SIMPLE IRA DISCLOSURE STATEMENT

The Disclosure Statement provides a general description of the features of a SIMPLE Individual Retirement Account (the "Account," the "Custodial Account," or the "SIMPLE IRA") for which Pershing LLC acts as Custodian.

1. Right of Revocation By Participant

(a) Once you execute the Adoption Agreement, you become the Participant and you shall have the right to revoke the Adoption Agreement for a period of seven days from the date it is executed by mailing or personally delivering a written notice of revocation to Pershing LLC, Retirement Products Department, One Pershing Plaza, Jersey City, New Jersey 07399. The notice of revocation shall be deemed mailed on the date of the postmark (or if sent by certified or registered mail, the date of certification or registration) if it is deposited in the United States mail in an envelope, or other appropriate wrapper, first class postage prepaid, properly addressed. If such notice is not received within seven days after the deemed date of mailing, the notice of revocation shall not be valid.

(b) If the Adoption Agreement is revoked, the Custodian will return your entire contribution to the SIMPLE IRA without penalty, service charge, administrative expenses, or any other reduction. The contribution to a SIMPLE IRA that is revoked, and the distribution from a SIMPLE IRA that is revoked, must be reported to the Internal Revenue Service.

2. Special Requirements of the Pershing LLC Simple Individual Retirement Custodial Account Plan

In addition to the statutory requirements described in the Plan, Pershing LLC, as Custodian, has the following requirements:

(a) Pershing LLC (the Custodian) will not make any investment decisions with respect to the Account. You shall direct the Custodian with respect to the investment of all contributions and earnings therefrom. Investments may be made in publicly traded securities, covered call options, covered put options, debit spreads, long put and long call options, mutual funds, money market instruments, and other investments that are obtainable through and subject to the custody of the Custodian and compatible with its administrative or operational requirements and usual business practices. The Custodian may systematically sweep uninvested cash (subject to certain required minimums) in an Account to a money market fund or other investment offered by the Custodian.

(b) You must notify the Custodian in writing as to when you wish to receive your benefits and the manner of payout pursuant to Article IV of the Pershing LLC SIMPLE Individual Retirement Custodial Account Plan.

(c) Pershing LLC, as Custodian, will have no responsibility to ascertain whether rollover contributions comply with the Plan or the Code.

(d) You shall be entitled to designate a Beneficiary to receive benefits which are payable under the SIMPLE IRA upon your death. If you do not designate a Beneficiary, or, if the Beneficiary dies before you, or cannot be located when you die, the benefits will be paid in the following order of priority: (a) to your surviving spouse, if any; (b) to your surviving children, if any, in equal shares per stirpes; and (c) to your estate.

3. Requirements of a SIMPLE IRA

(a) Your contribution to your SIMPLE IRA must be in cash, unless it is a rollover contribution.

(b) The only contributions which may be made to your SIMPLE IRA are employee elective deferrals and employer contributions under a qualified salary reduction arrangement, which is a SIMPLE IRA plan maintained by your employer and other contributions allowed by law or regulations. Unless you are the age of 50 by the end of the year, employee elective deferral contributions to your SIMPLE IRA may not exceed the lesser of 100% of your compensation for the calendar year or $7,000 for 2002, $8,000 for 2003, $9,000 for 2004, and $10,000 for 2005 (adjusted annually thereafter). If you are the age of 50 or older by the close of the plan year, you may make an additional contribution to your SIMPLE IRA of $500 for 2002, $1,000 for 2003, $1,500 for 2004, $2,000 for 2005, and $2,500 for 2006 (adjusted annually thereafter). Your employer may make additional contributions to your SIMPLE IRA within the limits prescribed in Section 408(p) of the Code. Your employer is required to provide you with information which describes the terms of your employer's SIMPLE IRA plan.

(c) Your interest in your SIMPLE IRA is nonforfeitable.

(d) The assets of your SIMPLE IRA cannot be commingled with other property except in a common trust fund or common investment fund.

(e) No portion of your SIMPLE IRA may be invested in life insurance contracts.

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

(g) You are required to take minimum distributions from your SIMPLE IRA at certain times in accordance with the Code and Treasury Regulations. The Custodian reserves the right to calculate your required minimum distribution based upon the Uniform Lifetime Table found in Treasury Regulation Section 1.401(a)(9)-9. However, the Custodian will make distributions to you or your Beneficiary or Beneficiaries only upon specific instructions to do so.

(i) You are required to take a minimum distribution from your SIMPLE IRA by April 1 of the calendar year following the year in which you attain the age of 70½ and by the end of each year thereafter. The minimum distribution for any taxable year is equal to the amount obtained by dividing the account balance at the end of the prior year (less any required distribution taken between January 1 and April 1 of the year following the year you attain the age of 70½) by the applicable divisor.

(ii) The applicable divisor is generally determined using whichever is applicable of the Single Life Table, the Uniform Lifetime Table, or the Joint and Last Survivor Table, all as set forth in Treasury Regulation Section 1.401(a)(9)-9 or other applicable IRS publications. The Uniform Lifetime Table assumes that your beneficiary is exactly 10 years younger than you, regardless of who is the named beneficiary. If your spouse is your sole beneficiary and is more than 10 years younger than you, the required minimum distribution must be calculated using the actual joint life expectancy of you and your spouse, rather than the life expectancy divisor from the Uniform Lifetime Table.

(iii) Distributions to your Beneficiary or Beneficiaries:

1. If you die on or after your required beginning date, distributions will be made to your Beneficiary or Beneficiaries over the single life expectancy of such designated Beneficiary or Beneficiaries or over your remaining life expectancy, whichever is longer.

2. If you die before your required beginning date, the entire amount remaining in your account must, at the election of your Beneficiary or Beneficiaries, either:

(a) Be distributed by December 31 of the fifth year following your death.

(b) Be distributed in equal or substantially equal payments over a period not to exceed the life or life expectancy of your designated Beneficiary or Beneficiaries.

If your spouse is your sole designated beneficiary, he or she must elect either option 2(a) or 2(b) by the earlier of December 31 of the year containing the fifth anniversary of your death, or December 31 of the year you would have attained age 70½. Your designated beneficiary(ies), other than a spouse who is the sole designated beneficiary, must elect either option 2(a) or 2(b) by December 31 of the year following the year of your death. If no election is made, distribution must be made in accordance with 2(b) if the Beneficiary is your surviving spouse, and in accordance with option 2(a) if your Beneficiary or Beneficiaries are or include anyone other than your surviving spouse. In the case of distributions under option 2(b), distributions must commence by December 31 of the year following the year of your death. If your spouse is the Beneficiary, distributions need not commence until December 31 of the year you would have attained the age of 70½, if later.

4. Income Tax Consequences of Establishing a SIMPLE IRA

(a) SIMPLE IRA Deductibility. You may not take a deduction for the amounts contributed to your SIMPLE IRA as either employee elective deferrals or employer contributions. However, elective deferrals to a SIMPLE IRA will reduce your taxable income. Further, employer SIMPLE IRA contributions, including earnings, will not be taxable to you until you receive a distribution from your SIMPLE IRA.

Participation in your employer's SIMPLE IRA plan renders you an active participant for purposes of determining whether or not you can deduct contributions to a Traditional IRA.

(b) Tax Credit for Contributions. You may be eligible to receive a tax credit on your IRA contributions equaling a percentage of your qualified retirement savings contributions not exceeding $2,000. This credit will be allowed in addition to any reduction of your taxable income that may apply, and may not exceed $1,000 in a given year. You may be eligible for this tax credit if you are:

> The age of 18 or older, as of the close of the taxable year

> Not a dependent of another taxpayer

> Not a full-time student

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

ADJUSTED GROSS INCOME*						
Joint Return		Head of a Household		All Other Cases		Applicable Percentage
Over	Not Over	Over	Not Over	Over	Not Over	
	$30,000		$22,500		$15,000	50
$30,000	$32,500	$22,500	$24,375	$15,000	$16,250	20
$32,500	$50,000	$24,375	$37,500	$16,250	$25,000	10
$50,000		$37,500		$25,000		0

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

(c) Tax Deferred Earnings. The investment earnings of your SIMPLE IRA are generally not subject to federal income tax until distributions are made (or, in certain instances, when distributions are deemed to be made).

(d) Rollovers and Conversions. Rollover is a term used to describe a tax-free movement of cash or other property from your SIMPLE IRA to an employer-sponsored retirement plan, a Traditional IRA, or another SIMPLE IRA. Your SIMPLE IRA may be rolled over to another SIMPLE IRA, or your SIMPLE IRA may receive rollover contributions and may be converted to a Roth IRA, provided that all of the applicable rollover and conversion rules are followed. The rollover and conversion rules are generally summarized below. These transactions are often complex. If you have any questions regarding a rollover or conversion, please see your tax advisor.

(i) SIMPLE IRA to SIMPLE IRA Rollovers. Funds distributed from your SIMPLE IRA may be rolled over to another SIMPLE IRA if the requirements of Section 408(d)(3) of the Code are met. A proper SIMPLE IRA to SIMPLE IRA rollover is completed if all or part of the distribution is rolled over no later than 60 days after the distribution is received. You may not have completed another SIMPLE IRA to SIMPLE IRA rollover from the distributing SIMPLE IRA during the 12 months preceding the date you receive the distribution. Further, you may roll the same dollars or assets only once every 12 months.

(ii) SIMPLE IRA to Traditional IRA Rollovers. Funds may be distributed from your SIMPLE IRA and rolled over to your Traditional IRA without IRS penalty provided two years have passed since you first participated in the SIMPLE IRA plan sponsored by your employer. As with SIMPLE IRA to SIMPLE IRA rollovers, the requirements of Section 408(d)(3) of the Code must be met. A proper SIMPLE IRA to Traditional IRA rollover is completed if all or part of the distribution is rolled over no later than 60 days after the distribution is received. You may not have completed another SIMPLE IRA to Traditional IRA, SIMPLE IRA to SIMPLE IRA, or SIMPLE IRA to a qualified plan, a Section 403(b) tax-sheltered annuity, or a Section 457 deferred compensation plan (beginning January 1, 2002) rollover from the distributing SIMPLE IRA during the 12 months preceding the date you receive the distribution. Further, you may roll over the same dollars or assets only once every 12 months.

(iii) SIMPLE IRA to Employer Sponsored Retirement Plans. You may roll over, directly or indirectly, any eligible rollover distribution from a SIMPLE IRA to an employer's qualified retirement plan, a Section 403(b) tax-sheltered annuity, or a Section 457 deferred compensation plan provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. An eligible rollover distribution is defined as any taxable distribution from a SIMPLE IRA that is not a part of a required minimum distribution.

(iv) SIMPLE IRA to Roth IRA Conversions. If your modified adjusted gross income is not more than $100,000 and you are not married filing a separate income tax return, you are eligible to convert all or any portion of your existing SIMPLE IRA(s) into your Roth IRA(s), provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. Beginning in 2010, the $100,000 MAGI limit and the married filing separate tax filing restriction will be eliminated for conversion eligibility. If you are age 70½ or older you must remove your required minimum distribution prior to converting your SIMPLE IRA. The amount of the conversion from your SIMPLE IRA to your Roth IRA shall be treated as a distribution for income tax purposes, and is includible in your gross income. Although the conversion amount is generally included in income, the 10% early distribution penalty shall not apply to conversions from a SIMPLE IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10% penalty.

(v) Rollover Election. At the time you make a proper rollover to a SIMPLE IRA, you must designate to the Custodian, in a form and manner acceptable to the Custodian, your election to treat that contribution as a rollover. Once made, the rollover election is irrevocable.

5. Limitations and Restrictions

(a) A deduction is not allowed for rollover or transfer contributions.

(b) Capital gains treatment and favorable ten-year forward averaging tax authorized by Section 402 of the Code do not apply to SIMPLE IRA distributions.

(c) Any withdrawal from your SIMPLE IRA, except a direct transfer to another SIMPLE IRA, a Traditional IRA, or qualified plan, is subject to federal income tax withholding. You may, however, elect not to have withholding apply to your SIMPLE IRA withdrawal. If withholding is applied to your withdrawal, not less than 10% of the amount withdrawn must be withheld.

(d) If you or your Beneficiary engage in a prohibited transaction with your SIMPLE IRA, as described in Section 4975 of the Code, the SIMPLE IRA will lose its tax exemption and you must include the value of your account in your gross income for that taxable year. In addition, if you are under the age of 59½, the "distribution" also will be subject to both ordinary income tax and the 10% penalty tax for premature distributions.

(e) If you pledge any portion of your SIMPLE IRA as collateral for a loan, the amount so pledged will be treated as a distribution and will be included in your gross income for that year.

6. Federal Tax Penalties

(a) If you are under the age of 59½ and receive a SIMPLE IRA distribution, an additional tax of 10% will generally apply, unless made on account of death, disability, a qualifying rollover, a direct transfer, the timely withdrawal of an excess contribution, or if the distribution is part of a series of substantially equal periodic payments (at least annual payments) made over your life expectancy or the joint life expectancy of you and your Beneficiary. Payments made to pay medical expenses which exceed 7.5% of your adjusted gross income and distributions to pay for health insurance by an individual who has separated from employment and who has received unemployment compensation under a federal or state program for at least 12 weeks are also exempt from the 10% tax. Payments to cover certain qualified education expenses and distributions to buy, build, or rebuild a first-home (up to a lifetime maximum of $10,000) are exempt from the 10% tax. Distributions to satisfy a levy issued by the Internal Revenue Service as well as distributions while in active military duty (see Qualified Reservist Distribution below) will also be exempt from the 10% tax. This additional tax will apply only to the portion of a distribution that is includible in your income. If less than two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer, the early distributions penalty shall increase from 10% to 25%.

(b) If you or your designated Beneficiary or Beneficiaries fail to take a minimum distribution as described in paragraph 3(g) of this Disclosure Statement, an additional tax of 50% is imposed upon any excess of the minimum required to be distributed over the amount actually distributed. This tax is referred to as an excess accumulation penalty tax.

(c) An excise tax may be assessed against you by the IRS for contributions which exceed the permissible limits under Sections 408(a) and 408(p) of the Code.

(d) You must file Form 5329 with the Internal Revenue Service when any additional or excise taxes are due.

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

(i) 10% Exception on Qualified Distributions. Qualified hurricane distributions are not subject to the 10 percent early distribution penalty tax. This penalty exception applies only to the first $100,000 of qualified distributions to each individual.

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

(iii) Repayment of Qualified Hurricane Distributions. You may roll over qualified hurricane distributions to an eligible retirement plan, and avoid federal income taxation, within three years of the date of receipt of the distribution. The 60-day rollover rule does not apply to these distributions.

For further detailed information on tax relief granted for hurricanes Katrina, Rita and Wilma, and other exceptions which may be granted in the future by the IRS, you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements*, by calling 1-800-TAXFORM, or by visiting www.irs.gov on the Internet.

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

7. Other

(a) The form of Agreement used to establish this SIMPLE IRA is the model government form provided by the Internal Revenue Service and is known as Form 5305-SA. The Internal Revenue Service approval is a determination only as to the form. It is not an endorsement of the plan in operation or of the investments offered.

(b) You may obtain further information on SIMPLE IRAs from your District Office of the Internal Revenue Service or by visiting the Internal Revenue Service web site at www.irs.gov. In particular, you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements*.

(c) If you designate a trust for the benefit of your spouse as Beneficiary of your SIMPLE IRA and that trust is designed to meet the QTIP rules for federal estate tax purposes, special provisions of your SIMPLE IRA plan may apply. Those provisions relate to payments from your SIMPLE IRA to the trust after your death. Be sure to consult with your tax advisor about this issue.

8. Additional Financial Information

(a) Custodial Fees. If not accompanied by this Disclosure Statement and SIMPLE Individual Retirement Custodial Account Plan, a schedule of fees is available from the Custodian or from the financial organization that has introduced your Account to the Custodian. The Custodian's annual maintenance, termination, and other administration fees shall be charged by the Custodian for its services hereunder in accordance with the current fee schedule of the Custodian that is in effect from time to time. At the discretion of the Custodian, you may receive an invoice for the custodial maintenance and other related fees that are due and payable upon receipt. Unless paid by you in a timely manner, fees will be automatically charged against the Account, or as you direct in writing, charged against another account held by the Custodian over which you have investment authority. You may not reimburse your SIMPLE IRA for the custodial fees once they have been charged to your SIMPLE IRA. Any such reimbursement of custodial or other administrative fees will be deemed a contribution to your IRA and reported to the IRS accordingly. The Custodian will notify you prior to changing the fee schedule. In the event of Account termination either by you or by the Custodian for any reason, the Custodian shall be entitled to receive the full termination fee, along with the full, nonprorated current year maintenance fee, regardless of the date during the year of the termination of the Custodial Account.

(b) Brokerage Commissions. Brokerage commissions and other securities transaction related charges shall be as charged by the financial organization which has introduced your Account to the Custodian. Such commissions must be paid from assets held within your SIMPLE IRA and may not be reimbursed.

(c) Other Expenses. Taxes of any kind, which may be imposed with respect to the SIMPLE IRA, and any expenses incurred by the Custodian in the management of your Account, together with any fees referred to above, shall be paid by you, or if not paid by you in a timely manner, will be charged against your Account, or as directed in writing by you, charged against another account over which you have investment authority.

(d) Earnings. The earnings of each separate Account shall be allocated only to that Account. The Custodian will attribute earnings only to the assets held in the Account in the custody of the Custodian according to its ordinary business practice and in accordance with its established customs and procedures.

(e) Growth in Value. Growth in value of your Account will depend entirely on the investment decisions made by you and is neither guaranteed nor projected.