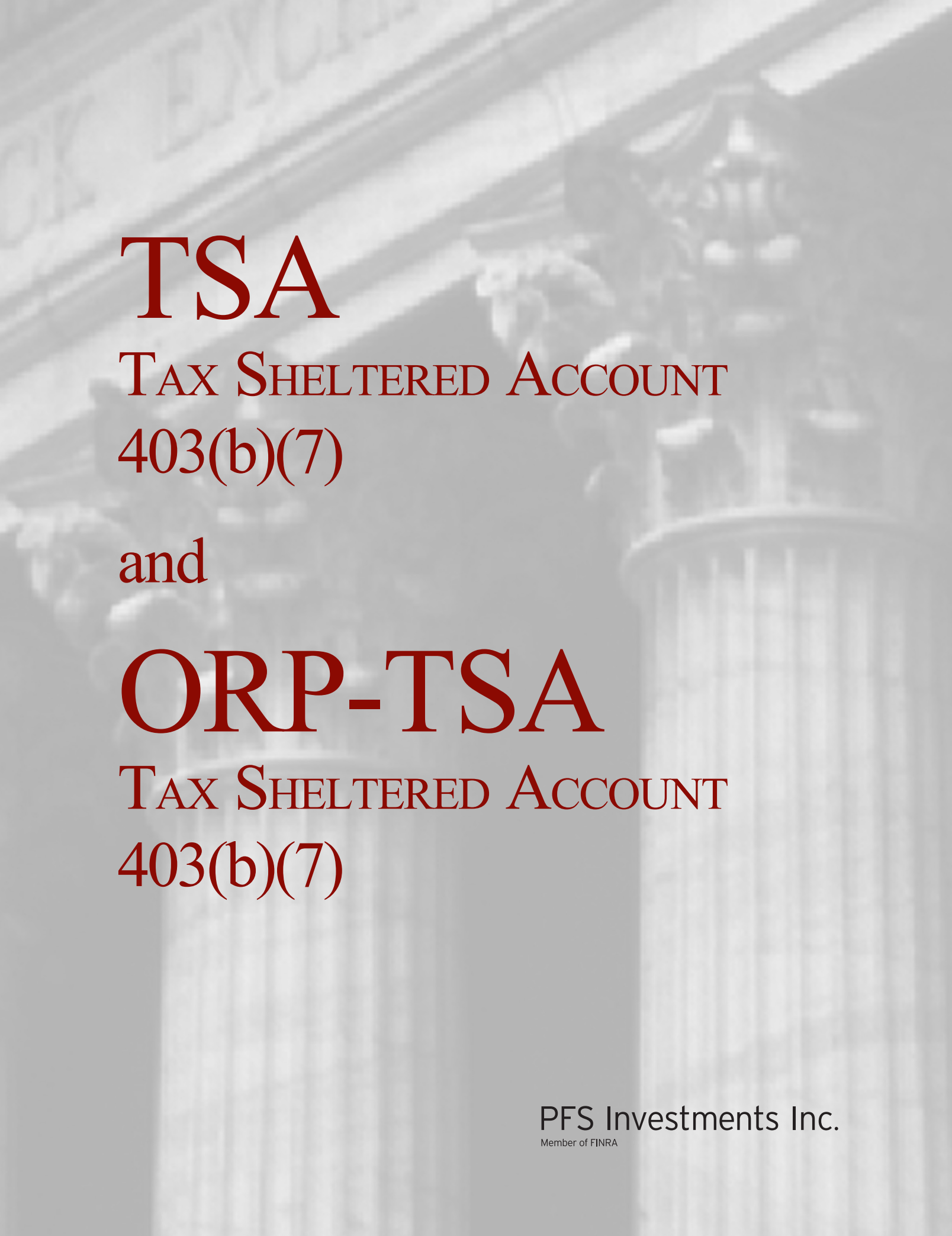

TSA

Tax Sheltered Account

403(b)(7)

and

ORP-TSA

Tax Sheltered Account

403(b)(7)

PFS Investments Inc.

Member of FINRA

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Internal Revenue Service

Department of the Treasury
Washington, DC 20224

Person to Contact:
Mr. C. Thompson
Telephone Number:
(202) 622-7021
Refer Reply to:
CP:E:EP:T:1
Date:
September 28, 1995

PFS Investments Inc.
3120 Breckinridge Boulevard
Duluth, GA 30099

EIN Number: 58-1436188

Gentlemen:

In a letter dated March 17, 1995, and subsequent letters, your authorized representative requested a written notice of approval that PFS Investments Inc. may act as a nonbank custodian of plans qualified under section 401 of the Internal Revenue Code, accounts described in section 403(b)(7), and of individual retirement arrangements (IRAs) established under section 408.

Section 401(f) of the Code provides that a custodial account shall be treated as a qualified trust under this section if such custodial account would, except for the fact 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 other 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 of the Code. Section 401(f) also provides that in the case of a custodial account treated as a qualified trust by reason of the preceding sentence, the person holding the assets of such account shall be treated as the trustee thereof.

Section 403(b)(7)(A) of the Code requires, in part, that for amounts paid by an employer to a custodial account to be treated as amounts contributed to an annuity contract for his employee, the custodial account must satisfy the requirements of section 401(f)(2). This section also requires, in order for the amounts paid by an employer to be treated as amounts contributed to an annuity contract for his employee, that the amounts are to be invested in regulated investment company stock to be held in that custodial account, and under the custodial account no such amounts by be paid or made available to any distributee before the employee dies, attains the age 59½, separates from service, becomes disabled (within the meaning of section 73(m)(7)), or in the case of contributions made pursuant to a salary reduction agreement (within the meaning of section 3121(a)(1)(D)), encounters financial hardship.

Section 408(h) of the Code provides that a custodial account shall be treated as a trust under this section if the assets of such account are held by a bank (as defined in subsection(n)) 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 this section, and if the custodial account would, except for the fact that it is not a trust, constitute an IRA described in subsection (a). Section 408(h) also provides that, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

The Income Tax Regulations at section 1.401-12(n) are used to determine the ability of such person, for purposes of sections 401(f), 403(b)(7), and 408(h) of the Code, to act as a trustee or custodian. Section 1.401-12(n) of the regulations provides that such person must file a written application with the Commissioner demonstrating, as set forth in that section, its ability to act as a trustee or custodian.

Based on all the information submitted to this office and all the representations made in the application, we have concluded that PFS Investments Inc. meets the requirements of section 1.401-12(n) of the regulations, and, therefore, is approved to act as a nonbank custodian of plans qualified under section 401 of the Internal Revenue Code, accounts described in section 403 (b)(7), and of IRAs established under section 408.

This letter authorizes PFS Investments Inc. to act only as a nonbank custodian in a fashion similar to a passive nonbank trustee, within the meaning of section 1.401-12(n)(7) of the regulations, that is, it is authorized only to acquire and hold particular investments specified by the owner. It may not act as custodian if under the written agreement it has discretion to direct investments of the custodial funds.

This letter while authorizing PFS Investments Inc. to act as a custodian does not authorize it to pool accounts in a common investment fund (other than a mutual fund) within the meaning of section 1.401-12(n)(6)(viii)(C) of the regulations. PFS Investments Inc. may not act as a custodian unless it undertakes to act only under custodial agreements that contain a provision to the effect that the owner is to substitute another trustee or 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.

PFS Investments Inc. is required to notify the Commissioner of Internal Revenue, Attn: C:E:EP:T, Internal Revenue Service, Washington, D.C. 20224, in writing, of any change which affects the continuing accuracy of any representations made in its application. Further, the continued approval of its application to act as a nonbank custodian of plans qualified under section 401 of the Code, accounts described in section 403(b)(7), and of IRAs established under section 408 is contingent upon the continued satisfaction of the criteria set forth in section 1.401-12(n) of the regulations.

This approval letter is not transferable to any other entity. An entity that is a member of a controlled group of corporations, within the meaning of section 1563 (a) of the Code, may not rely on an approval letter issued to another member of the same controlled group. Further, any entity that goes through a merger, consolidation or other type of reorganization may no longer rely on the approval letter issued to such entity prior to the merger, consolidation or other type of reorganization. Such entity will have to apply for a new determination letter in accordance with section 1.401-12(n) of the regulations.

This letter constitutes a determination that PFS Investments Inc. may act as a nonbank custodian of plans qualified under section 401 of the Code, accounts described in section 403(b)(7), and of IRAs established under section 408, and does not bear upon its capacity to act as a custodian under any other applicable law.

In accordance with the power of attorney on file in this office, the original of this letter is being sent to your authorized representative and a copy is being sent to you.

Sincerely,

John Swieca
Chief, Employee Plans
Technical Branch 1

How to Use This Booklet to Begin a PFS Investments Inc. 403(b)(7) Custodial Account Tax Sheltered Account (TSA) or ORP-TSA/403(b)(7) Custodial Account

Since 1974, mutual funds have been among the investment vehicles available to employees of 501(c)(3) organizations and public schools as a place to invest their retirement savings. No longer does the well known acronym "TSA" mean only Tax Sheltered Annuity, now it means Tax Sheltered Account as well. Mutual Funds now provide an opportunity for employees to experience an essential improvement in their financial lives over that provided by the fixed-rate products to which they were previously limited.

The PFS Investments 403(b)(7) Custodial Account Retirement Plan for Public School Employees and Employees of 501(c)(3) Organizations is designed to give its participants the most flexible and service-oriented plan available today.

The PFS Investments ORP-TSA 403(b)(7) Custodial Account Retirement Plan for use by Employees of Texas Institutions of Higher Education.

Now with the flexible exchange privilege which allows movement of assets between funds in the same share class as your investment objectives change, and the superior service provided by Primerica Shareholder Services, we think you will enjoy the best retirement plan package currently offered.

The PFS Investments Inc. 403(b)(7) forms in this booklet include:

1) The Salary Reduction Agreement — to be used in the event an Employer does not have one of its own

(sometimes referred to as an Amendment of Employee Contract).

2) The Maximum Contribution Worksheet — on which to calculate an employee's maximum allowable contribution annually. (For 2002 and beyond)

Custodian Fee, Fund Events and Plan Disclosures:

There is an annual Custodian fee of up to $25 that the Custodian will charge to each active participant account. The fee is deducted annually in December, unless it is pre-paid. If a full liquidation is requested during the year, the Custodian fee is deducted from the redemption proceeds. Additionally, a termination fee of $30 will be imposed on certain redemptions, full liquidations, and all transfers of assets to other Custodians.

If a mutual fund owned in a participant account becomes unavailable due to any fund changes, mergers, acquisitions, closings or for any other reason, it is the participant's responsibility to select an alternate fund position for the affected assets, and to notify the Custodian of the selection. lf the Custodian does not receive notification of an alternate fund selection, then the participant authorizes the Custodian to allocate the affected assets to the money market fund, within the same fund family as the unavailable fund, with the lowest annual expense ratio then available through PFS Investments Inc.

Custodian Reserves the right to make any future fee changes regarding custodian fees and/or termination fees with a 30 day advance written notice to shareholders.

COMPLIANCE WITH REGULATION 1.408-2(e)(2)

In addition to its branch office locations, PFS Investments Inc. has two established physical locations where it is accessible during every business day. The first is the Home Office location: PFS Investments Inc., 1 Primerica Parkway, Duluth, GA 30099; and the second is the Shareholder Service Center: PFS Investments Inc. / 118 Flanders Road Suite 2000, Westborough, MA 01581

TSA/403(b)(7) & ORP-TSA/403(b)(7) Salary Reduction Agreement (Optional)

Agreement made this _____ day of _____ 20_____, by and between _____ (the "Employer") and _____ (the "Employee") whereby the Employee agrees as follows:

1. The salary of the Employee will be reduced by $_____, or by an amount approximately equal to _____ percent of the Employee's Compensation, each pay period.
2. The amount of such reduction shall be paid by the Employer to PFS Investments Inc., (or any successor custodian), of the Employee's Primerica Shareholder Services Custodial Account under Section 403(b)(7) of the Internal Revenue Code.
3. This Salary Reduction Agreement is legally binding and irrevocable with respect to all amounts earned by the Employee while this agreement is in effect. The Employee may terminate the Agreement at any time with respect to amounts not earned at the time of termination.

Executed and effective as of the date set forth above.

_____ Employer

_____ Employee's Signature

By: _____
Signature

Title: _____

Note:
The minimum contribution which can be accepted by the Primerica Shareholder Services is $50 per participant per fund.

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Primerica Shareholder Services

Payroll Deduction Remittance Transmittal

PLEASE TYPE OR PRINT: ☐ Check if these accounts are an addition to an existing Plan
For the Pay Period ending: _____ Page # _____ of _____

(To be completed and returned with initial payment to: Primerica Shareholder Services)
If participant contributes to more than one fund or more than one type of contribution, use more than one line.

1. Owner's First Name _____ M.I. _____ Owner's Last Name _____

Fund Symbol: ☐☐☐☐☐ Dollar Amount: $ _____ OR _____ % / Fund*

Participant Social Security No: _____ ☐ Employee Contribution ☐ Employer Contribution

2. Owner's First Name _____ M.I. _____ Owner's Last Name _____

Fund Symbol: ☐☐☐☐☐ Dollar Amount: $ _____ OR _____ % / Fund*

Participant Social Security No: _____ ☐ Employee Contribution ☐ Employer Contribution

3. Owner's First Name _____ M.I. _____ Owner's Last Name _____

Fund Symbol: ☐☐☐☐☐ Dollar Amount: $ _____ OR _____ % / Fund*

Participant Social Security No: _____ ☐ Employee Contribution ☐ Employer Contribution

4. Owner's First Name _____ M.I. _____ Owner's Last Name _____

Fund Symbol: ☐☐☐☐☐ Dollar Amount: $ _____ OR _____ % / Fund*

Participant Social Security No: _____ ☐ Employee Contribution ☐ Employer Contribution

5. Owner's First Name _____ M.I. _____ Owner's Last Name _____

Fund Symbol: ☐☐☐☐☐ Dollar Amount: $ _____ OR _____ % / Fund*

Participant Social Security No: _____ ☐ Employee Contribution ☐ Employer Contribution

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Primerica Shareholder Services

Payroll Deduction Remittance Transmittal

6. Owner's First Name _____ M.I. _____ Owner's Last Name _____

Fund Symbol: ☐☐☐☐☐ Dollar Amount: $ _____ OR _____ % / Fund*

Participant Social Security No: _____ ☐ Employee Contribution ☐ Employer Contribution

7. Owner's First Name _____ M.I. _____ Owner's Last Name _____

Fund Symbol: ☐☐☐☐☐ Dollar Amount: $ _____ OR _____ % / Fund*

Participant Social Security No: _____ ☐ Employee Contribution ☐ Employer Contribution

8. Owner's First Name _____ M.I. _____ Owner's Last Name _____

Fund Symbol: ☐☐☐☐☐ Dollar Amount: $ _____ OR _____ % / Fund*

Participant Social Security No: _____ ☐ Employee Contribution ☐ Employer Contribution

Total Contribution for This Period: $_____

Name of Company: _____ Contact Person: _____

Address: _____

City: _____ State: _____ Zip Code: _____ Phone Number: _____

*When establishing each account, please contact your PFS Representative.
***MUST equal 100%; must be stated in full percentage points (33%, not 33.33%)**

Once completed, mail this form(s) together with a check made payable to:

Primerica Shareholder Services
ATTN: Listbill Department.

Please send to:	Regular Mail	Overnight Mail
	Primerica Shareholder Services P.O. Box 534473 Pittsburgh, PA 15253 – 4473 ATTN: Listbill Department	Primerica Shareholder Services Attention: 534473 500 Ross Street, 154-0520 Pittsburgh, PA 15262 ATTN: Listbill Department
Client Services:	(800) 544-5445	
Fax Services:	(844) 568-3809	

403(b) Maximum Amount Contributable (MAC) Worksheet

Note: Use this worksheet to figure your MAC.

Part I. Limit on Annual Additions

1. Enter your includible compensation for your most recent year of service ..... 1. _____

2. Maximum
   For 2026, enter $72,000 ..... 2. $72,000

3. Enter the lesser of line 1 or line 2. This is your limit on annual additions ..... 3. _____

   Caution: If you had only nonelective contributions, skip Part II and enter the amount from line 3 on line 18.

Part II. Limit on Elective Deferrals

4. Maximum contribution
   - For 2026, enter $24,500 ..... 4. $24,500

   Note: If you have at least 15 years of service with a qualifying organization, complete lines 5 through 17. If not, enter zero (0) on line 16 and go to line 17.

5. Amount per year of service ..... 5. _____

6. Enter your years of service. ..... 6. _____

7. Multiply line 5 by line 6 ..... 7. _____

8. Enter the total of all elective deferrals for prior years made for you by qualifying organizations ..... 8. _____

9. Subtract line 8 from line 7. If zero or less, enter zero (0) ..... 9. _____

10. Maximum increase in limit for long service ..... 10. _____

11. Enter all prior year increases in the limit for long service ..... 11. _____

12. Enter the total amount of all designated Roth contributions for prior years ..... 12. _____

13. Add line 11 and line 12 ..... 13. _____

14. Subtract line 13 from line 10 ..... 14. _____

15. Maximum additional contributions ..... 15. _____

16. Enter the least of lines 9, 14, or 15. This is your increase in the limit for long service ..... 16. _____

17. Add lines 4 and 16. This is your limit on elective deferrals ..... 17. _____

Part III. Maximum Amount Contributable (MAC)

18.
- If you had only nonelective contributions, enter the amount from line 3. This is your MAC.
- If you had only elective deferrals, enter the lesser of lines 3 or 17. This is your MAC.
- If you had both elective deferrals and nonelective contributions, enter the amount from line 3. This is your MAC. (Use the amount on line 17 to determine if you have excess elective deferrals) ..... 18. _____

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PFS Investments Inc. 403(b)(7) TSA Custodial Account Agreement

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PFS Investments Inc.
403(b)(7)/TSA Custodial Account Agreement

SECTION 1. Definitions

1.1 Administrator: The person, committee, or other organization appointed by the Employer in the Employer's 403(b) Plan document to administer the Plan. If no such Entity is named, the Administrator shall be the Employer.

1.2 Agreement: This instrument setting forth the terms and conditions of the Sponsor's Custodial Account Agreement as set forth hereafter.

1.3 Alternate Payee: A spouse, former spouse, child or other dependent of a Participant who is assigned under a qualified domestic relations order (as defined in Section 414(p) of the Code) a right to receive all or a portion of the benefits payable with respect to a Participant.

1.4 Application: The written application which incorporates this Agreement and is signed by the Employee and accepted by the Custodian and serves to establish a Section 403(b)(7) Custodial Account for the Employee.

1.5 Beneficiary: Except as provided in Section 5.6, a person designated in writing by a Participant to receive a benefit under this Agreement in the event of such Participant's death.

1.6 Code or IRC: The Internal Revenue Code of 1986, as amended, including any regulations issued thereunder.

1.7 Custodial Account or Account: The individual account(s) established and maintained under this Agreement for the Employee pursuant to Section 403(b)(7) of the Code.

1.8 Custodian: PFS Investments Inc., or any successor thereto.

1.9 Disabled: With respect to a Participant, that he is unable to engage in any substantial gainful activity by reason of a medically determinable physical or medical impairment which can be expected to result in death or to be of long-continued and indefinite duration, as defined under Section 73(m)(7) of the Code.

1.10 EGTRRA**:** The Economic Growth and Tax Relief Reconciliation Act of 2001, including any regulations or other guidance issued thereunder.

1.11 Elective Deferrals: For any taxable year of an Employee, Elective Deferrals are the sum of:

a) any salary reduction contributions under a qualified cash or deferred arrangement as defined in Section 401(k) of the Code, to the extent not includible in income under Section 402(a)(8) of the Code;
b) any salary reduction contributions to a simplified employee pension plan as defined in section 408(k) of the Code, to the extent not includible in income under Section 402(h)(1)(B) of the Code.
c) any contributions made pursuant to a Salary Reduction Agreement used to purchase an annuity contract or Custodial Account under Section 403(b) of the Code.
d) any salary reduction contributions to a SIMPLE plan as defined in Section 408(p) of the Code.

1.12 Employee: Any person regularly employed by the Employer. Neither "leased employees" within the meaning of Section 414(n) or (o) of the Code, nor independent contractors shall be considered to be Employees for the purposes of this Agreement.

1.13 Employer: Any organization that is (i) described in Section 501(c)(3) of the Code and exempt from tax under Section 501(a) of the Code; or (ii) an educational organization described in Section 170(b)(1)(A)(ii) of the Code which is a State, political subdivision of a State, or any agency or instrumentality of any one or more of the foregoing; or (iii) a church or convention, or association of churches that is exempt from tax under Section 501 of the Code; or by a church related organization described in Section 414(e)(3) of the Code.

1.14 ERISA: The Employee Retirement Income Security Act of 1974, as amended, including any regulations thereunder.
:

1.15 Excess Deferral: For any taxable year, that portion of an Employee's Elective Deferrals that exceeds the limits of Section 402(g) of the Code.

1.16 Financial Hardship: With respect to a Participant or the Participant's Beneficiary, a present or pending financial need resulting from unusual costs or expenses, such as unusual medical expenses, higher educational expenses, purchase of a residence, funeral expenses of certain family members, the need to prevent eviction from the Participant's primary residence and the repair of the Participant's primary residence due to a casualty or disaster. Financial Hardship shall be determined in accordance with Section 403(b) of the Code and the regulations thereunder, and the Employer's or Custodian's hardship policy and procedures, if applicable.

1.17 403(b) Plan: The document maintained by the Employer which shall govern eligibility, applicable contribution limits, benefits, distributions and the approved Vendors and Investment Companies. If there is a conflict between this Custodial Agreement and the 403(b) Plan, the 403(b) Plan shall govern.

1.18 Funds: The regulated investment companies, as defined in Section 851(a) of the Code, as determined from time to time by PFS Investments, Inc., and whose shares are authorized for purchase under the Agreement by the Sponsor.

1.19 Includible Compensation: The Participant's wages, salaries or other remuneration received for personal services actually rendered in the course of employment with the Employer and any other amounts treated as compensation under Section 415 of the Code. Such Includible Compensation shall be determined under the most recent year of service pursuant to Section 403(b)(4) IRC and which precedes the taxable year by no more than five years. For taxable years beginning after 12/31/97, such term includes any elective deferral described in Section 402(g)(3) and any amount which is contributed or deferred by the Employer at the election of the Employee and which is not includible in the gross income of the Employee by reason of Sections 125, 132(f)(4) or 457 IRC.

1.20 Participant: An individual who is, or has been, employed by the Employer, who has been designated by the Employer as a Participant, and who contracts in writing with the Employer for contributions hereto.

1.21 PPA: The Pension Protection Act of 2006, including any regulations or other guidance issued thereunder.

1.22 Salary Reduction Agreement: A binding contract executed by the Employee and the Employer authorizing a reduction in the Employee's future Compensation or a waiver of increasing future Compensation provided that such amounts shall be contributed to the Employee's Custodial Account by the Employer.

1.23 Sponsor: PFS Investments, Inc.

1.24 Vendor: The provider of an Annuity Contract or Custodial Account. The Vendors selected by the Employer shall be specified in the Employer's 403(b) Plan. Such Plan shall indicate the approved Vendors with respect to on-going contributions as well as those Vendors available for transfers and exchanges.

SECTION 2. Establishing of Custodial Accounts

The Custodian shall open and maintain a Custodial Account for each eligible Employee who completes an Application; and the Custodian shall hold and

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administer, in accordance with the terms hereof, contributions to the Custodial Account and any gain or income from the investment thereof. The Employee shall notify the Custodian in writing of any change in name, address, or Social Security Number.

SECTION 3. Contributions

3.1 Contributions to the Account: The Custodian shall accept cash contributions from the Employer on behalf of Participants in accordance with the Salary Reduction Agreement between the Participant and the Employer. Each such contribution shall be accompanied by specific written instructions from the Employee specifying the accounts to which it is to be credited and the investments which are to be purchased with such contribution.

Contributions made by the Employer to the Custodian for any Employee shall not exceed the limitations set forth in Sections 415, 402(g), 414(v) and 403(b) of the Code. No Participant shall be permitted to have Elective Deferrals made under this Plan or any other plan maintained by the Employer, during any taxable year of the Participant, in excess of the dollar limitations contained in section 402(g) of the Code in effect at the beginning of such taxable year, except to the extent permitted under section 3.9 of this Custodial Agreement and Section 414(v) of the Code, if applicable.

1.2 Make-up Contributions For Qualified Military Service: Notwithstanding any provisions 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.

3.3 Plan-to-Plan Transfer and Exchange Contributions:

Pursuant to the Employer's 403(b) Plan, the Participant may transfer (or request an exchange) in cash from another custodial account qualified under Section 403(b)(7) of the Code and/or from an annuity contract qualified under Section 403(b) of the Code to the Custodial Account if the Administrator, or Vendor, if applicable certifies that the transaction meets the requirements for a tax-free transfer or exchange under section 1.403(b)-10(b), and other applicable laws or rulings of the Internal Revenue Service, or is a rollover contribution described in Sections 403(b)(8) or 408(d)(3)(A)(iii) of the Code. Plan-to-Plan Transfer or Exchange assets once received shall be applied to the original source from such transferred or exchanged assets, on behalf of such Participant for purposes of this Custodial Agreement and shall be invested, distributed and otherwise dealt with as such. If it is not possible to determine the source of the funds being transferred or involved in an exchange then the assets shall be placed in a restricted source under this Custodial Account pursuant to the Administrator's Instructions and will be subject to the strictest distributable events with respect to sources under this Custodial Account Agreement.

Transferred funds shall be accounted for separately and continue to be subject to any distribution rules under the prior 403(b)(1) or (7) plan, which were more stringent than the rules contained in this Custodial Account. Rollover assets shall be placed in a restricted source under this Custodial Account pursuant to the Administrator's Instructions and will be subject to the strictest distributable events with respect to sources under this Custodial Account Agreement. Unless section 9.7 applies, it shall be the responsibility of the Administrator, and not the Custodian, to ensure such requirements are met.

3.4 Return of Excess Deferral: Unless the Employer's 403(b) Plan provides a different method and date for notification of an Excess Deferral, if a Participant makes an Excess Deferral to the Custodial Account for any tax year, such Participant may give written notice to the Sponsor of the amount of the Excess Deferral no later than March 1 following the close of that tax year. If the Participant gives such written, timely notice to the Sponsor, the Custodian may distribute to the Participant, the amount of the Excess Deferral, together with income attributable thereto, by April 15th of the following taxable year.

3.5 Return of Excess 415 Contributions:

Excess 415 Contributions shall be corrected in the method or methods as outlined in the Employer 403(b) Plan. If permitted under the Employer's 403(b) Plan, and if as a result of a reasonable error in estimating a Participant's annual compensation, a reasonable error in determining the amount of elective deferrals under Section 402(g)(3) of the Code, or any other circumstances that the Internal Revenue Service shall determine meets the requirements of Section 415 of the Internal Revenue Code and the regulations thereunder, an excess annual addition occurs in any Participant's account, a distribution is permitted from this Custodial Account of such excess.

3.6 Liability for Excess Amounts: The Custodian and the Sponsor shall not have any duty to determine whether an Excess Deferral or contribution in excess of the limitations under Sections 403(b), 402(g) or 415 of the Code ("Excess Amounts") has been made by or on behalf of the Participant. The Custodian and the Sponsor shall not be held liable by the Participant or any other person(s), trusts or other entity for failing to determine whether an Excess Deferral or Excess Amounts was made or for failing to distribute an Excess Deferral absent the request of the Participant. The Custodian and the Sponsor shall not be liable to the Participant or any other person(s), trusts or entity for taxes or other penalties incurred as a result of the Excess Deferral or Excess Amounts (including any income attributable thereto) or as a result of a distribution of an Excess Deferral and any income attributable thereto.

3.7 Acceptance of Direct Rollovers into this Custodial Account: If the Employer's 403(b) Plan permits, the Custodial Agreement will accept a Direct Rollover of an Eligible Rollover Distribution from: (Check each that applies or N/A.)

N/A. The Custodial Agreement will not accept Direct Rollovers from any plan.
a qualified plan described in Section 401(a) or 403(a) of the Code, excluding after-tax employee contributions.
an annuity contract described in Section 403(b) of the Code, including after-tax employee contributions.
an annuity contract described in Section 403(b) of the Code, excluding after-tax employee contributions.
an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state.
After 12/31/06, a qualified plan described in Section 401(a) or 403(a) of the Code, including after-tax employee contributions.

3.8 (a) **Rollovers from Other Plans:** If the Employer's 403(b) Plan permits and if provided in section 3.8(b) below, the Custodial Agreement will accept Participant Rollover Contributions of distributions made after December 31, 2001, from the types of plans specified below.

(b) **Participant Rollover Contributions from Other Employer Plans**: If the Employer's 403(b) Plan permits, the Custodial Agreement will accept a Participant contribution of an Eligible Rollover Distribution from: (Check each that applies or N/A.)

N/A. The Custodial Agreement will not accept Rollover Contributions from any employer plan.
a qualified plan described in Section 401(a) or 403(a) of the Code.
an annuity contract described in Section 403(b) of the Code.
an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state.

(c) **Participant Rollover Contributions from IRAs:** If the Employer's 403(b) Plan permits, the Custodial Agreement: (Choose one.) will will not accept a Participant Rollover Contribution of the portion of a distribution from an individual retirement account or annuity described in Section 408(a) or 408(b) of the Code that is eligible to be rolled over and would otherwise be includible in gross income.

3.9 Allowance of Catch-Up Contributions**:** Subject to the elections made by the Employer in the Employer's 403(b) Plan, the special catch-up

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contribution rules applicable to 15 years of service and the age 50 catch-up rules shall or shall not apply.

1.10 Employer Contributions:

(a) If this 403(b)(7) Custodial arrangement is not subject to ERISA, the Employer may contribute a matching contribution and/or a nonelective contribution to this 403(b).
(b) If elected by the Employer in the 403(b) Plan, the Employer may contribute a matching contribution, or a nonelective Employer contribution to this 403(b).
(c) Employer Contributions shall include contributions made by the Employer on behalf of the Employee. Such contributions shall not cause the Participant's account to exceed the ations of section 415(c)(1) of the Code.
(d) If elected by the Employer in the 403(b) Plan, this Custodial Agreement shall accept Post-Employment Contributions provided that such contributions satisfy the following requirements:

(i) Post-Employment Employer contributions may not be made in any calendar year that is later than the fifth calendar year following the year in which the Employee ceased to be an Employee.
(ii) Contributions shall be determined based on Compensation received by the former Employee during his most recent period of service that is determined to be a year of service pursuant to the rules under section 403(b) and the regulations thereunder.

(e) The Sponsor and Custodian will assume that all Participants are 100% vested with respect to Employer Contributions unless otherwise informed by the Administrator.
(f) The Custodian, Administrator, or Sponsor will be required to obtain the Employer's signature upon distribution to a Participant, unless the Administrator has the authority to approve transactions under the Plan.
(g) Return of Excess Employer Contributions: Notwithstanding any other provision herein and to the extent permitted or required by law, if an Employer contribution made hereto exceeds the amount permitted under required nondiscrimination requirements, or any Section of the Internal Revenue Code, if any, the Custodian may, upon the direction of the Participant and the Employer, return to the contributing Employer the amount of such excess contribution, including the income attributable to such excess.
(h) Corrective Distributions: Notwithstanding any other provision herein and to the extent permitted by law, if any Employer contribution made hereto is made as a result of a computational, recordkeeping, data entry or similar ministerial or administrative error, the Custodian may return to the contributing Employer the amount of such erroneous contribution. Such amounts shall not be considered to be distributions hereunder.

SECTION 4. Investment of Account Assets

4.1 Investment of Contributions: The Custodian shall invest the amount of the contributions credited to the Participant's Account in full and fractional shares of the Investment Company.

4.2 Investment of Gains and Dividends: All dividends and capital gains distributions on shares held in the Participant's Account shall be credited to the Participant's Account and shall be reinvested in such shares in accordance with the Investment Company's then current prospectus.

4.3 Voting and Other Action: All shares of the Investment Company acquired by the Custodian pursuant to the Agreement shall be held in the name of the Custodian for the benefit of the Participant. The Custodian or the Sponsor shall cause to be delivered to the Participant all notices, prospectuses, financial statements, proxies and proxy soliciting materials relating to shares held in the Custodial Account. The Custodian shall not vote any such shares except in accordance with written instructions received from the Participant. By establishing (or by having established) the 403(b)(7) account, the Participant affirmatively directs the Custodian to vote any Investment Company Shares held on the applicable record date for which no timely instructions are received in the same proportions as the Custodian has been instructed to vote the shares held by all 403(b)(7) accounts for which it has received instructions.

4.4 Identification of Accounts: All shares of the Investment Company acquired by the Custodian shall be held in the name of the Custodian or its nominee for the benefit of the Participant (or the Beneficiary after the Participant's death). The Account will not be joined for rights of accumulation with Accounts of other Employees of the same Employer.

SECTION 5. Distributions from the Custodial Account

5.1 Request for Distribution: Distribution from the Custodial Account shall be made by the Custodian only to a Participant, his designated Beneficiary or Alternate Payee, and no purported sale, transfer, pledge or assignment by the Participant, his spouse or Beneficiary of all or any part of an interest in the Custodial Account shall be recognized by the Custodian except as provided in Section 5.6. The interest of a Participant, his spouse or Beneficiary in the Custodial Account shall not be subject to the debts, contracts, liabilities, engagements or torts of such person or to attachment or legal process against such person, except as permitted or required by law.

5.2 Limitations on Distributions: The Custodian shall distribute, or commence distribution of, pursuant to the Participant's (or the Participant's Beneficiary in the case of the Participant's death) written direction, the balance credited to a Participant's account upon receipt of evidence satisfactory to it that one or more of the following events have occurred:

(a) the Participant becomes Disabled;
(b) the Participant has a severance from service with the Employer;
(c) the Participant dies;
(d) the Participant attains age 59 1/2;
(e) the Participant encounters a Financial Hardship; or
(f) upon the termination of the Plan by the Employer.

Any amounts contributed as a rollover contribution pursuant to sections 3.7 and 3.8 shall only be available for distribution based on the distributable events listed above, except for Financial Hardship.

5.3 Timing of Distributions:

(a) Distribution from the Custodial Account shall commence within 30 days after the Participant notifies the Custodian of his entitlement to distributions, unless the Participant makes a prior election to defer distribution or the commencement of distribution to a subsequent date which is not later than the end of the tax year in which the Participant attains age 70 1/2, unless a later date is permitted by the Code, the regulations issued thereunder, or other Internal Revenue Service pronouncements. Such election shall be made by written notice filed with the Custodian. Notwithstanding this provision, the Custodian shall not be responsible for making any distribution until such time as it has received proper written notification from the Participant, his surviving spouse or Beneficiary of the occurrence of an event described in Section 5.2, or in Section 5.3, if applicable.

(b) Unless the Employer's 403(b) Plan indicates otherwise, the Required Beginning Date shall mean the April 1st following the later of the year the Participant attains age 70 1/2 or the year in which the participant retires.

5.4 Form of Distribution: Unless otherwise required under ERISA, distribution shall be made in cash or in kind in any one or more of the following ways:

(a) in a single payment; or

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(b) in installments for a period certain not to exceed the life expectancy of the Participant or the Participant's Beneficiary or the joint lives and last survivor expectancies of the Participant and the Participant's designated Beneficiary; or
(c) in a combination of (a) and (b).

1.5 Designation of Beneficiary:

(a) Each Participant may, by written notice filed with the Custodian and in a form acceptable to the Custodian, designate a Beneficiary or Beneficiaries to receive the Participant's benefit at the Participant's death. Such designation may be changed or revised from time to time by written instrument filed with the Custodian. If no designation has been made, or if no beneficiary is living at the time of a Participant's death, his Beneficiary shall be: (1) his surviving spouse; but if he has no surviving spouse; then (2) his estate.
(b) If the Custodian permits, in the event of the Participant's death, any beneficiary may name a subsequent beneficiary(ies) to receive the balance of the account to which such beneficiary is entitled upon the death of the original beneficiary by filing a Subsequent Beneficiary Designation Form acceptable to and filed with the Custodian. Payments to such subsequent beneficiary(ies) shall be distributed in accordance with the payment schedule applicable to the original beneficiary. In no event can any subsequent beneficiary be treated as a designated beneficiary of the Participant. The preceding sentence shall not apply with respect to the subsequent beneficiary(ies) of an original spouse beneficiary where the Participant dies before his or her required beginning date. If the balance of the account has not been completely distributed to the original beneficiary and such beneficiary has not named a subsequent beneficiary or no named subsequent beneficiary is living on the date of the original beneficiary's death, such balance shall be payable to the estate of the original beneficiary.

5.6 Distribution under a Qualified Domestic Relations Order:

(a) Distributions of all or any part of a Participant's account pursuant to the provisions of a qualified domestic relations order (QDRO) as defined in Section 414(p) of the Code is specifically authorized.
(b) The earliest retirement age shall be the earlier of:

(1) The earliest date benefits are payable under the Plan to the Participant; or

(2) the later of the date the Participant attains age 50 or the date on which the Participant could obtain a distribution from the Plan if the Participant had separated from service.

(c) The alternate payee may receive a payment of benefit under this Plan in any optional form of benefit available pursuant to section 5.4.

(d) The alternate payee may receive a payment under this Plan prior to the earliest retirement age as defined in Section 5.6(b) if the QDRO specifically provides for such earlier payment. If the present value of the payment exceeds $5,000, the alternate payee must consent in writing to such distribution.

5.7 Plan-to-Plan Transfers from this Custodial Account

The Participant may cause the transfer (or exchange), in cash, of all or any portion of the balance credited to a Participant's account from this Custodial Account directly to the custodian of another custodial account qualified under Section 403(b)(7) of the Code or to an insurance company designated by the Participant for the purchase, for the benefit of the Participant, of an annuity contract qualified under Section 403(b) of the Code if the Administrator, or Vendor, if applicable certifies that the transaction meets the requirements for a tax-free transfer or exchange under section 1.403(b)-10(b), and any other applicable laws or rulings of the Internal Revenue Service. Plan-to-Plan Transfer or Exchange assets once received by the new custodian or issuer shall be applied to the original source from such transferred or exchanged assets, on behalf of such Participant. If it is not possible to determine the source of the funds being transferred or involved in an exchange then instructions shall accompany the assets for such assets to be placed in a restricted source under the new custodial account (or annuity) and will be subject to the strictest distributable events with respect to sources under the new custodial account or annuity.

5.8 Direct Rollovers :

(a) This section applies to distributions made on or after January 1, 1993. Notwithstanding any provision of this Custodial Account or the Employer's 403(b) Plan to the contrary that would otherwise limit a distributee's election under this section, a Distributee may elect, at the time and in the manner prescribed by the Custodian, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a direct rollover.
(b) Definitions:

(i) **Eligible Rollover Distributions**: An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee and the distributee's designed beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; any hardship distribution described in Treasury Notice 2000-32 (and subsequent rulings) received after 12-31-99, the portion of any other distribution(s) that is not includible in gross income; and any other distribution(s) that is reasonably expected to total less than $200 during the year.
(ii) **Eligible Retirement Plan:**

(A) An Eligible Retirement Plan is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, a tax-sheltered annuity plan described in Section 403(b) of the Code, or a custodial account described in Section 403(b)(7) of the Code, that accepts the distributee's Eligible Rollover Distribution. However, in the case of an Eligible Rollover Distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity.

(B) For distributions made after December 31, 2001, and for purposes of the Direct Rollover provisions in this section of the Custodial Agreement, an Eligible Retirement Plan shall also mean an annuity contract described in Section 403(b) of the Code and an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Custodial Agreement. The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a Qualified Domestic Relation Order, as defined in Section 414(p) of the Code.
(iii) **Distributee:** A Distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.
(iv) Direct Rollover: A Direct Rollover is a payment by the Plan to the Eligible Retirement Program specified by the Distributee.

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(v) **Modification of Definition of Eligible Rollover Distribution to Exclude Hardship Distributions**: For purposes of the direct rollover provisions in section 5.8 of the Custodial Agreement, any amount that is distributed on account of hardship shall not be an Eligible Rollover Distribution and the distributee may not elect to have any portion of such a distribution paid directly to an Eligible Retirement Plan.

(vi) **Modification of Definition of Eligible Rollover Distribution to Include After-Tax Employee Contributions**: For purposes of the Direct Rollover provisions in this section of the Custodial Agreement, a portion of a distribution shall not fail to be an Eligible Rollover distribution merely because the portion consists of After-Tax Employee contributions which are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described in Section 408(a) or (b) of the Code, or to a qualified defined contribution plan described in Section 401(a) or 403(a) of the Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

5.9 Beneficiary Direct Rollover:

If elected under the Employer's 403(b) Plan and effective for distributions made after December 31, 2006, a direct trustee-to-trustee transfer of any portion of a distribution from an eligible retirement plan may be made to an individual retirement plan described in section 408(a) or (b) (an "IRA") that is established for the purpose of receiving the distribution on behalf of a designated beneficiary who is a Beneficiary (whether a spouse or nonspouse Beneficiary), and such transfer shall be treated as a direct rollover of an eligible rollover distribution for purposes of section 402(c).

5.10 Transfers to State Defined Benefit Plan

(a) A Participant may, if the conditions outlined in section 5.10(b) are satisfied and if permitted under the Employer's 403(b) Plan, transfer amounts from this Custodial Account to an eligible governmental defined benefit plan of a state. A transfer under this section is not treated as a distribution and therefore may be made prior to severance from employment or any other distributable event.

(b) A transfer may be made under this Plan if:
  (1) the defined benefit plan of the state provides for the acceptance of such transferred amounts; and
  (2) the transferred amount is for either:
    (i) the purchase of permissive past service credit (as defined in section 415(n)(3)(A) of the Code) under the receiving defined benefit governmental plan; or
    (ii) a repayment to which section 415 of the Code does not apply by reason of section 415(k)(3) of the Code.

(c) Under Section 821 of PPA, the term permissive service credit may include service credit for periods for which there is no performance of service, and may include service credited in order to provide an increased benefit for service credit which a Participant is receiving under the defined benefit plans.

5.11 Financial Hardship Distributions: If permitted under the Employer's 403(b) Plan and unless the Employer maintains a separate Financial Hardship Policy, the following requirements shall apply:

(a) Distribution of Elective Deferrals (and earnings thereon accrued as of December 31, 1988) may be made to an Employee in the event of Financial Hardship.

(b) A distribution will be considered as necessary to satisfy an immediate and heavy financial need of the Employee only if:

  (1) The Employee has obtained all distributions, other than hardship distributions under all plans maintained by the Employer. The Employee shall not be required to apply for a loan prior to receiving a Financial Hardship distribution unless the Sponsor's Financial Hardship policy states otherwise;
  (2) All plans maintained by the Employer provide that the Employee's Elective Deferrals (and Employee Contributions) will be suspended for twelve months after the receipt of the Financial Hardship distribution except as provided under section 5.11(b)(3) below;
  (3) A Participant who receives a distribution of Elective Deferrals after December 31, 2001, on account of Financial Hardship shall be prohibited from making Elective Deferrals and Employee Contributions under this and all other plans of the Employer for 6 months after receipt of the distribution. A Participant who received a distribution of Elective Deferrals in calendar year 2001 on account of Financial Hardship shall be prohibited from making Elective Deferrals and Employee Contributions under this and all other plans of the Employer for 6 months after receipt of the distribution; and
  (4) The distribution is not in excess of the amount of an immediate and heavy financial need.

SECTION 6. Required Minimum Distributions

6.1 1987 Proposed Regulations - Minimum Distribution Requirements:

(a) **In General:** All distributions required hereunder shall be determined and made in accordance with the proposed regulations under Section 401(a)(9) of the Code, including the minimum distribution incidental benefit requirement of Section 1.401(a)(9)-2 of the proposed regulations.

(b) **Pre-1987 Account Balance or Bifurcated Account**: If the Custodian maintains a record of the Participant's balance as of December 31, 1986 ("the pre-1987 account"). Such pre-1987 account balance will not be required to be distributed until the end of the calendar year in which the Participant attains age 75.

(c) **Death Prior to Distribution**: If the Participant dies before he has started to withdraw installments from his Account, the entire interest in the Participant's Account shall be distributed within five (5) years after the death of the Participant. However, if any portion of the Participant's interest is payable to a designated Beneficiary (within the meaning of Section 401(a)(9)(E) of the Code), then, at the Beneficiary's election, distributions may be made over the life expectancy of such designated Beneficiary. Such distributions must begin by December 31 of the calendar year following the calendar year of the Participant's death. However, if the sole designated Beneficiary is the surviving spouse of the Participant, distributions need not commence until the later of December 31 of the calendar year in which the Participant would have attained age 70 1/2, or December 31 of the calendar year immediately following the calendar year in which Participant died.

For purposes of this section 6.1, payments will be calculated by use of the return multiplies specified in Section 1.73-9 of the Income Tax Regulations. Life expectancy of a surviving spouse may be recalculated annually. Life expectancy of any non-spouse Beneficiary will be calculated at the time of the first payment without further recalculation.

(d) **Death After Distributions Have Commenced**: If the Participant was withdrawing his interest in installments over a fixed period, the remaining installments will be continued to the Beneficiary at least as rapidly as under the method of distribution selected prior to death.

(e) **Required Distribution Default Provisions**:

  (1) Unless otherwise elected by the Participant (or spouse, if applicable) by the time distributions are required to begin, life expectancies shall not be recalculated annually. Such election shall be irrevocable as to the Participant (or spouse) and shall apply to all subsequent years. The life expectancy of a nonspouse beneficiary may not be recalculated.
  (2) If the Participant does not choose any of the distribution methods under this section 6.1 by such Participant's

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Required Beginning Date, distribution shall be made to the Participant based on such Participant's nonrecalculated Single Life expectancy.

(3) All requests for distributions shall be made on a pro-rata basis among the applicable Funds unless directed otherwise by the Participant.

6.2 Application of 2002 Final Regulations

(a) **General Rules:**

(i) **Effective Date:** Unless an earlier effective date is used by the Custodian, the provisions of this Section 6.2 will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year.

(ii) **Coordination with Minimum Distribution Requirements Previously in Effect**: If the Custodian uses an effective date of this Section 6.2 that is earlier than calendar years beginning with the 2003 calendar year, required minimum distributions for 2002 under this Section 6.2 will be determined as follows. If the total amount of 2002 required minimum distributions under the plan made to the distributee prior to the effective date of this Section 6.2 equals or exceeds the required minimum distributions determined under this Section 6.2, then no additional distributions will be required to be made for 2002 on or after such date to the distributee. If the total amount of 2002 required minimum distributions under the plan made to the distributee prior to the effective date of this Section 6.2 is less than the amount determined under this Section 6.2, then required minimum distributions for 2002 on and after such date will be determined so that the total amount of required minimum distributions for 2002 made to the distributee will be the amount determined under this Section 6.2.

(iii) **Precedence**: The requirements of this Section 6.2 will take precedence over any inconsistent provisions of the plan.

(iv) **Requirements of Treasury Regulations Incorporated:** All distributions required under this Section 6.2 will be determined and made in accordance with the Treasury regulations under section 401(a)(9) of the Internal Revenue Code.

(b) **Time and Manner of Distribution.**

(i) **Required Beginning Date:** The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date.

(ii) **Death of Participant Before Distributions Begin**: If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(A) If the Participant's surviving spouse is the Participant's sole Designated Beneficiary, then, except as provided in section 6.2(b)(ii)(E) below, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.

(B) If the Participant's surviving spouse is not the Participant's sole Designated Beneficiary, then, except as provided in section 6.2(b)(ii)(E), distributions to the Designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(C) If there is no Designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(D) If the Participant's surviving spouse is the Participant's sole Designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this section 6.2(b)(ii), other than section 6.2(b)(ii)(A), will apply as if the surviving spouse were the Participant.

For purposes of this sections 6.2(b)(ii) and section 6.2(d), unless section 6.2(b)(ii)(D)applies, distributions are considered to begin on the Participant's Required Beginning Date. If section 6.2(b)(ii)(D)applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under section 6.2(b)(ii)(A). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's Required Beginning Date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under section 6.2(b)(ii)(A)), the date distributions are considered to begin is the date distributions actually commence.

(E) Notwithstanding sections 6.2(b)(ii) and 6.2(d)(ii), Participants or beneficiaries may elect on an individual basis whether the 5-year rule or the life expectancy rule in sections 6.2(b)(ii) and 6.2(d)(ii) of the plan applies to distributions after the death of a Participant who has a designated beneficiary. The election must be made no later than the earlier of September 30 of the calendar year in which distribution would be required to begin under section 6.2(b)(ii) of the plan, or by September 30 of the calendar year which contains the fifth anniversary of the Participant's (or, if applicable, surviving spouse's) death. If neither the participant nor beneficiary makes an election under this paragraph, distributions will be made in accordance with sections 6.2(b)(ii) and 6.2(d)(ii)of the plan and, if applicable, the elections in section 6.2(b) above.

(iii) **Forms of Distribution**: Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with sections 6.2(c) and 6.2(d)of this section 6.2. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of section 401(a)(9) of the Code and the Treasury regulations.

(c) **Required Minimum Distributions During Participant's Lifetime**

(i) Amount of Required Minimum Distribution For Each Distribution Calendar Year. During the participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:

(A) the quotient obtained by dividing the participant's account balance by the distribution period in the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury regulations, using the Participant's age as of the Participant's birthday in the distribution calendar year; or

(B) if the Participant's sole Designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in section 1.401(a)(9)-9 of the Treasury regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.

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(ii) **Lifetime Required Minimum Distributions Continue Through Year of Participant's Death:** Required minimum distributions will be determined under this section 6.2(c) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.

(d) **Required Minimum Distributions After Participant's Death**

(i) **Death On or After Date Distributions Begin:**

(A) **Participant Survived by Designated Beneficiary**. If the Participant dies on or after the date distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:

(I) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(II) If the Participant's surviving spouse is the Participant's sole Designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

(III) If the Participant's surviving spouse is not the Participant's sole Designated Beneficiary, the Designated Beneficiary's remaining life expectancy is calculated using the age of the beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(B) **No Designated Beneficiary**. If the Participant dies on or after the date distributions begin and there is no designated beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii) **Death Before Date Distributions Begin:**

(A) **Participant Survived by Designated Beneficiary**. Except as provided in the adoption agreement, if the Participant dies before the date distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant's Designated Beneficiary, determined as provided in section 6.2(d)(i).

(B) **No Designated Beneficiary**. If the Participant dies before the date distributions begin and there is no Designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(C) **Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin**. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole Designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under section 6.2(b)(ii)(A), this section 6.2(d)(ii) will apply as if the surviving spouse were the Participant.

(D) A Designated Beneficiary who is receiving payments under the 5-year rule may make a new election to receive payments under the life expectancy rule until December 31, 2003, provided that all amounts that would have been required to be distributed under the life expectancy rule for all distribution calendar years before 2004 are distributed by the earlier of December 31, 2003 or the end of the 5-year period.

(e) **Definitions**.

(i) **Designated Beneficiary**. The individual who is designated as the Beneficiary under section 5.5 of this Custodial Agreement and is the Designated Beneficiary under section 401(a)(9) of the Internal Revenue Code and section 1.401(a)(9)-1, Q&A-4, of the Treasury regulations.

(ii) **Distribution Calendar Year**. A calendar year for which a minimum distribution is required. For distributions beginning before the participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under section 6.2(b)(ii). The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.

(iii) **Life expectancy**. Life expectancy as computed by use of the Single Life Table in section 1.401(a)(9)-9 of the Treasury regulations.

(iv) **Participant's account balance**. The account balance as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the account balance as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The account balance for the valuation calendar year includes any amounts rolled over or transferred to the plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

(v) **Required Beginning Date**. The date specified in section 5.3(b) of this Agreement.

SECTION 7. Nonforfeitability

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1.1 Nonforfeitability: A Participant's interest in the balance of his account attributable to his/her salary reduction contributions shall at all times be nonforfeitable.

SECTION 8. Loans to Participants

8.1 Applicability and Effective Date of Section 8: This section 8 shall not be effective until May 1, 2002, or when the Sponsor's loan processing system is available, if later.

8.2 General Rules: If elected in the Employer's 403(b) Plan, the following rules shall apply with respect to loans to Participants from their 403(b) account:

(a) Loans shall be made available to all Participants on a reasonably equivalent basis upon written application to the Sponsor. However, loans shall not be available to a Participant who is not considered to be a party-in-interest as defined under ERISA Section 3(14).
(b) Loans must be adequately secured. Although it is the intention that loans to Participants shall be repaid, the collateral for each loan shall be the assignment of the Participant's entire right, title, and interest in and to his account balance, evidenced by his promissory note for the amount of the loan (including interest), payable to the order of the Custodian, and such other security as the Custodian or Administrator shall require.
(c) Each loan must bear interest at a reasonable rate determined by the Sponsor taking into account interest rates being charged at the time of the loan. There shall be no discrimination among Participants in the matter of interest rates, but loans granted at different times may bear different interest rates and terms if the differences are justified by changes in the general economic condition.
(d) If a Participant fails to make a loan payment when due, the terms and conditions set forth in the Employer's 403(b)(7) Loan Policy shall apply.

8.3 Loan Limits: No loan to any Participant can be made to the extent that such loan when added to the outstanding balance of all other loans to the Participant would exceed the lesser of (a) $50,000 reduced by the excess (if any) of the highest outstanding balance of loans during the one year period ending on the day before the loan is made, over the outstanding balance of loans from the Plan on the date the loan is made, or (b) 1/2 the present value of the Participant's Account.

Furthermore, any loan shall by its terms require that repayment (principal and interest) be amortized in level payments, not less frequently than quarterly, over a period not extending beyond five years from the date of the loan, unless such loan is used to acquire a dwelling unit which within a reasonable time will be used as the principal residence of the Participant.

8.4 Administration of Loans: The Administrator shall prescribe any such rules and procedures as from time to time it deems proper in order to administer the provisions under this section 8 and reserves the right to charge an administrative fee for processing and maintaining such loans. All other terms and conditions shall be administered pursuant to the Employer's Loan Policy.

8.5 Suspension of Certain Loan Payments: Pursuant to the Employer's Loan Policy, loan payments may be suspended under this Plan:

(a) as permitted under Section 414(u)(4) of the Code during Participants' periods of military service; and
(b) during any participants' leave of absence, as defined in Section 73(p) of the Code and the regulations thereunder, but in to event shall such suspension exceed one year.

SECTION 9. The Custodian, Sponsor and Administrator

9.1 All notices, requests and other communications to the Custodian by the Employer or any Participant (or his spouse or Beneficiary) shall be in writing and in such form as the Custodian may from time to time prescribe. The Custodian shall be entitled to rely on any such instruments believed by it to be genuine.

9.2 The Custodian shall have the power and authority in the administration of the Custodial Account to do all acts, to execute and deliver all instruments and to exercise for the benefit of the Participants and their beneficiaries any and all powers which would be lawful were it in its own right the actual owner of the property held.

9.3 Custodian's (or Sponsor's or Administrator's, if applicable) Fees and Expenses of the Account: In consideration of its services hereunder, the Custodian (or Sponsor or Administrator, if applicable) will be entitled to receive compensation for its services provided hereunder as may be agreed upon from time to time, including but not limited to annual maintenance fees. The Custodian will be entitled to reimbursement for all reasonable and necessary costs, expenses, and disbursements incurred by it in the performance of such services, including, without limitation, attorneys' fees. All fees, taxes and expenses charged to a Custodial Account may be collected by the Custodian from the amount of any contribution, transfer or dividend credited or to be credited to an Account or by redeeming Investment Company shares credited to that Custodial Account. Such fees, if any, shall be disclosed on an attachment hereto. Any income taxes or other taxes of any kind whatsoever that may be levied or assessed upon or in respect of the Account shall be paid from the assets of the Account. Any transfer taxes, investment fees or similar expenses incurred in connection with the investment of the assets of the Account, and all other administrative expenses incurred by the Custodian (or Sponsor or Administrator, if applicable) in the performance of its duties including fees for legal services rendered to the Custodian (or Sponsor or Administrator, if applicable) shall similarly be paid from the assets of the Custodial Account. There is an annual Custodian Fee of up to $50.00 per Social Security Number irrespective of the number of mutual fund accounts. This fee is deducted from a shareholder's account balance each December unless prepaid. If redemption is requested during the year, the Custodian fee is deducted from the redemption proceeds. Additionally, beginning in 1997, a termination fee of up to $50 will be imposed on redemptions for full liquidation of premature distributions (prior to age 59 1/2) and all transfers of assets to other Custodians.

1.4 The Custodian may resign at any time upon 30 days notice in writing to the Sponsor (or Administrator, if applicable) and Participant (unless such notice is waived) and may be removed by the Sponsor (or Administrator, if applicable) and Participant at any time upon 30 days notice in writing to the Custodian. Upon such resignation or removal, the Participant or Sponsor (or Administrator, if applicable) shall appoint a successor custodian, which successor shall be a "bank" as defined in Section 401(f)(2) of the Code. If within 30 days after the Custodian's resignation or removal, the Participant or Sponsor has not appointed a qualified successor custodian which has accepted such appointment, the Custodian may appoint, unless it elects to terminate the Account, such successor itself. Upon receipt by the Custodian of written acceptance of such appointment by the successor custodian, the Custodian shall transfer and pay over to such successor the assets of the Custodial Account and all records pertaining thereto, reserving such sum as it may deem advisable for payment of all its fees, compensation, costs and expenses and any other liabilities constituting a charge on or against the assets of the Custodial Account. The successor custodian shall thereafter be the Custodian under this Custodial Agreement.

9.5 The Custodian, Sponsor and Administrator shall not be responsible in any way, except as specifically provided herein, for the collection of contributions, the purpose or propriety of any distribution, or any other action taken at the direction of the Employer, the Participant, or a Beneficiary.

Each Participant and Employer shall at all times fully indemnify and hold harmless the Custodian, Sponsor and Administrator, its successors and assigns, from any liability arising from distributions so made or actions taken at the direction of such Employer, Participant, or Beneficiary.

9.6 The Custodian's liability under this Agreement and matters which it contemplates shall be limited to matters arising from the Custodian's

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negligence or willful misconduct. To the extent permitted by applicable law, the Custodian and Sponsor shall be protected in acting upon any written order from the Employer or Participant or any other notice, request, instruction or direction, consent certificate or other instrument or paper believed by it to be genuine and to have been properly executed, and, so long as it acts in good faith, in taking or omitting to take any other action. The Custodian and Sponsor may submit any question arising hereunder or in respect of the Account to counsel, including its own general counsel, and shall be protected to the extent permitted by applicable law, in acting on the advice of such counsel.

Subject to the provisions of applicable law, the Participant, his designated Beneficiary or the executor or administrator or either of these shall have the sole authority to enforce this Agreement on behalf of any and all persons having or claiming any interest in the Account by virtue of this Agreement. To protect the Account from expenses which might otherwise be incurred, it has been imposed as a condition to the acquisition of any interest in the Account, and it is hereby agreed, that subject to the provisions of applicable law, no person other than the Participant, his designated Beneficiary or personal representative, may institute or maintain any action or proceeding against the Custodian or Sponsor in the absence of a determination of a court of competent jurisdiction to the contrary.

9.7 Notwithstanding any contrary language elsewhere in this Custodial Agreement and pursuant to IRS Revenue Ruling 2007-71 and any subsequent guidance provided by the IRS, the Custodian shall be responsible for determining and administering certain orphan custodial agreements with respect to distributions, loans, and any other transactions that may arise under such accounts.

SECTION 10. Reports and Returns

10.1 The Custodian shall:

(a) maintain separate records of the interest of each Participant (or his designated Beneficiary(ies)) in the Custodial Account indicating (i) the amounts and dates of all contributions, (ii) the investment of such contributions, (iii) the earnings on such investments, (iv) the amounts and dates of all distributions and (v) such other data as the Custodian deems useful in carrying out its duties hereunder;

(b) shall send each Participant, as soon as practicable after any contribution is made hereunder, a written confirmation containing information with respect to the investment of such contribution, and the current status of the account; and

(c) mail at least once during each calendar year a statement of all transactions in the Custodial Account during the preceding year and a statement showing the value of the assets held in the Custodial Account as of the end of such year. Upon the expiration of sixty days after such report or statement is rendered, the Sponsor and the Custodian shall be forever released and discharged from all liability and accountability to anyone with respect to transactions shown in or reflected by such report or statement except with respect to any such acts or transaction as to which the Participant shall have filed a written objection with the Custodian within such sixty-day period.

10.2 The Custodian shall file such returns or reports with respect to the Custodial Account as are required to be filed by it under the Code and the Regulations thereunder, or by the Department of Labor, and the Employer and each Participant shall provide the Custodian with such information available to them as the Custodian may require to file such reports.

SECTION 11. Amendments and Termination

11.1 This Custodial Agreement may be amended by the Sponsor by submitting a copy of the amendment to the Participant. The Participant hereby delegates to the Sponsor the power to amend this Custodial Agreement and shall be deemed to have consented to any such amendment. Notwithstanding the above, no amendment shall be made by the Sponsor which shall cause or permit: (a) any part of the assets in the Account to be diverted to purposes other than for the exclusive benefit of the Participant or his Beneficiaries; or (b) except as may be permitted under section 3.10, any part of such assets to revert to or become the property of the Employer; or (c) any Participant, or his Beneficiary, to be deprived of any benefit to which he was entitled under the Account by reason of contributions made by the Employer prior to such amendment, unless such amendment is necessary either to conform the Account to, or to satisfy the condition of, any law, governmental regulation or ruling, or to permit the Account to meet the requirements of the Code; or (d) any responsibilities of the Custodian under the Agreement to be increased without its written consent.

1.2 This Custodial Agreement shall terminate upon the complete distribution of the Custodial Account or in the event that a determination is made by the Internal Revenue Service that the Custodial Account does not satisfy the requirements of Section 401(f)(2) of the Code or that contributions thereto are not treated under Section 403(b)(7)(A) of the Code as contributed for annuity contracts. In event of termination as aforesaid, the balance in the Custodial Account shall be distributed to the Participants (or their respective surviving spouses or Beneficiaries, as the case may be) in accordance with their interests in the Custodial Account.

11.3 If permitted under the Employer's 403(b) Plan, a distributable event shall also include Plan Termination by the Employer. The Employer by proper action has the right, at any time, to terminate the 403(b) Plan. However, if the Employer does not have any rights under the Individual Agreements including this Custodial Agreement, the Employer may not force the distribution to the assets in the Individual Agreements and termination of the 403(b) Plan may not occur.

SECTION 12. Construction and Governing Law

12.1 Conflicts With Employer's 403(b) Plan: In the event of any conflict between the terms of the Employer's 403(b) Plan and the terms of this Custodial Agreement, the Plan provisions shall control.

12.2 The Custodial Account is established with the intention that it qualify as a custodial account under Section 401(f)(2) of the Code and that contributions thereto be treated under Section 403(b)(7)(A) of the Code as amounts contributed for annuity contracts, and the provisions of this Agreement shall be construed in accordance with such intention. This Agreement shall be governed by the laws of the State of Georgia, to the extent such laws are not preempted by the laws of the United States, and if applicable the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

12.3 The determination that any provision of this Agreement is not enforceable shall not affect the validity or enforceability of the remaining provisions of this Agreement. Unenforceable provisions shall be stricken or modified in accordance with such determination only as to such parties and this Agreement, as modified, shall continue to bind the specific parties involved therein and otherwise all other parties in unmodified form.

SECTION 13. Arbitration

13.1 The Participant agrees that all controversies between the Participant and/or Beneficiaries and the Custodian and Sponsor (including their officers, directors, present or former employees) concerning or arising from (i) any retirement account(s) maintained with the Custodian; (ii) any transaction involving the Participant's account(s), whether or not such transaction occurred in such account(s); or (iii) the construction, performance, or breach of this Agreement, whether such controversy arose prior, on, or subsequent to the date hereof, shall be determined by arbitration under the commercial arbitration rules of the American Arbitration Association. Any disputes on the arbitrability of a matter or the manner of arbitration shall be determined in such arbitration. Arbitration shall be held in Atlanta, Georgia.

1.2 Arbitration Disclosures: Arbitration is final and binding on the parties. The parties are waiving their right to seek remedies in

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court, including the right to jury trial. Pre-arbitration discovery is generally more limited than and different from court proceedings. The arbitrators' award is not required to include factual findings or legal reasoning, and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited.

SECTION 14. Roth Elective Deferrals

14.1 General Application

(a) If permitted under the Employer's 403(b) Plan, this Custodial Agreement will accept Roth elective Deferral contributions beginning with the effective date indicated in the Employer's 403(b) Plan.
(b) Pursuant to the Employer's 403(b) Plan and as of the effective date indicated in the Employer's 403(b) Plan, this Agreement will accept Roth Elective Deferrals made on behalf of Participants. A Participant's Roth Elective Deferrals will be allocated to a separate account maintained for such deferrals as described in section 14.2.
(c) Unless specifically stated otherwise, Roth Elective Deferrals will be treated as Elective Deferrals for all purposes under the Plan.

14.2 Separate Accounting

(a) Contributions and withdrawals of Roth Elective Deferrals will be credited and debited to the Roth Elective Deferral account maintained for each Participant.
(b) The Plan will maintain a record of the amount of Roth Elective Deferrals in each Participant's account.
(c) Gains, losses, and other credits or charges must be separately allocated on a reasonable and consistent basis to each Participant's Roth Elective Deferral account and the Participant's other accounts under the Plan.
(d) No contributions other than Roth Elective Deferrals and properly attributable earnings will be credited to each Participant's Roth Elective Deferral account.

14.3 Direct Rollovers

(a) Notwithstanding any provision in the 403(b) document, a direct rollover of a distribution from a Roth Elective Deferral account under the Plan will only be made to another Roth Elective Deferral account under an applicable retirement plan described in Section 402A(e)(1) or to a Roth IRA described in Section 408A, and only to the extent the rollover is permitted under the rules of Section 402(c).
(b) Notwithstanding any provision in the 403(b) document, the Plan will accept a rollover contribution to a Roth Elective Deferral account only if it is a direct rollover from another Roth Elective Deferral account under an applicable retirement plan described in Section 402A(e)(1) and only to the extent the rollover is permitted under the rules of section 402(c).
(c) The Plan will not provide for a direct rollover (including an automatic rollover) for distributions from a Participant's Roth Elective Deferral account if the amount of the distributions that are eligible rollover distributions are reasonably expected to total less than $200 during a year. In addition, any distribution from a Participant's Roth Elective Deferral account is not taken into account in determining whether distributions from a Participant's other accounts are reasonably expected to total less than $200 during a year.
(d) The provisions of the Plan that allow a Participant to elect a direct rollover of only a portion of an eligible rollover distribution but only if the amount rolled over is at least $500 is applied by treating any amount distributed from the Participant's Roth Elective Deferral account as a separate distribution from any amount distributed from the Participant's other accounts in the Plan, even if the amounts are distributed at the same time.

14.4 Definition of Roth Elective Deferrals

A Roth Elective Deferral is an Elective Deferral that is:

(a) Designated irrevocably by the Participant at the time of the cash or deferred election as a Roth Elective Deferral that is being made in lieu of all or a portion of the pre-tax Elective Deferrals the Participant is otherwise eligible to make under the Plan; and
(b) Treated by the employer as includible in the Participant's income at the time the Participant would have received that amount in cash if the Participant had not made a cash or deferred election.

14.5 In-Plan Conversions: If permitted in the Employer's 403(b) Plan, In-Plan Roth conversions shall be permitted pursuant to the Employer's amendment to the 403(b) Plan.

PFS Investments Inc.
ORP 403(b)(7) TSA Custodial Account Agreement

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PFS Investments Inc.
ORP 403(b)(7)/TSA Custodial Account Agreement

SECTION 1. Definitions

1.1 Agreement: This instrument setting forth the terms and conditions of the Sponsor's Custodial Account Agreement as set forth hereafter.

1.2 Alternate Payee: A spouse, former spouse, child or other dependent of a Participant who is assigned under a qualified domestic relations order (as defined in 414(p) of the Code) a right to receive all or a portion of the benefits payable with respect to a Participant.

1.3 Application: The written application which incorporates this Agreement and is signed by the Employee and accepted by the Custodian and serves to establish a Section 403(b)(7) Custodial Account for the Employee.

1.4 Beneficiary: Except as provided in Section 5.6, a person designated in writing by a Participant to receive a benefit under this Agreement in the event of such Participant's death.

1.5 Code: The Internal Revenue Code of 1986, as amended, including any regulations issued thereunder.

1.6 Compensation: The Participant's wages, salaries or other remuneration received for personal services actually rendered in the course of employment with the Employer and any other amounts treated as compensation under Section 415 of the Code.

1.7 Custodial Account or Account: The individual account(s) established and maintained under this Agreement for the Employee pursuant to Section 403(b)(7) of the Code. Separate accounts or accounting shall be maintained with respect to: (1) all statutory contributions made under the terms of the Texas ORP; and (2) any other contributions made under a salary reduction agreement for investment in a custodial account under Section 403(b)(7) of the Code.

1.8 Custodian: PFS Investments, Inc., or any successor thereto.

1.9 Disabled: With respect to a Participant, that he is unable to engage in any substantial gainful activity by reason of a medically determinable physical or medical impairment which can be expected to result in death or to be of long-continued and indefinite duration, as defined under 73(m)(7) of the Code.

1.10 EGTRRA: The Economic Growth and Tax Relief Reconciliation Act of 2001, including any regulations or other guidance issued thereunder.

1.11 Elective Deferrals: For any taxable year of an Employee, Elective Deferrals are the sum of:

a) any salary reduction contributions under a qualified cash or deferred arrangement as defined in Section 401(k) of the Code, to the extent not includible in income under Section 402(a)(8) of the Code.
b) any salary reduction contributions to a simplified employee pension plan as defined in section 408(k) of the Code, to the extent not includible in income under Section 402(h)(1)(B) of the Code.
c) any contributions made pursuant to a Salary Reduction Agreement used to purchase an annuity contract or Custodial Account under Section 403(b) of the Code.
d) any salary reduction contribution to a SIMPLE plan as defined in Section 408(p) of the Code, to the extent mot includible in income under Section 402 of the Code.

1.12 Eligible Employee: An Employee who obtains the consent of the Employer to participate in this Custodial Account, is eligible to adopt this Agreement. The eligibility of such Employee to participate in this Custodial Account and have contributions made to this Account shall be determined by the Employer and the rules set forth by the Texas Higher Education Coordinating Board.

1.13 Employee: Any person regularly employed by the Employer. Neither "leased employees" within the meaning of Section 414(n) or (o) of the Code, nor independent contractors shall be considered to be Employees for the purposes of this Agreement.

1.14 Employer: An educational organization described in Section 173(b)(1)(A)(ii) of the Code which is an agency or instrumentality of the State of Texas or a political subdivision thereof, and which is considered a state supported institution of higher education under Chapter 830, Title 8, Public Retirement Systems of VTCAGC.

1.15 ERISA: The Employee Retirement Income Security Act of 1974, as amended, including any regulations thereunder.

1.16 Excess Deferral: For any taxable year, that portion of an Employee's Elective Deferrals that exceeds the limits of Section 402(g) of the Code.

1.17 Exclusion Allowance: For any taxable year, an amount equal to the excess, if any, of:

a) the amount determined by multiplying 20 percent of the Employee's Includible Compensation by the number of his Years of Service, over
b) the aggregate of the amounts which were contributed by the Employer for annuity contracts or custodial accounts for the Employee and which were excludible from the gross income of the Employee for any prior taxable year.

1.18 Financial Hardship: With respect to an Employee, a present or pending financial need resulting from unusual costs or expenses, due to unusual medical expenses, higher educational expenses or purchase of a residence. Financial Hardship shall be determined in accordance with Section 403(b) of the Code, regulations thereunder and the rules set forth by the Texas Higher Education Coordinating Board.

1.19 Funds: The regulated investment companies, as defined in Section 851(a) of the Code, as determined from time to time by PFS Distributors, and whose shares are authorized for purchase under the Agreement by the Sponsor.

1.20 Includible Compensation: The Participant's wages, salaries or other remuneration received for personal services actually rendered in the course of employment with the Employer and any other amounts treated as compensation under Section 415 of the Code. Such Includible Compensation shall be determined under the most recent year of service pursuant to Section 403(b)(4) IRC. For taxable years beginning after 12/31/97, such term includes any elective deferral described in Section 402(g)(3) and any amount which is contributed or deferred by the Employer at the election of the Employee and which is not includible in the gross income of the Employee by reason of Sections 125, 132(f)(4) or 457 IRC.

1.21 Institution of Higher Education: Texas Public Institutions of Higher Education as defined in Chapter 830, Title 8, Public Retirement Systems, VTCAGC. Such term shall include the Texas Higher Education Coordinating Board, the Texas State Technical College System and institutions defined in Chapter 821, Title 8 of VTCAGC, but excludes the Rodent and Predatory Animal Control Service.

1.22 Optional Retirement Program (ORP): The Texas Optional Retirement Program as authorized under Chapter 830, Title 8, Public Retirement Systems, VTCAGC.

1.23 Participant: An individual who is, or has been, employed by the Employer, who has been designated by the Employer as a Participant, and who contracts in writing with the Employer for contributions hereto.

1.24 Salary Reduction Agreement: A binding contract executed by the Employee and the Employer authorizing a reduction in the Employee's future Compensation or a waiver of increasing future Compensation provided that such amounts shall be contributed to the Employee's Custodial Account by the Employer.

1.25 Sponsor: PFS Investments Inc.

1.26 VTCAGC: The Vernon's Texas Codes Annotated Government Code.

1.27 Year of Service: Each full tax year during which the Participant was a full-time Employee of the Employer. A fraction of a year shall be counted for each full tax year during which the Participant was a part-time Employee of the Employer and for each part of a year during which the employee was a full-time or part-time Employee of the Employer. In no case shall the Years of Service be less than one (1).

SECTION 2. Establishing of Custodial Accounts

The Custodian shall open and maintain a Custodial Account for each eligible Employee who completes an Application; and the Custodian shall hold and administer, in accordance with the terms hereof, contributions to the Custodial Account and any gain or income from the investment thereof. The Employee shall notify the Custodian in writing of any change in name, address, or Social Security Number.

SECTION 3. Contributions

3.1 (a) ORP Statutory Employer Contributions: The Custodian shall accept cash contributions from the Employer on behalf of Participants in accordance with Chapter 830.201, Title 8 of the VTCAGC.

(b) ORP Statutory Employee Contributions: The Employer shall also contribute an amount from the Participant's salary as required pursuant to section 830.201, Title 8, of the VTCAGC.

(c) TSA Contributions: In addition to contributions made pursuant to 3.1(a) above, an Employer may make Elective Deferrals on behalf of an Employee subject to the Salary Reduction Agreement entered into between the Employee and the Employer.

(d) Contribution Limits: Each contribution shall be accompanied by specific written instructions from the Employee specifying the accounts to which it is to be credited and the investments which are to be purchased with such contribution. Contributions made by the Employer to the Custodian for any Employee shall not exceed the limitations set forth in Sections 415, 402(g), 414(v), if applicable and 403(b) of the Code. No Participant shall be permitted to have Elective Deferrals made under this Plan or any other plan maintained by the Employer, during any taxable year of the Participant, in excess of the dollar limitations contained in section 402(g) of the Code in effect at the beginning of such taxable year, except to the extent permitted under section 3.11 of this Custodial Agreement and Section 414(v) of the Code, if applicable.

(e) Compensation Limitation:

(1) For Plan Years beginning on or after January 1, 1994, the annual compensation of each Employee taken into account under the Plan shall not exceed the OBRA '93 annual compensation limit. The OBRA '93 annual compensation limit is $150,000, as adjusted by the Commissioner for increases in the cost of living in accordance with section 401(a)(17)(B) of the Internal Revenue Code.

(2) The annual Compensation of each Participant taken into account in determining allocations for any Plan Year beginning after December 31, 2001, shall not exceed $200,000, as adjusted for cost-of-living increases in accordance with section 401(a)(17)(B) of the Code. Annual Compensation means Compensation during the Plan Year or such other consecutive 12-month period over which Compensation is otherwise determined under the Plan (the Determination Period). The cost-of-living adjustment in effect for a calendar year applies to annual Compensation for the Determination Period that begins with or within such calendar year.

3.2 Make-up Contributions for Qualified Military Service: Notwithstanding any provisions 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.

3.3 Transfer Contributions:

(a) The Participant may transfer cash from another custodial account qualified under Section 403(b)(7) of the Code and/or from an annuity contract qualified under Section 403(b) of the Code to the Custodial Account if the Participant certifies that the transaction meets the requirements for a tax-free transfer under IRS Revenue Ruling 90-24 and other applicable laws or rulings of the Internal Revenue Service, or is a rollover contribution described in Sections 403(b)(8) or 408(d)(3)(A)(iii) of the Code. Once transferred, such assets shall be treated as a contribution on behalf of such Participant for purposes of this Custodial Agreement and shall be invested, distributed and otherwise dealt with as such. Such transferred funds shall be accounted for separately and continue to be subject to any distribution rules under the prior 403(b)(1) or (7) plan, which were more stringent than those contained in this Custodial Account.

(b) The Participant may cause the transfer, in cash, of all or any portion of the balance credited to a Participant's account from this Custodial Account directly to the custodian of another custodial account qualified under Section 403(b)(7) of the Code or to an insurance company designated by the Participant for the purchase, for the benefit of the Participant, of an annuity contract qualified under Section 403(b) of the Code if the Participant certifies that the transaction meets the requirements for a tax-free transfer under IRS Revenue Ruling 90-24, and any other applicable laws or rulings of the Internal Revenue Service. Once transferred, such assets shall be treated as a contribution on behalf of such Participant for purposes of the successor custodial account and/or annuity contract and shall be invested, distributed and otherwise dealt with as such.

3.4 Return of Excess Deferral: If a Participant makes an Excess Deferral to the Custodial Account for any tax year, such Participant may give written notice to the Sponsor of the amount of the Excess Deferral no later than April 15 following the close of the tax year. If the Participant gives such written, timely notice to the Sponsor, the Custodian may distribute to the Participant, the amount of the Excess Deferral, together with income attributable thereto, by April 15 of the following taxable year.

3.5 Return of Excess 415 Contributions:

(a) If as a result of a reasonable error in estimating a Participant's annual compensation; a reasonable error in determining the amount of elective deferrals under section 402(g)(3) of the Code; or any other circumstances that the Internal Revenue Service shall determine meets the requirements of section 1.415-6(b)(6) of the Treasury Regulations, an excess annual addition occurs in any Participant's account, a distribution is permitted of such excess.

(b) Excess annual addition amounts which are distributed shall not be deemed annual additions for the limitation year during which such contributions were made, and are disregarded for purposes of section 402(g) of the Code.

(c) Distributions made under this Section 3.5 include distributions of Elective Deferrals or employee voluntary contributions. Such distributions will also include the income attributable to the excess annual addition.

3.6 Liability for Excess Amounts: The Custodian and the Sponsor shall not have any duty to determine whether an Excess Deferral, or contribution in excess of the limitations under Sections 403(b), 402(g) or 415 of the Code ("Excess Amounts") has been made by or on behalf of the Participant. The Custodian and the Sponsor shall not be held liable by the Participant or any other person(s), trusts or other entity for failing to determine whether an Excess Deferral or Excess Amounts was made or for failing to distribute an Excess Deferral absent the request of the Participant. The Custodian and the Sponsor shall not be liable to the Participant or any other person(s), trusts or entity for taxes or other penalties incurred as a result of the Excess Deferral or Excess Amounts (including any income attributable thereto) or as a result of a distribution of an Excess Deferral and any income attributable thereto.

3.7 Direct Rollovers:

(a) This Section applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the plan to the contrary that would otherwise limit a distributee's election under this Section, a Distributee may elect, at the time and in the manner prescribed by the Custodian, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a direct rollover.

(b) for distributions made after December 31, 1998, amounts attributable to a Financial Hardship distribution are not considered an Eligible Rollover Distribution for purposes of rolling over to an IRA or another 403(b) plan.

(c) Definitions:

(i) Eligible Rollover Distributions: An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee and the distributee's designed beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; any hardship distribution described in Treasury Notice 2000-32 (and subsequent rulings) received after 12-31-99, the portion of any other distribution(s) that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); and any other distribution(s) that is reasonably expected to total less than $200 during the year.

(ii) Eligible Retirement Plan: An Eligible Retirement Plan is an individual retirement account described in section 408(a) of the Code, an individual retirement annuity described in section 408(b) of the Code, a tax-sheltered annuity plan described in section 403(b) of the Code, or a custodial account described in section 403(b)(7) of the Code, that accepts the distributee's Eligible Rollover Distribution. However, in the case of an Eligible Rollover Distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity.

(iii) Distributee: A Distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.

(iv) Direct Rollover: A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

3.8 (a) Effective Date: This section shall apply to distributions made after December 31, 2001.

(b) Modification of Definition of Eligible Retirement Plan: For purposes of the Direct Rollover provisions in section 3.7 of the Custodial Agreement, an Eligible Retirement Plan shall also mean an annuity contract described in Section 403(b) of the Code and an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Custodial Agreement. The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a Qualified Domestic Relation Order, as defined in Section 414(p) of the Code.

(c) Modification of Definition of Eligible Rollover Distribution to Exclude Hardship Distributions: For purposes of the direct rollover provisions in section 3.7 of the Custodial Agreement, any amount that is distributed on account of hardship shall not be an Eligible Rollover Distribution and the distributee may not elect to have any portion of such a distribution paid directly to an Eligible Retirement Plan.

(d) Modification of Definition of Eligible Rollover Distribution to Include After-Tax Employee Contributions: For purposes of the Direct Rollover provisions in section 3.7 of the Custodial Agreement, a portion of a distribution shall not fail to be an Eligible Rollover distribution merely because the portion consists of After-Tax Employee contributions which are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described in Section 408(a) or (b) of the Code, or to a qualified defined contribution plan described in Section 401(a) or 403(a) of the Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

(e) Direct Rollovers: The Custodial Agreement will accept a Direct Rollover of an Eligible Rollover Distribution from: (Check each that applies or N/A.)

☐ N/A. The Custodial Agreement will not accept Direct Rollovers from any plan.
☐ a qualified plan described in Section 401(a) or 403(a) of the Code, excluding after-tax employee contributions.
☒ a qualified plan described in Section 401(a) or 403(a) of the Code, including after-tax employee contributions.
☐ an annuity contract described in Section 403(b) of the Code, excluding after-tax employee contributions.
☐ an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state.

3.9 (a) Rollovers From Other Plans: If provided in section 3.9(b) below, the Custodial Agreement will accept Participant Rollover Contributions and/or Direct Rollovers of distributions made after December 31, 2001, from the types of plans specified below.

(b) Participant Rollover Contributions from Other Employer Plans: The Custodial Agreement will accept a Participant contribution of an Eligible Rollover Distribution from: (Check each that applies or N/A.)

☐ N/A. The Custodial Agreement will not accept Rollover Contributions from any employer plan.

☒ a qualified plan described in Section 401(a) or 403(a) of the Code.

an annuity contract described in Section 403(b) of the Code.

☐ an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state.

(c) Participant Rollover Contributions from IRAs:

The Custodial Agreement: (Choose one.) ☐ will ☐ will not accept a Participant Rollover Contribution of the portion of a distribution from an individual retirement account or annuity described in Section 408(a) or 408(b) of the Code that is eligible to be rolled over and would otherwise be includible in gross income.

3.10 (a) Applicability and Effective Date: This section shall be effective for distributions occurring after December 31, 2001.

(b) Rollovers Disregarded in Determining Value of Account Balance for Involuntary Distributions: For purposes of the distribution provisions in the Custodial Agreement, the value of a Participant's nonforfeitable account balance shall be determined without regard to that portion of the account balance that is attributable to rollover contributions (and earnings allocable thereto) within the meaning of Sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16) of the Code. If the value of the Participant's nonforfeitable account balance as so determined is $5,000 or less, the Custodial Agreement shall be permitted to immediately distribute the Participant's entire nonforfeitable account balance.

3.11 Allowance of Catch-Up Contributions: All Employees who are eligible to make Elective Deferrals under this Custodial Agreement and who have attained age 50 before the close of the calendar year ☐ shall ☐ shall not be eligible to make Catch-Up Contributions in accordance with, and subject to the limitations of, Section 414 (v) of the Code. Such Catch-Up Contributions shall not be taken into account for purposes of the provisions of the Custodial Agreement implementing the required limitations of Sections 402(g) and 415 of the Code. The Custodial Agreement shall not be treated as failing to satisfy the provisions of the Custodial Agreement implementing the requirements of Section 410(b) of the Code, if applicable, by reason of the making of such Catch-Up Contributions.

SECTION 4. Investment of Account Assets

4.1 Investment of Contributions: The Custodian shall invest the amount of the contributions credited to the Employee's Account in full and fractional shares of the Investment Company.

4.2 Investment of Gains and Dividends: All dividends and capital gains distributions on shares held in the Employee's Account shall be reinvested in such shares in accordance with the Investment Company's current prospectus.

4.3 Voting and Other Action: All shares of the Investment Company acquired by the Custodian pursuant to the Agreement shall be held in the name of the Custodian for the benefit of the Employee. The Custodian or the Sponsor shall cause to be delivered to the Employee all notices, prospectuses, financial statements, proxies and proxy soliciting materials relating to shares held in the Custodial Account. The Custodian shall not vote any such shares except in accordance with written instructions received from the Employee. By establishing (or by having established) the ORP 403(b)(7)/TSA Custodial account, the participant affirmatively directs the Custodian to vote any Investment Company shares held on the applicable record date for which no timely instructions are received in the same proportion as the Custodian has been instructed to vote the shares held by all 403(b)(7) accounts for which it has received instructions.

4.4 Identification of Accounts: All shares of the Investment Company acquired by the Custodian shall be held in the name of the Custodian or its nominee for the benefit of the Participant (or the Beneficiary after the Participant's death). The Account will be joined for rights of accumulation with Accounts of other Employees of the same Employer.

SECTION 5. Distributions from the Custodial Account

5.1 Request for Distribution: Distribution from the Custodial Account shall be made by the Custodian only to a Participant, his designated Beneficiary or Alternate Payee, and no purported sale, transfer, pledge or assignment by the Participant, his spouse or Beneficiary of all or any part of an interest in the Custodial Account shall be recognized by the Custodian except as provided in Section 3.3. The interest of a Participant, his spouse or Beneficiary in the Custodial Account shall not be subject to the debts, contracts, liabilities, engagements or torts of such person or to attachment or legal process against such person. All applications for distributions must be in writing and on a form prescribed by the Employer's board of directors.

5.2 Distributions:

(a) Limitations on ORP Distributions: The Custodian shall distribute, or commence distribution of, pursuant to the Participant's written direction, the balance credited to a Participant's account upon receipt of evidence satisfactory to it that one or more of the following events have occurred:

(1) the Participant becomes Disabled;
(2) the Participant separates from service with all Employers as defined under Section 1.14; or
(3) the Participant dies.

(b) Limitations on TSA Distributions: The Custodian shall distribute, or commence distribution of, pursuant to the Participant's written direction, the balance credited to a Participant's account upon receipt of evidence satisfactory to it that one or more of the following events have occurred:

(1) the Participant becomes Disabled;
(2) the Participant separates from service with the Employer;
(3) the Participant dies;
(4) the Participant attains age 59½; or
(5) the Participant encounters a Financial Hardship.

(c) All distributions may only be made upon the written authorization of the Employer.

5.3 (a) Effective Date: This section 5.3 shall apply for distributions after December 31, 2001.

(b) New Distributable Event: A Participant's Elective Deferrals and earnings attributable to these contributions shall be distributed on account of the Participant's severance from employment. However, such a distribution shall be subject to the other provisions of the Custodial Agreement regarding distributions, other than provisions that require a separation from service before such amounts may be distributed.

5.4 Timing of Distributions: Distribution from the Custodial Account shall commence within 30 days after the Participant notifies the Custodian of his entitlement to distributions, unless the Participant makes a prior election to defer distribution or the commencement of distribution to a subsequent date which is not later than the Required Beginning Date. The Required Beginning Date shall mean the April 1st following the later of the year in which the Participant attains age 73, or the year in which the Participant retires, permitted by the Code, the regulations issued thereunder, or other Internal Revenue Service pronouncements. Such election shall be made by written notice filed with the Custodian. Notwithstanding this provision, the Custodian shall not be responsible for making any distribution until such time as it has received proper written notification from the Participant, his surviving spouse or Beneficiary of the occurrence of an event described in Section 5.2, or Section 5.3, if applicable.

5.5 Form of Distribution: Distribution shall be made in cash or in kind in any one or more of the following ways:

(a) in a single payment; or

(b) in installments for a period certain not to exceed the life expectancy of the Participant or the Participant's Beneficiary or the joint lives and last survivor expectancies of the Participant and the Participant's designated Beneficiary; or

(c) in a combination of (a) and (b).

5.6 Designation of Beneficiary:

(a) Each Participant may, by written notice filed with the Custodian and in a form acceptable to the Custodian, designate a Beneficiary or Beneficiaries to receive the Participant's benefit at the Participant's death. Such designation may be changed or revised from time to time by written instrument filed with the Custodian. If no designation has been made, or if no beneficiary is living at the time of a Participant's death, his Beneficiary shall be: (a) his surviving spouse; but if he has no surviving spouse; then (b) his estate.

(b) If the Custodian permits, in the event of the Participant's death, any beneficiary may name a subsequent beneficiary(ies) to receive the balance of the account to which such beneficiary is entitled upon the death of the original beneficiary by filing a Subsequent Beneficiary Designation Form acceptable to and filed with the Custodian. Payments to such subsequent beneficiary(ies) shall be distributed in accordance with the payment schedule applicable to the original beneficiary. In no event can any subsequent beneficiary be treated as a designated beneficiary of the Participant. The preceding sentence shall not apply with respect to the subsequent beneficiary(ies) of an original spouse beneficiary where the Participant dies before his or her required beginning date. If the balance of the account has not been completely distributed to the original beneficiary and such beneficiary has not named a subsequent beneficiary or no named subsequent beneficiary is living on the date of the original beneficiary's death, such balance shall be payable to the estate of the original beneficiary.

5.7 Minimum Distribution Requirements:

(a) In General: All distributions required hereunder shall be determined and made in accordance with the proposed regulations under Section 401(a)(9) of the Code, including the minimum distribution incidental benefit requirement of section 1.401(a)(9)-2 of the proposed regulations.

(b) Pre-1987 Account Balance or Bifurcated Account: If the Custodian maintains a record of the Participant's balance as of December 31, 1986 ("the pre-1987 account"). Such pre-1987 account balance will not be required to be distributed until the end of the calendar year in which the Participant attains age 75.

(c) Death Prior to Distribution: If the Participant dies before he has started to withdraw installments from his Account, the entire interest in the Participant's Account shall be distributed within five (5) years after the death of the Participant. However, if any portion of the Participant's interest is payable to a designated Beneficiary (within the meaning of Section 401(a)(9)(E) of the Code), then, at the Beneficiary's election, distributions may be made over the life expectancy of such designated Beneficiary. Such distributions must begin by December 31 of the calendar year following the calendar year of the Participant's death. However, if the sole designated Beneficiary is the surviving spouse of the Participant, distributions need not commence until the later of December 31 of the calendar year in which the Participant would have attained age 73, or December 31 of the calendar year immediately following the calendar year in which Participant died. For purposes of this Section 5.7, payments will be calculated by use of the return multiplies specified in Section 1.73-9 of the Income Tax Regulations. Life expectancies of any Beneficiary will be calculated at the time of the first payment without further recalculation

(d) Death After Distributions Have Commenced: If the Participant was withdrawing his interest in installments over a fixed period, the remaining installments will be continued to the Beneficiary at least as rapidly as under the method of distribution selected prior to death.

(e) Age 73 Default Provisions:

(1) Life expectancies of the Participant and Beneficiaries shall not be recalculated annually.

(2) If the Participant does not choose any of the distribution methods under this Section 5.7 by such Participant's Required Beginning Date, distribution shall be made to the Participant based on such Participant's nonrecalculated Single Life expectancy.

(3) All requests for distributions shall be made on a pro-rata basis among the applicable Funds unless directed otherwise by the Participant.

5.8 Application of 2001 Proposed Regulations: With respect to distributions under the Custodial Agreement made on or after January 1, 2001 (or if later the date on which the Custodial Agreement began operating in accordance with the 2001 Proposed Regulations) for calendar years beginning on or after January 1, 2001, the Custodial Agreement will apply the minimum distribution requirements of Section 401(a)(9) of the Internal Revenue Code in accordance with the regulations under Section 401(a)(9) that were proposed on January 17, 2001 (the 2001 Proposed Regulations), notwithstanding any provision of the Custodial Agreement to the contrary. If the total amount of required minimum distributions made to a participant for 2001 prior to the date on which the Custodial Agreement began operating in accordance with the 2001 proposed regulations, are equal to or greater than the amount of required minimum distributions determined under the 2001 Proposed Regulations, then no additional distributions are required for such Participant for 2001 on or after such date. If the total amount of required minimum distributions made to a Participant for 2001 prior to the date on which the Custodial Agreement began operating in accordance with the 2001 proposed regulations, are less than the amount determined under 2001 Proposed Regulations, then the amount of required minimum distributions for 2001 on or after such date will be determined so that the total amount of required minimum distributions for 2001 is the amount determined under the 2001 Proposed Regulations. This amendment shall continue in effect until the last calendar year beginning before the effective date of the final regulations under Section 401(a)(9) or such other date as may be published by the Internal Revenue Service.

5.9 Distribution under a Qualified Domestic Relations Order:

(a) Distributions of all or any part of a Participant's account pursuant to the provisions of a qualified domestic relations order (QDRO) as defined in section 414(p) of the Code is specifically authorized.

(b) The earliest retirement age shall be the earlier of:

(1) The earliest date benefits are payable under the Plan to the Participant; or

(2) the later of the date the Participant attains age 50 or the date on which the Participant could obtain a distribution from the Plan if the Participant had separated from service.

(c) The alternate payee may receive a payment of benefit under this Plan in any optional form of benefit available pursuant to section 5.5.

(d) The alternate payee may receive a payment under this Plan prior to the earliest retirement age as defined in Section 5.9(b) if the QDRO specifically provides for such earlier payment. If the present value of the payment exceeds $5,000, the alternate payee must consent in writing to such distribution.

SECTION 6. Vesting

6.1 Nonforfeitability: A Participant's interest in the balance of his account attributable to his/her salary reduction contributions (including ORP Statutory Employee Contributions and TSA Contributions) shall at all times be nonforfeitable.

6.2 ORP Statutory Contributions: Each Employee shall become 100% vested with respect to ORP Statutory Employer Contributions after one year of participation in one or more ORPs.

SECTION 7. The Custodian and Sponsor

7.1 All notices, requests and other communications to the Custodian by the Employer or any Participant (or his spouse or Beneficiary) shall be in writing and in such form as the Custodian may from time to time prescribe. The Custodian shall be entitled to rely on any such instruments believed by it to be genuine.

7.2 The Custodian shall have the power and authority in the administration of the Custodial Account to do all acts, to execute and deliver all instruments and to exercise for the benefit of the Participants and their beneficiaries any and all powers which would be lawful were it in its own right the actual owner of the property held.

7.3 Custodian's Fees and Expenses of the Account: In consideration of its services hereunder, the Custodian may deduct annual maintenance fees. Such fees, if any, shall be disclosed on an attachment hereto. Any income taxes or other taxes of any kind whatsoever that may be levied or assessed upon or in respect of the Account shall be paid from the assets of the Account. Any transfer taxes, investment fees or similar expenses incurred in connection with the investment of the assets of the Account, and all other administrative expenses incurred by the Custodian in the performance of its duties including fees for legal services rendered to the Custodian shall similarly be paid from the assets of the Custodial Account. There is an annual Custodian fee of up to $50 per social security number, irrespective of the number of mutual fund accounts. This fee is deducted from a shareholder's account balance each December, unless prepaid. If a redemption is requested during the year, the Custodian fee is deducted from the redemption proceeds. Additionally, beginning in 1997, a termination fee of up to $50 will be imposed on redemptions for liquidations of premature distributions (prior to age 59½) and on all transfers of assets.

7.4 The Custodian may resign at any time upon 30 days notice in writing to the Sponsor and Participant (unless such notice is waived) and may be removed by the Sponsor and Participant at any time upon 30 days notice in writing to the Custodian. Upon such resignation or removal, the Participant or Sponsor shall appoint a successor custodian, which successor shall be a "bank" as defined in Section 401(f)(2) of the Code. If within 30 days after the Custodian's resignation or removal, the Participant or Sponsor has not appointed a qualified successor custodian which has accepted such appointment, the Custodian may appoint, unless it elects to terminate the Account, such successor itself. Upon receipt by the Custodian of written acceptance of such appointment by the successor custodian, the Custodian shall transfer and pay over to such successor the assets of the Custodial Account and all records pertaining thereto, reserving such sum as it may deem advisable for payment of all its fees, compensation, costs and expenses and any other liabilities constituting a charge on or against the assets of the Custodial Account. The successor custodian shall thereafter be the Custodian under this Custodial Agreement.

7.5 The Custodian and Sponsor shall not be responsible in any way, except as specifically provided herein, for the collection of contributions, the purpose or propriety of any distribution, or any other action taken at the direction of the Employer, the Participant, or a Beneficiary.

Each Participant and Employer shall at all times fully indemnify and hold harmless the Custodian and Sponsor, its successors and assigns, from any liability arising from distributions so made or actions taken at the direction of such Employer, Participant, or Beneficiary.

7.6 The Custodian's liability under this Agreement and matters which it contemplates shall be limited to matters arising from the Custodian's negligence or willful misconduct. To the extent permitted by applicable law, the Custodian and Sponsor shall be protected in acting upon any written order from the Employer or Participant or any other notice, request, instruction or direction, consent certificate or other instrument or paper believed by it to be genuine and to have been properly executed, and, so long as it acts in good faith, in taking or omitting to take any other action. The Custodian and Sponsor may submit any question arising hereunder or in respect of the Account to counsel, including its own general counsel, and shall be protected to the extent permitted by applicable law, in acting on the advice of such counsel.

Subject to the provisions of applicable law, the Participant, his designated Beneficiary or the executor or administrator or either of these shall have the sole authority to enforce this Agreement on behalf of any and all persons having or claiming any interest in the Account by virtue of this Agreement. To protect the Account from expenses which might otherwise be incurred, it has been imposed as a condition to the acquisition of any interest in the Account, and it is hereby agreed, that subject to the provisions of applicable law, no person other than the Participant, his designated Beneficiary or personal representative, may institute or maintain any action or proceeding against the Custodian or Sponsor in the absence of a determination of a court of competent jurisdiction to the contrary.

SECTION 8. Reports and Returns

8.1 The Custodian shall:

(a) maintain separate records of the interest of each Participant (or his designated Beneficiary(ies)) in the Custodial Account indicating (i) the amounts and dates of all contributions, (ii) the investment of such contributions, (iii) the earnings on such investments, (iv) the amounts and dates of all distributions and (v) such other data as the Custodian deems useful in carrying out its duties hereunder;

(b) shall send each Participant, as soon as practicable after any contribution is made hereunder, a written confirmation containing information with respect to the investment of such contribution, and the current status of the account; and

(c) mail at least once during each calendar year a statement of all transactions in the Custodial Account during the preceding year and a statement showing the value of the assets held in the Custodial Account as of the end of such year.

8.2 The Custodian shall file such returns or reports with respect to the Custodial Account as are required to be filed by it under the Code and the Regulations thereunder, or by the Department of Labor, and the Employer and each Participant shall provide the Custodian with such information available to them as the Custodian may require to file such reports.

SECTION 9. Amendments and Termination

9.1 This Custodial Agreement may be amended by the Sponsor by submitting a copy of the amendment to the Participant. The Participant hereby delegates to the Sponsor the power to amend this Custodial Agreement and shall be deemed to have consented to any such amendment. Notwithstanding the above, no amendment shall be made by the Sponsor which shall cause or permit: (a) any part of the assets in the Account to be diverted to purposes other than for the exclusive benefit of the Participant or his Beneficiaries; or (b) any Participant,or his Beneficiary, to be deprived of any benefit to which he was entitled under the Account by reason of contributions made by the Employer prior to such amendment, unless such amendment is necessary either to conform the Account to, or to satisfy the condition of, any law, governmental regulation or ruling, or to permit the Account to meet the requirements of the Code; or (c) any responsibilities of the Custodian under the Agreement to be increased without its written consent.

9.2 This Custodial Agreement shall terminate upon the complete distribution of the Custodial Account or in the event that a determination is made by the Internal Revenue Service that the Custodial Account does not satisfy the requirements of Section 401(f)(2) of the Code or that contributions thereto are not treated under Section 403(b)(7)(A) of the Code as contributed for annuity contracts. In event of termination as aforesaid, the balance in the Custodial Account shall be distributed to the Participants (or their respective surviving spouses or Beneficiaries, as the case may be) in accordance with their interests in the Custodial Account.

SECTION 10. Construction and Governing Law

10.1 The Custodial Account is established with the intention that it qualify as a custodial account under Section 401(f)(2) of the Code and that contributions thereto be treated under Section 403(b)(7)(A) of the Code as amounts contributed for annuity contracts, and the provisions of this Agreement shall be construed in accordance with such intention. This Agreement shall be governed by the laws of the State of Texas, to the extent such laws are not preempted by the laws of the United States, and if applicable the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

10.2 The determination that any provision of this Agreement is not enforceable shall not affect the validity or enforceability of the remaining provisions of this Agreement. Unenforceable provisions shall be stricken or modified in accordance with such determination only as to such parties and this Agreement, as modified, shall continue to bind the specific parties involved therein and otherwise all other parties in unmodified form.

SECTION 11. Arbitration

11.1 The Participant agrees that all controversies between the Participant and/or Beneficiaries and the Custodian and Sponsor (including their officers, directors, present or former employees) concerning or arising from (i) any retirement account(s) maintained with the Custodian; (ii) any transaction involving the Participant's account(s), whether or not such transaction occurred in such account(s); or (iii) the construction, performance, or breach of this Agreement, whether such controversy arose prior, on, or subsequent to the date hereof, shall be determined by arbitration under the commercial arbitration rules of the American Arbitration Association. Any disputes on the arbitrability of a matter or the manner of arbitration shall be determined in such arbitration. Arbitration shall be held in Atlanta, Georgia.

11.2 Arbitration Disclosures: Arbitration is final and binding on the parties. The parties are waiving their right to seek remedies in court, including the right to jury trial. Pre-arbitration discovery is generally more limited than and different from court proceedings. The arbitrators' award is not required to include factual findings or legal reasoning, and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited.

ROLLOVER CHART

Roll From	Roll To: Roth IRA	Traditional IRA	SIMPLE IRA	SEP-IRA	Governmental 457(b)	Qualified Plan[1] (pre-tax)	403(b) (pre-tax)	Designated Roth Account (401(k), 403(b) or 457(b))
Roth IRA	Yes[2]	No	No	No	No	No	No	No
Traditional IRA	Yes[3]	Yes[2]	Yes[2, 7], after two years	Yes[2]	Yes[4]	Yes	Yes	No
SIMPLE IRA	Yes[3], after two years	Yes[2], after two years	Yes[2]	Yes[2], after two years	Yes[4], after two years	Yes, after two years	Yes, after two years	No
SEP-IRA	Yes[3]	Yes[2]	Yes[2, 7], after two years	Yes[2]	Yes[4]	Yes	Yes	No
Governmental 457(b)	Yes[3]	Yes	Yes[7], after two years	Yes	Yes	Yes	Yes	Yes[3,5]
Qualified Plan[1] (pre-tax)	Yes[3]	Yes	Yes[7], after two years`	Yes	Yes[4]	Yes	Yes	Yes[3,5]
403(b) (pre-tax)	Yes[3]	Yes	Yes[7], after two years	Yes	Yes[4]	Yes	Yes	Yes[3,5]
Designated Roth Account (401(k), 403(b) or 457(b))	Yes	No	No	No	No	No	No	Yes[6]

[1]Qualified plans include, for example, profit-sharing, 401(k), money purchase, and defined benefit plans.
[2] Only one rollover in any 12-month period.
[3]Must include in income.
[4]Must have separate accounts.
[5]Must be an in-plan rollover.
[6]Any nontaxable amounts distributed must be rolled over by direct trustee-to-trustee transfer.
[7]Applies to rollover contributions after December 18, 2015. For more information regarding retirement plans and rollovers, visit Tax Information for Retirement Plans.

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PFS Investments Inc.

Member of FINRA

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