount in federal deposit insurance protection for funds deposited through RASP."

[7] You are responsible for monitoring the total amount of deposits that you hold with one depository institution, in a single legal capacity,

including deposits maintained through RASP, deposits (including CDs) held through other Merrill Lynch accounts and deposits held directly with the depository institution.

How the RASP feature works

[8] Your money is remitted initially for deposit by Merrill Lynch, acting as your agent, into a Deposit Account at the primary depository institution. The primary depository institution is Bank of America, N.A. (BANA). The secondary depository institution is Bank of America California, N.A.(BA-CA) (and together with BANA, are the "Merrill Lynch Affiliated Banks," which will accept deposits once you exceed $246,000 in the Deposit Account at the primary institution as described below).

[9] From time to time, one or more of the participating depository institutions may be replaced with a new institution, including one that may not have been previously included. Also, new depository institutions may be added and the depository sequence changed. You will receive notification in advance of such movement, inclusion or change before any funds you have in a Deposit Account are moved to another institution. Notification may be by means of a letter, an entry on your Retirement Plan Account statement, or the delivery to you of a new listing of available depository institutions.

[10] For each Retirement Plan Account, the following rules apply: Funds up to $246,000 are remitted to the Deposit Account established for you at the primary depository institution, BANA. If the balance in your Deposit Account at BANA reaches $246,000, then your funds are remitted for deposit in the same manner to a Deposit Account established for you at BA-CA, until the balance in your Deposit Account at BA-CA reaches $246,000. If the balance in your Deposit Accounts at BA-CA reaches $246,000, subsequent funds are deposited in your Deposit Account at BANA, even if the amounts then deposited in your Deposit Account at BANA exceed $246,000. This may cause the amount deposited in BANA through RASP to exceed the Standard Maximum Deposit Insurance Amount. All deposits at an institution held in the same legal capacity are protected by federal insurance up to a maximum of the Standard Maximum Deposit Insurance Amount. Amounts on deposit at BANA or BA-CA held in the same legal capacity, including deposits maintained through RASP, in excess of the Standard Maximum Deposit Insurance Amount, will not be covered by federal deposit insurance.

[11] **It is important for you to monitor the amounts of your total deposits with each participating depository institution, so that you will know the extent of federal deposit insurance available to you for such deposits (see the following section Additional Information on Federal Deposit Insurance).**

[12] Generally, funds will be transferred to the next priority depository institution tuition, if any, in the priority sequence established. However, there may be exceptions if a depository institution is closed for the day, or if it reaches the aggregate deposit limit it will accept from Merrill Lynch clients. If a depository institution in which you have a Deposit Account chooses to no longer make its accounts available through RASP, funds in your Deposit Account at that institution will be transferred, after notification to you, to another participating depository institution."

[13] Available free credit balances of $1 or more will be automatically deposited in your Deposit Account on a daily basis, except for Saturdays, Sundays and legal holidays.

Transfers and withdrawals

[14] Merrill Lynch, as your agent, will make withdrawals from your Deposit Accounts as necessary to satisfy any debits in the Retirement Plan Account. However, as required by federal regulations, each depository institution at which Deposit Accounts may be established reserves the right to require seven days prior notice before permitting a withdrawal out of an individual account.

[15] If you have funds on deposit at both BANA and BA-CA, withdrawals will be made from your Deposit Accounts in the reverse of the order in which deposits are made to the Deposit Accounts.

[16] Payment out of your account may be delayed when funds placed in an account on your behalf had as their original source a check, draft or similar instrument given to Merrill Lynch. Merrill Lynch may delay the deposit of funds into a Deposit Account until funds submitted to your Retirement Plan Account have cleared.

[17] The Deposit Accounts established at the Merrill Lynch Affiliated Banks are not transferable.

Interest

[18] The rate paid for RASP will be established periodically as determined by the Merrill Lynch Affiliated Banks, and other participating depositories. For accounts established through RASP, the Merrill Lynch Affiliated Banks, and any other participating depositories, will set interest rates based on economic and business conditions. For RASP, interest rates will be tiered based upon your relationship with Merrill Lynch as determined by the value of assets in your eligible Retirement Plan Account(s), Deposit Account(s) and eligible accounts linked through the Merrill Lynch Statement Link service. For these tiered Deposit Accounts, deposits of clients in higher Tiers (as defined below) generally will receive higher interest rates than deposits of clients in lower Tiers. A Retirement Plan Account assigned to Tier 5 may receive a higher yield on bank deposits than a Retirement Plan Account with a lower tier assignment.

[19] Your interest rate generally will correspond with your Tier as determined by the value of assets in your eligible Retirement Plan Account(s), Deposit Account(s) and accounts linked through the Merrill Lynch Statement Link service. For regulatory or other reasons, certain types of accounts that can be linked for statement delivery purposes cannot be counted for the purpose of determining your total eligible client assets for tier assignment. For more information on the Merrill Lynch Statement Link service, please refer to the description in this booklet. Certain Retirement Plan Accounts will be assigned a tier regardless of the value of assets. Retirement Plan Accounts enrolled in "IA Programs" as defined below will be assigned Tier 5.

Retirement Plan Accounts
Tier 1 – Less than $250,000
Tier 2 – $250,000 to $999,999
Tier 3 – $1,000,000 to $9,999,999
Tier 4 – $10,000,000 or more
Tier 5 – IA Programs
"IA Program" means any of the following investment advisory programs offering fiduciary advice and guidance and other investment advisory services made available by or through Merrill Lynch and/or Merrill Account Advisors, its affiliate, registered with the Securities Exchange Commission: (1) the Merrill Lynch Investment Advisory Program; (2) the Merrill Lynch Strategic Portfolio Advisor Service; (3) the Merrill Lynch Managed Account Service; (4) the BlackRock Private Investors Service; (5) the Merrill Guided Investing Program (6) the Merrill Guided Investing with Advisor Program; and (7) the Merrill Edge Advisory Account program.

[20] In general, Merrill Lynch will determine your Tier toward the end of each month (the "Valuation Date") for application the next statement month. The valuation procedure generally will work like this:

- Your Tier(s) will be based on Merrill Lynch's determination of the long market value of assets and Deposit Account balances in your eligible Retirement Plan, including other eligible accounts linked through the Merrill Lynch Statement Link service. Retirement Plan Accounts enrolled in IA Programs will be assigned Tier 5 regardless of the value of assets and Deposit Account balances.
- Your Tier(s) will not change until the next Valuation Date even if you open new accounts or link accounts.
- If you have accounts enrolled in the Merrill Lynch Statement Link service on the Valuation Date, then the valuation will reflect the dollar value of assets in those linked accounts (except excluded accounts) to determine your Tier. Assets of eligible Retirement Plan accounts enrolled in IA Programs will be included in the valuation.

- If your accounts are not linked on the Valuation Date, then the assets in each Retirement Plan Account will be valued individually to determine your Tier for that account.
- New Retirement Plan Accounts are not valued until the next applicable Valuation Date. In the first month, deposit balances in all new accounts will receive the interest rate that corresponds to the Tier that ranges from $250,000 to $999,999. This Tier may be adjusted, as appropriate, on the next Valuation Date.

[21] Without notice, interest rates may change daily, the interest rate differential between Tiers may change, and Tiers may also change. To learn the annual percentage yield, call your Merrill Lynch advisor or the Merrill Advisory Center. You may also visit MyMerrill.com (see the "Deposit Account & Money Fund Rates" link at the bottom of the page).

[22] The rates of return paid with respect to the Deposit Accounts may be higher or lower than the rates of return available to other depositors of the participating depository institution for comparable accounts. Of course, you should compare the terms, rates of return, required account minimums, charges and other features of a Deposit Account with other accounts and alternative investments before deciding to maintain a Deposit Account.

[23] Interest will accrue on the balances in a Deposit Account from the day funds are deposited with a participating depository institution to (but not including) the date of withdrawal, and will be compounded daily and credited monthly.

Client statements

[24] All of your transactions will be confirmed and will appear in chronological sequence on your Merrill Lynch Retirement Plan Account statement. The statement will show the total of your opening and closing Deposit Account balances, along with a breakdown of your Deposit Account balance at each individual depository institution (if more than one depository institution is participating in the RASP feature and your funds are deposited in more than one depository institution). The statement will also show interest earned for the statement period.

Your relationship with Merrill Lynch

[25] Merrill Lynch is acting as agent and messenger for its Retirement Plan Account clients who establish accounts through RASP. The separate accounts established by Merrill Lynch on its records on behalf of its Retirement Plan Account clients will be evidenced by a book entry on the account record of the participating depository institution. No evidence of ownership, such as a passbook or certificate, will be issued to the Retirement Plan Account clients who establish accounts through RASP, nor will any depository institution be given the names of Retirement Plan Account clients. In addition, all transactions are effected through Merrill Lynch, as agent, and not directly between a client and the participating depository institution.

[26] You may obtain information about your Deposit Accounts, including the names of each depository institution in which your funds are currently being deposited, balances, the current interest rate and the names and priority of the other institutions at which Deposit Accounts are currently available, by calling your Merrill Lynch advisor.

[27] Each participating depository institution, in its sole discretion and without notice, may change the conditions of or terminate a client's Deposit Account. If Merrill Lynch does not wish to continue to act as your agent or custodian with respect to your Deposit Account(s), you may deal directly with each depository institution (subject to its rules in effect at that time) with respect to maintaining such an account.

[28] Similarly, if you decide that you no longer wish to have Merrill Lynch act as your agent and messenger with respect to the Deposit Account established for you at a depository institution, you may establish a direct depository relationship with the depository institution (subject to its rules in effect at that time) with respect to maintaining such an account.

[29] This may result in the severing of your Deposit Account at that depository institution account from the Retirement Plan Account service.

Conflicts of interest

[30] There are conflicts of interest relating to the Sweep Program (including RASP). If you hold cash balances in your account, both Merrill Lynch and the Merrill Lynch Affiliated Banks benefit financially when your cash is “swept” to and held in deposit with them under the Sweep Program. Merrill Lynch receives compensation from the Merrill Lynch Affiliated Banks for its services relating to the Sweep Program.

[31] Merrill Lynch receives:

- Up to $100 per year from BANA and/or BA-CA for each account that sweeps to the Merrill Lynch Bank Deposit Program and the Merrill Lynch Direct Deposit Program
- Up to $85 per year for each account that sweeps to the Retirement Asset Savings Program
- Up to $100 per year from MLBTC for each account that sweeps to the International Bank Variable Rate Deposit Facility
- A fee of up to 2% per annum of the daily balances from the participating banks in the ISA Program

This compensation is subject to change from time to time, and Merrill Lynch may waive all or part of it. Financial advisors are compensated based on their clients’ total deposits held in Merrill Lynch Affiliated Banks (excludes RASP), in participating banks in the ISA Program and in sweep money market funds. In addition, they can receive a compensation award based on achieving a number of strategic objectives, including, among other activities, the growth in their clients’ balances in bank sweep deposit accounts and sweep money market funds. Together, these compensation incentives create a conflict of interest.

The Merrill Lynch Affiliated Banks benefit financially from their use of the deposits. Through the Sweep Program, they receive a stable, cost-effective source of funding. They use bank deposits to fund current and new lending, investment and other business activities. Their participation in the Sweep Program increases their respective deposits and overall profits. Bank profitability is determined in large part by the “spread” they earn on the deposits — the difference between the interest paid and other costs incurred by them on bank deposits (including payments to Merrill Lynch), on the one hand, and the interest or other income earned on their loans, investments and other assets, which may be funded in part by bank deposits, on the other hand. The greater the amount of cash balances maintained in deposit accounts with the Merrill Lynch Affiliated Banks (which could be as a result of a recommendation from your financial advisor) and the lower the interest rate paid on the related bank deposit, the more the Merrill Lynch Affiliated Banks benefit.

The deposits will bear a rate of interest that has been established for, and in light of the features of, the Sweep Program. The rate of interest for such deposit accounts is periodically set and reset by the Merrill Lynch Affiliated Banks in their discretion. Accounts that enroll in IA Programs (as defined in section 19) receive the highest tier rate available under RASP.

The interest rate you earn in a bank deposit account affiliated with the Sweep Program will likely be lower than yields on certain money market funds and other cash alternatives.

Additional information

[32] You will always know where your money is by referring to the information in the section titled Your relationship with Merrill Lynch, previous page, in conjunction with your Retirement Plan Account statement. Additionally, by calling your Merrill Lynch advisor or Merrill Edge representative, you can confirm the name of the depository institution that has accepted your most recent deposit. Upon request, you will be provided with the publicly available information that Merrill Lynch has relating to the participating depository institutions.

ADDITIONAL INFORMATION ON FEDERAL DEPOSIT INSURANCE

[33] Merrill Lynch is not a bank and FDIC deposit insurance only covers the failure of an FDIC-insured bank. In the event that federal deposit insurance payments become necessary, the FDIC is required to pay principal plus unpaid and accrued interest to the date of the closing of the relevant depository institution, as prescribed by law and applicable regulations. Certain conditions must be satisfied for deposit insurance coverage to apply when bank deposits are opened on your behalf in the name of Merrill Lynch as your agent. Merrill Lynch has in place business requirements and practices that are reasonably designed to satisfy those conditions, which include, but are not limited to, proper account titling and recordkeeping. Since there is no specific time period during which the FDIC must make available such insurance payments, you should be prepared for the possibility of an indeterminate delay in obtaining insurance payments. In addition, you may be required to provide certain documentation to the FDIC and to Merrill Lynch before any insurance payouts are released to you. For example, you may be required to furnish affidavits and indemnities regarding the payout. Merrill Lynch will not be obligated to you for amounts not covered by deposit insurance and will not be obligated to you in advance of payment from the FDIC.

[34] Since deposit insurance coverage is based on a customer's funds on deposit in any one depository institution, coverage can change if two or more institutions where you have funds on deposit merge. In this case, deposits maintained through RASP continue to be separately insured for six months from the date that the merger takes effect. Thereafter, any assumed deposits will be aggregated with your existing deposits with the acquirer held in the same legal ownership category for purposes of federal deposit insurance. Any deposit opened at the acquired institution after the acquisition will be aggregated with deposits established with the acquirer for purposes of federal deposit insurance.

Special rules for Retirement Plan Accounts

[35] You may have interests in various retirement and employee benefit plans and accounts that have deposits in a depository institution. The amount of deposit insurance you will be entitled to will vary depending on the type of plan or account and on whether deposits held by the plan or account will be treated separately or aggregated with deposits in the same depository institution held by other plans or accounts. It is therefore important to understand the type of plan or account holding the deposit. The following sections entitled Pass-through deposit insurance for retirement and employee benefit plan deposits and Aggregation of Retirement and Employee Benefit Plans and Accounts generally discuss the rules that apply to deposits of retirement and employee benefits plans and accounts.

[36] On February 8, 2006, the President of the United States signed the Deficit Reduction Act of 2005 (the "Act"), which contains provisions affecting federal deposit insurance coverage. The principal amount of your deposits held in Qualified Retirement Accounts (as defined below), plus accrued interest, together with any other deposits held at the issuing depository institution through such Qualified Retirement Accounts, are protected by federal deposit insurance and backed by the U.S. government to a maxi mum amount of $250,000 for the total amount of all such deposits held by you in the same ownership capacity at the depository institution. Retirement accounts that qualify for this increased coverage are: (i) any individual retirement accounts ("IRAs") described in section 408(a) of the Internal Revenue Code of 1986, as amended ("Code"); (ii) any eligible deferred compensation plan described in section 457 of the Code; (iii) any individual account plan described in section 3(34) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), to the extent the participants and beneficiaries under such plans have the right to direct the investment assets held in the accounts; and (iv) any plan described in section 401(d) of the Code, to the extent the participants and beneficiaries

under such plans have the right to direct the investment assets held in the accounts (each, a "Qualified Retirement Account").

Pass-through deposit insurance for retirement and employee benefit plan deposits

[37] Subject to the limitations discussed below, under FDIC regulations, an individual's non-contingent interest in the deposits of one depository institution held by certain types of employee benefit plans are eligible for insurance on a "pass-through" basis up to the Standard Maximum Deposit Insurance Amount for that type of plan. This means that, instead of an employee benefit plan's deposits at one depository institution being entitled to only the applicable Standard Maximum Deposit Insurance Amount in total per depository institution, each participant in the employee benefit plan is entitled to insurance of his or her interest in the employee benefit plan's deposits of up to the applicable Standard Maximum Deposit Insurance Amount per institution (subject to the aggregation of the participant's interests in different plans, as discussed below). The pass-through insurance provided to an individual as an employee benefit plan participant is in addition to the deposit insurance allowed on other deposits held by the individual at the issuing institution. However, pass-through insurance is aggregated across certain types of accounts (see the following section, Aggregation of Retirement and Employee Benefit Plans and Accounts).

[38] A deposit held by an employee benefit plan that is eligible for pass-through insurance is **not** insured for an amount equal to the number of plan participants multiplied by the applicable Standard Maximum Deposit Insurance Amount. For example, assume an employee benefit plan that is a Qualified Retirement Account (i.e., a plan that is eligible for deposit insurance coverage up to $250,000 per qualified beneficiary) owns $500,000 in deposits at one institution and the plan has two participants, one with a vested non-contingent interest of $350,000 and one with a vested non-contingent interest of $150,000. In this case, the individual with the $350,000 interest would be insured up to the $250,000 limit, and the individual with the $150,000 interest would be insured up to the full value of such interest.

[39] Moreover, the contingent interests of employees in an employee benefit plan and overfunded amounts attributed to any employee defined benefit plan are **not** insured on a pass-through basis. Any interests of an employee in an employee benefit plan deposit which are not capable of evaluation in accordance with FDIC rules (i.e., contingent interests) will be aggregated with the contingent interest of other participants and insured up to the applicable Standard Maximum Deposit Insurance Amount. Similarly, overfunded amounts are insured, in the aggregate for all participants, up to the applicable Standard Maximum Deposit Insurance Amount separately from the insurance provided for any other funds owned by or attributable to the employer or an employee benefit plan participant.

AGGREGATION OF RETIREMENT AND EMPLOYEE BENEFIT PLANS AND ACCOUNTS

Self-directed retirement accounts

[40] The principal amount of deposits held in Qualified Retirement Accounts described above, plus accrued but unpaid interest, if any, are protected by FDIC insurance up to a maximum of $250,000 for all such deposits held by you at the issuing depository institution together with other accounts held in the same capacity. The FDIC sometimes generically refers to Qualified Retirement Accounts as "self-directed retirement accounts." Supplementary FDIC materials indicate that Roth IRAs, self-directed Keogh Accounts, Simplified Employee Pension plans, and self-directed defined contribution plans are intended to be included within this group of Qualified Retirement Accounts. Accordingly, all accounts that participate in RASP, other than Coverdell Education Savings Accounts, should qualify for $250,000 of FDIC insurance in the aggregate.

Other employee benefit plans

[41] Any employee benefit plan, as defined in Section 3(3) of ERISA, described in Section 401(d) of the Code, or eligible deferred compensation plan under section 457 of the Code, that does not constitute a Qualified Retirement Account—for example, certain employer-sponsored profit sharing plans—can still satisfy the requirements for pass-through insurance with respect to non-contingent interest of individual plan participants, provided that FDIC requirements for recordkeeping and account titling are met ("Non-Qualifying Benefit Plans"). For Non-Qualifying Benefit Plans, the Standard Maximum Deposit Insurance Amount ("SMDIA") applies. Under FDIC regulations, an individual's interests in Non-Qualifying Benefit Plans maintained by the same employer or employee organization (e.g., a union) which are holding deposits at the same institution will be insured up to the SMDIA in the aggregate, separate from other accounts held at the same depository institution in other ownership capacities.

[42] If you have questions about the FDIC insurance coverage of your account, please contact your Merrill Lynch advisor or visit the FDIC website at www.fdic.gov for more information.

[43] FDIC regulations and interpretations governing the availability of federal deposit insurance are subject to change from time to time. Neither BANA nor BA-CA or any other depository institution participating in RASP assumes any responsibility with respect to any such changes.

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Merrill Lynch Statement Link Service

[1] You may elect to enroll in the Merrill Lynch Statement Link service ("Statement Link service"). This service allows certain types of accounts to be "linked" for various purposes, including (1) to receive statements for all linked accounts in a single package and (2) to establish your Tier (defined on the previous pages) for the Retirement Asset Savings Program ("RASP").

Linking accounts for statement delivery purposes

[2] The Statement Link service allows a Retirement Plan Account client (the "Primary Account client") to link other Merrill Lynch accounts, usually in the same household or related to a single business, so that the monthly statements for the linked accounts are packaged together and mailed by us to the Primary Account client's address, together with a summary page that combines account information from all linked accounts. Statements will continue to be sent to clients of the linked accounts as required. The assets of the linked accounts are not commingled and all of the clients retain control over their individual accounts. The individual clients also remain responsible for verifying the accuracy of their individual statements, for reading any notices that are mailed with the linked statements and for directing the activity in their individual accounts.

Important considerations for individual retirement accounts

[3] You generally may link your Individual Retirement Account (IRA), Individual Retirement Rollover Account (IRRA), Roth Individual Retirement Account (Roth IRA), Simplified Employee Pension (SEP), SIMPLE Retirement Account (SRA), and Coverdell Education Savings Account (ESA) with your other accounts to achieve a higher Tier. Except for a SEP/IRA or a SRA/IRA, you cannot link an IRA which accepts employer contributions.

[4] You also may link your IRA with IRAs (or other accounts) of immediate family members and their spouses to achieve a higher Tier. If you want to link IRAs with accounts of other persons to achieve a higher Tier, you should consult your legal or tax advisor. For more information on enrolling in this service, please call your financial advisor or 1.800.MERRILL.

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