

MFS[®] IRA, MFS[®] Roth IRA,
and MFS[®] Rollover IRA

Disclosure Statements and
Trust Agreements

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MFS IRA DISCLOSURE STATEMENT

The following information is being provided to you by MFS Heritage Trust Company (the "Trustee") in accordance with the requirements of the Internal Revenue Code of 1986 and regulations thereunder, as amended (the "Code"). This Statement should be read in conjunction with the MFS IRA Agreement and Application (collectively, the "Agreement"), and the prospectus for each investment option you have selected. The provisions of the Agreement and prospectus(es) must prevail over this Statement in any instance where this Statement is incomplete or unclear.

This Statement summarizes the requirements for establishing an MFS IRA and provisions of federal tax law applicable to IRAs. The state tax treatment of your IRA may be different; state tax information should be available from your state taxing authority or your own tax advisor.

Right to Revoke

You may revoke your IRA for any reason within seven calendar days after the date you signed the Application by mailing or delivering a written request that your IRA be revoked to:

MFS Service Center, Inc.
P.O. Box 55824
Boston, MA 02205-5824

If you revoke your IRA, the entire amount of your contribution, without adjustment for items such as administrative expenses, fees, interest, or fluctuation in market value, will be returned to you. If you have any questions concerning this revocation procedure, you may phone MFS at 1-800-637-1255.

Contributions

- Who Can Contribute.** Any individual who receives compensation for the performance of services, including earned income from self-employment, for a calendar year may contribute to his or her regular IRA for that year, up to (but not including) the year in which the individual reaches age 70½. Contributions to a spousal IRA can be made up to (but not including) the year in which the spouse for whose benefit the IRA is maintained reaches age 70½. Contributions to SEPs and rollover contributions can be made to an IRA regardless of the individual's age, but certain other restrictions apply. For example, the minimum distribution rules will apply, so that, with

respect to a SEP, you might be required to receive distributions after you reach age 70½ or, with respect to a rollover, any amount you are required to receive may have to be distributed before the rollover contribution is made. You may not make contributions to this IRA through a SIMPLE IRA Plan established by an employer pursuant to Code Section 408(p). An individual can contribute to an IRA even if he or she is an active participant in an employer plan, although being an active participant may affect the deductibility of the contribution.

2. Kind and Amount.

(a) Regular IRA.

(i) The maximum annual contribution you can make to all your traditional and/or Roth IRA(s) is the lesser of 100% of your compensation for the year or your maximum contribution amount for the year in accordance with the chart below. Individuals who will be age 50 or older by the end of the calendar year may make “catch-up” contributions in addition to their regular IRA contributions. If you are divorced, all taxable alimony you receive under a decree of divorce or separate maintenance will be treated as compensation. If you are married and both you and your spouse have compensation, each of you may establish your own IRA.

2010 and 2011 Annual IRA Contribution Limit	2010 and 2011 Annual Catch-Up Contribution Limit for Individuals Age 50 or Older
\$5,000	\$1,000

The annual limits may be adjusted in the future by the Secretary of the Treasury for cost-of-living increases.

(ii) If you received a “qualified reservist distribution,” as defined below, you may at any time during the two-year period beginning on the day after the end of your active duty period make one or more contributions to your IRA in an aggregate amount not to exceed your qualified reservist distribution. A qualified reservist distribution includes a distribution from an IRA made to a military reservist who was ordered or called to active duty for a period in excess of 179 days or for an indefinite period that was made during the period between the date of the call to duty and the close of the active duty period (as long as the order or call to active duty is after September 11, 2001). The dollar limitations that otherwise apply to IRA contributions do not apply to any contribution up to the amount of your qualified reservist distributions. No deduction is allowed for these contributions.

(iii) If you received a “qualified recovery assistance distribution” or a “qualified disaster recovery assistance distribution,” you may repay such distribution by making a tax-free rollover of such distribution to an eligible retirement plan at any time during the three-year period beginning on the date you received the distribution. A repayment of a qualified disaster recovery assistance distribution to an IRA is not counted for purposes of the one-rollover-per-year limitation.

(iv) If you received qualified settlement income in connection with the Exxon Valdez litigation, you can contribute all or part of the amount received to your IRA. The amount contributed cannot exceed \$100,000 (reduced by the amount of qualified settlement income contributed to an eligible retirement plan in prior tax years) or the amount of qualified settlement income received during the tax year. Contributions for the year can be made until the due date for filing your return, not including extensions.

- (b) *Spousal IRA*. If you and your spouse file a joint federal income tax return, each of you may contribute up to your maximum contribution amount to your own IRA(s) annually, provided the total contributions made for both of you do not exceed your joint income. Neither spouse may contribute more than 100% of his or her own income, but the spouse with the higher income may make up any shortfall on behalf of his or her spouse, as long as the total contributions made by the higher paid spouse do not exceed 100% of his or her own income.
- (c) *SEP*. Your employer may have established a Simplified Employee Pension Plan (“SEP”). If you have an IRA that is part of a SEP, for 2010 and 2011, your employer may contribute up to the lesser of 25% of your compensation or \$49,000 on your behalf. If your employer makes SEP contributions to your IRA, you may still make a regular IRA contribution, as described above, although if you participate in a SEP, you will be considered an active participant in an employer plan. Your employer’s SEP contribution is excludible from your gross income. Employers that have established salary reduction SEPs before 1997 may continue to maintain and contribute to them. However, no new salary reduction SEPs may be established after 1996. Instead, employers may establish SIMPLE IRA programs for years after 1996, which permit salary reduction contributions. This IRA may not be used in connection with a SIMPLE plan.
- (d) *Rollover IRA*. You may roll over qualifying distributions from tax-qualified plans (such as pension, profit sharing, and 401(k) plans), Code Section 403(a) annuity plans, governmental Code Section 457 plans or Code

Section 403(b) tax-sheltered annuities or custodial accounts into an IRA. The MFS IRA trustee will accept rollovers that are transferred directly to it from such a plan's trustee or custodian, as long as certain requirements are met. You may also roll over or transfer into an IRA amounts held in another IRA (other than amounts held in a SIMPLE IRA during the first two years beginning on the date you first participated in a SIMPLE salary reduction arrangement). You may roll over the amounts held in your MFS IRA into another IRA. However, each IRA you own is restricted to making only one rollover to another IRA during any twelve-month period. A transfer of funds to or from your IRA with one trustee or custodian to an IRA with another trustee or custodian is not a rollover and thus, is not subject to the one rollover per twelve-month period discussed above. Qualifying distributions from certain retirement plans can be rolled over into an IRA and can subsequently be rolled over into another eligible retirement plan should you again participate in one. There is no limit on the dollar amount of a rollover contribution to an IRA. Rollover amounts are not includible in your income and are not deductible as an IRA contribution. In addition, you may be able to roll over amounts payable to you as a beneficiary under an eligible retirement plan. A non-spouse beneficiary may be able to make a "direct rollover" of the benefits to an "inherited IRA." Any amount which represents a "Required Minimum Distribution" cannot be rolled over to an inherited IRA. An inherited IRA (minus any Required Minimum Distribution) may be transferred from one trustee or custodian to another trustee or custodian (including MFS), but the IRA assets may not be rolled over into an IRA in the beneficiary's own name. (See Paragraphs 8 and 9 for more information about Required Minimum Distributions). A beneficiary who is the spouse of a deceased eligible retirement plan participant may choose to roll over the plan benefits (minus any Required Minimum Distribution) to an IRA in his or her own name. Strict limitations apply to rollovers. Although the Trustee or MFS may provide you with general information concerning rollovers, you should seek competent tax advice from your own advisor in order to comply with all of the rules governing rollovers.

No contributions will be accepted to an inherited IRA within the meaning of Code Section 408(d)(3)(C).

- 3. Timing.** You may make a contribution to your IRA for any calendar year up to the due date for filing your federal income tax return (excluding extensions) for that year. If you do not specify the year for which your

contribution is being made, it will be deemed to be made for the year in which it is actually made.

4. **Nature and Investment.** Contributions other than rollover contributions must be made in cash. Rollover contributions can be made either in cash or, to the extent the Trustee determines that it is acceptable, in other assets held in the account from which the rollover is being made. However, an IRA cannot be invested in life insurance or collectibles, nor may IRA assets be commingled with other property except in a common trust fund or common investment fund. There are also several other restrictions on the use of IRA assets described in “OTHER TAX CONSIDERATIONS” below. The assets in your IRA will be invested as you direct in MFS Fund Shares available for investment from time to time under the terms of your MFS IRA. You should read all information (e.g., prospectuses) about the permissible investments that must be provided to you, so that you can make an informed investment decision. In particular, certain MFS Funds may, in certain circumstances and upon notice to you, redeem the MFS Fund Shares held in the IRA Account without your permission, including, for example, if the value of such MFS Fund Shares is less than a specified amount. In such event, under the terms of your IRA Agreement, unless you provide alternate instructions satisfactory to the Trustee, the proceeds from the redemption of such MFS Fund Shares will be distributed to you. All fees and other charges that must be paid from IRA assets in connection with each investment and the method for computing and allocating earnings for each investment are described in such informational materials. Growth in the value of your account invested in MFS Fund Shares cannot be guaranteed or projected.
5. **Nonforfeitability.** Your interest in your IRA is at all times nonforfeitable. Your IRA is established for the exclusive benefit of you and your beneficiaries.
6. **Deductibility.** The total amount of your permissible IRA contribution will be deductible for federal income tax purposes if you are not an active participant in a retirement plan, as described below, or if neither you nor your spouse is an active participant if you file a joint federal income tax return. Even if you (or your spouse, if applicable) are an active participant, you may be able to deduct some or all of your IRA contributions, depending on your adjusted gross income (the total of your and your spouse’s adjusted gross income if you are married filing jointly). If you are an active participant, the deductibility of your IRA contributions is shown in the chart below. (Special rules apply if you are married filing separately or if your spouse is an active participant but you are not.)

MARRIED Filing Jointly Owner an Active Participant		SINGLE An Active Participant	
2010 Adjusted Gross Income (AGI)	Deductibility of Contribution	2010 Adjusted Gross Income (AGI)	Deductibility of Contribution
\$89,000 or less	Fully deductible	\$56,000 or less	Fully deductible
More than \$89,000 but less than \$103,000	Deductibility decreases* as income rises	More than \$56,000 but less than \$66,000	Deductibility decreases** as income rises
\$109,000 or more	Not deductible; growth tax deferred	\$66,000 or more	Not deductible; growth tax deferred

The AGI range in which deductions are phased out if you are an active participant changes annually.

* For every \$100 of AGI over the amount at which the deductibility begins to be phased out ("the threshold amount"), the maximum IRA contribution deductible is reduced by \$10 (rounded down to the next lowest \$10 increment).

** For every \$50 of AGI over the threshold amount, the maximum IRA contribution deductible is reduced by \$10 (rounded down to the next lowest \$10 increment).

If you are married, filing jointly and your spouse is an active participant but you are not, the deductibility of your IRA contribution will be phased out if your joint AGI is more than \$167,000 but less than \$177,000 for 2010 (subject to adjustment in future years).

In general you will be an "active participant" for a year if any contributions or forfeitures are credited to your account (or, in the case of a defined benefit plan, you are eligible to participate) for that year in a tax-qualified pension, profit sharing or stock bonus plan, a Code Section 403(a) annuity plan, a Code Section 403(b) annuity contract or custodial account, certain governmental plans, a SEP, or a Code Section 501(c)(18) trust. Even if some or all of your IRA contribution is not deductible, earnings on your total permissible contribution will be tax-deferred. You must designate on your federal income tax return the amount of your IRA contribution that is nondeductible, and provide certain additional information concerning nondeductible contributions. If you overstate the amount of nondeductible IRA contributions, a penalty of \$100 will be assessed for each overstatement unless you can show the overstatement was due to reasonable cause.

Distributions

- 7. Premature Distributions.** You may withdraw any or all of your IRA account at any time upon proper application to the Trustee in suitable form. However, if you make withdrawals from your IRA before you reach age 59½, a 10% excise tax will be imposed on the amount of the distribution includible in

your gross income unless the distribution (1) is an exempt withdrawal of an excess contribution (discussed below), (2) is rolled over in accordance with Code requirements, (3) is on account of your death or disability, (4) is one of a series of substantially equal periodic payments paid not less frequently than annually for your life or life expectancy or for the joint lives or joint life expectancies of you and your beneficiary, (5) does not exceed the amount of your medical expenses that could be deducted for the year (generally speaking, medical expenses paid during a year are deductible to the extent they exceed 7½% of your adjusted gross income for the year), (6) subject to certain restrictions, does not exceed the premiums you paid for health insurance coverage for yourself, your spouse, and dependents if you have been unemployed and received unemployment compensation for at least 12 weeks, (7) is used to pay qualified higher education expenses, as defined below, (8) is used within 120 days of the date the distribution is received to pay first-time homebuyer expenses, as defined below, (9) is a transfer to another IRA pursuant to a decree of divorce or separate maintenance or a written instrument incident to such a decree, (10) is made due to an IRS levy for income taxes, (11) is a “qualified reservist distribution” or (12) is a “qualified recovery assistance distribution” or a “qualified disaster recovery assistance distribution.”

Qualified higher education expenses are tuition, fees, books, supplies, and equipment required for the enrollment or attendance at an eligible educational institution of the IRA account holder, the account holder’s spouse, or the child or grandchild of the account holder or the account holder’s spouse. The amount of these expenses is reduced by any amount excludible from income under the rules relating to education savings bonds. First-time homebuyer expenses in general include the costs of acquiring, constructing, or reconstructing an individual’s principal residence, subject to a lifetime dollar limit of \$10,000, as long as the individual for whom the expenses are paid did not own a principal residence for the two prior years. These expenses include the expenses of the IRA account holder, the account holder’s spouse, or any child, grandchild, or ancestor of the account holder or the account holder’s spouse.

8. Required Distributions.

(a) *Form of Distribution.* Subject to the rules discussed in Paragraphs (b) and (c), you may elect to receive distributions from your IRA in the following forms:

- (1) A single lump-sum payment;
- (2) Monthly, quarterly, semiannual, or annual payments over a specified period that does not extend beyond (i) your life expectancy or (ii) the joint life and last survivor expectancy of you and your designated beneficiary.

Even if you have begun receiving distributions in accordance with (2) above, you can at any time direct that all or any portion of the balance of your IRA be distributed to you.

- (b) *To the Individual:* Generally, distributions of your IRA must begin no later than April 1 immediately following the end of the calendar year in which you reach age 70½ (the “required beginning date”). (This paragraph does not apply to an inherited IRA.) Distributions for subsequent calendar years must be made no later than December 31 of that year. The minimum amount required to be distributed once you reach your required beginning date is your IRA account balance as of December 31 of the calendar year immediately preceding the year for which the distribution is being made divided by the applicable “distribution period.” Generally, the distribution period is determined each year under the Uniform Distribution Period Table (provided in the Final Regulations under Internal Revenue Code Section 401(a)(9)) and is equal to the joint life and last survivor expectancy of you and a hypothetical beneficiary who is ten years younger than you. If your spouse is your sole primary beneficiary and is more than ten years younger than you, your required minimum distribution will be determined each year using the actual joint life and last survivor expectancy of you and your spouse, as determined under Treasury Regulation Section 1.72-9.
- (c) *On Death:* The distribution period for any amount remaining in your IRA at your death will generally be the single life expectancy of your designated beneficiary, based on his or her age in the calendar year following the calendar year of your death. For subsequent years, the life expectancy of a non-spouse beneficiary will be the beneficiary’s initial life expectancy, reduced by one each year. (If this is an inherited IRA and you are the designated beneficiary of a deceased individual, then distributions to you will follow the rule in the preceding sentence except that the terms “your IRA” and “your death” will refer to the deceased individual.) If your sole beneficiary is your spouse, his or her life expectancy will be recalculated each year. Alternatively, distributions to your spouse may be made over your life expectancy in the year of your death, reduced by one for each subsequent year, if this is a longer period than your spouse’s recalculated life expectancy. If you have more than one designated beneficiary and your account is not divided into separate accounts for each beneficiary, the life expectancy of the oldest beneficiary will be used to determine the distribution period. The determination

of who your designated beneficiary is will be made as of September 30 of the calendar year following the calendar year of your death.

If your spouse is your beneficiary and you die before your required beginning date, your spouse may elect to defer receiving required distributions until the year in which you would have reached age 70½.

Alternatively, if your spouse is your sole beneficiary, he or she may elect to treat the IRA as his or her own IRA, or your spouse may roll the IRA over into another IRA or other eligible retirement plan in which he or she participates, if such plan accepts such rollovers.

If you die after your required beginning date and you do not have a designated beneficiary as of September 30 of the calendar year following the calendar year of your death, the distribution period for your remaining account will be your life expectancy based on your age in the year of your death, reduced by one in each subsequent year. (If this is an inherited IRA and you are the designated beneficiary of a deceased individual, then distributions to you will follow the rule in the preceding sentence except that the terms “you” and “your” will refer to the deceased individual.) If you die before your required beginning date and do not have a designated beneficiary, the entire remaining account must be paid out by the end of the fifth year following the year of your death.

9. **Minimum Distributions.** If the amount distributed from your IRA in any year is less than the minimum amount required to be distributed (see Paragraph 8 above), you (or your beneficiary, if applicable) will be subject to a 50% excise tax on the difference between the amount required to be distributed and the amount actually distributed. It is the IRA holder’s responsibility to seek assistance from a tax advisor to calculate minimum distribution amounts, and to direct the Trustee, in accordance with procedures established by the Trustee, as to the amount and method of distribution desired. The required minimum distributions payable to your designated beneficiary from your IRA may be withdrawn from another IRA that your beneficiary holds from you in accordance with Q&A-9 of Section 1.408-8 of the Income Tax Regulations.
10. **Taxation of Distributions.** Distributions from your IRA of amounts other than nondeductible contributions are taxable as ordinary income in the year they are received; IRA distributions do not qualify for capital gain treatment, and the special tax treatment of lump sum distributions from qualified employer retirement plans is not available. The portion of a distribution that is attributable to nondeductible contributions (but not earnings)

is not taxable. The amount of any distribution that is attributable to nondeductible contributions for a taxable year is the portion of the distribution that bears the same ratio to the total distribution amount for the taxable year as your aggregate nondeductible IRA contributions under all IRAs bear to the aggregate balance of all your IRAs at the end of the year (plus the amount of any distributions made during the year).

Other Tax Considerations

- 1. Excess Contributions.** If the amount of your IRA contributions for a year exceeds the maximum permissible contribution, the excess contribution amount will be subject to a 6% excise tax. However, the 6% excise tax will not be imposed if you withdraw the excess contribution and any earnings on it on or before the due date for filing your federal income tax return for the year (including extensions). The amount of the excess contribution withdrawn will not be considered a premature distribution nor taxed as ordinary income, but the earnings withdrawn will be taxable income to you. Alternatively, excess contributions for one year may be carried forward and treated as a contribution in the next year to the extent that the excess, when aggregated with your IRA contribution (if any) for the subsequent year, does not exceed the maximum contribution amount for that year. The 6% excise tax will be imposed on excess contributions in each year they are neither returned nor within the permitted contribution limit.
- 2. Prohibited Transactions.** If you or your beneficiary engage in any transaction prohibited by Code Section 4975 (such as any sale, exchange, or leasing of any property or extension of credit between you and the account), the account will lose its tax exemption and the entire balance of the account will be treated as having been distributed to you as of the first day of the calendar year in which the transaction occurs. This distribution will be taxable as ordinary income and, if you are under age 59½ at the time, may also be subject to the 10% excise tax on premature distributions.

If you or your beneficiary use all or any part of your IRA assets as security for a loan, the portion so used will be treated as having been distributed to you, and will be taxable as ordinary income and, if you are under age 59½ at the time, will also be subject to the 10% excise tax on premature distributions.
- 3. Gift Tax.** If you elect during your lifetime to have all or any part of your IRA payable to a beneficiary upon your death, the election will not subject you to any gift tax liability.

- 4. Tax Withholding and Reporting.** Federal income tax will be withheld from distributions you receive from an IRA unless you elect not to have taxes withheld. Such an election must be made in accordance with procedures established by the Trustee; election forms are available from MFS Service Center, Inc.

Contributions to an IRA must be reported on Form 1040 or 1040A for the year with respect to which the contribution is made. Non-deductible contributions must be reported on Form 8606. In addition, you must file Form 5329 for any year in which there is an excess contribution to, premature distribution from, or insufficient distribution from your IRA. Finally, you must report the amount of all distributions you received from your IRA and the aggregate account balance of all IRAs as of the end of each calendar year.

- 5. IRS Approval.** This prototype IRA trust is a revision of the prototype IRA trust that was last approved by the Internal Revenue Service (IRS) in Opinion Letter Serial Number K189707c dated April 16, 2003. It has been submitted to the IRS for a new opinion letter, a copy of which will be provided to you after it has been received by MFS Fund Distributors, Inc.
- 6. Additional Information.** You may obtain further information concerning your IRA from any district office of the Internal Revenue Service or by visiting their web site at www.irs.gov, or you may contact MFS at 1-800-637-1255 or go to our web site at www.mfs.com.

NOTE: Although MFS may provide general information concerning your MFS IRA, MFS does not provide tax or other financial, legal, or technical advice. You are urged to contact your own advisor for such guidance.

**MFS INDIVIDUAL RETIREMENT ACCOUNT
TRUST AGREEMENT**

This AGREEMENT (the "Agreement"), entered into as of the date of the related Application, by and between the individual whose signature appears on that Application (the "Individual") and MFS Heritage Trust Company (the "Trustee"),

WITNESSES THAT:

WHEREAS, the Individual desires to provide for retirement and for the support of beneficiaries upon death by establishing with the Trustee an individual retirement account described in Section 408(a) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Trustee accepts its appointment as Trustee of such individual retirement account trust (the "IRA Account");

NOW, THEREFORE, by executing the Application the Individual and the Trustee agree as follows:

Article I Creation of the IRA Account

The Trustee shall, in accordance with the terms of this Agreement, establish and maintain an IRA Account for the exclusive benefit of the Individual and the Individual's Beneficiary. The IRA Account will be established when (i) the Individual has completed and signed the Application and has transmitted that Application and contribution to MFS Fund Distributors, Inc., its agent, or any successor thereto ("MFS Fund Distributors, Inc.") and (ii) the Trustee has accepted that Application and contribution. If that Application and contribution are accepted by the Trustee, the IRA Account will be effective as of the date they were accepted. (If the contribution and Application are transmitted separately, the IRA Account will be established as of the transmission date of the contribution or, if later, of the Application.) The Trustee shall hold in trust for the purposes hereinafter set forth, and shall manage and administer in accordance with the terms and conditions hereof, contributions to the IRA Account and any income or gain therefrom. The IRA Account is created and assets thereunder shall be held for the exclusive benefit of the Individual or Beneficiary.

Article II Regular Contributions

2.1. Permitted Contributions. All regular contributions to the IRA Account shall be in cash, and may be made under this Paragraph 2.1:

- (a) by the Individual or on behalf of the Individual by the Individual's employer if the Individual has compensation includible in gross income;
- (b) by the Individual's spouse or by the employer of the Individual's spouse;
- (c) by the Individual if the Individual has compensation in the form of any amount includible in the Individual's gross income with respect to a divorce or separation instrument under Code Section 71; or
- (d) by the Individual's employer under the provisions of a simplified employee pension plan as defined in Code Section 408(k) ("SEP IRA").

In no event may contributions be made under Paragraph 2.1(a), (b) or (c) in the taxable year in which the Individual attains age 70½ or any subsequent year.

The maximum annual amount that may be contributed to any regular IRA Account is the lesser of 100% of the Individual's compensation, or \$5,000. This limit will be adjusted by the Secretary of the Treasury for cost-of-living increases under Code Section 219(b)(5)(D). Such adjustments will be in multiples of \$500.

In the case of an Individual who will be age 50 or older by the end of the calendar year, the annual cash contribution limit for such calendar year is increased by \$1,000.

In addition to the contributions permitted above, an Individual may also make additional contributions specifically authorized by statute - such as repayments of qualified reservist distributions, repayments of certain plan distributions made on account of a federally declared disaster and certain amounts received in connection with the Exxon Valdez litigation.

The maximum contribution determined above will be reduced by the amount of any other regular contribution for that year to any other traditional IRA or Roth IRA under Code Section 408A ("Roth IRA"). The Trustee may, but is under no obligation to, refuse to accept annual IRA Account contributions that exceed the maximum contribution for the calendar year.

In the event that contributions are made to a SEP IRA by the Individual's employer under Paragraph 2.1(d), the Trustee shall accept employer contributions on behalf of the Individual in any taxable year, including the year in which the Individual attains age 70½ or any subsequent year. The maximum annual amount that may be contributed to any SEP IRA described in Paragraph 2.1(d) is the lesser of \$49,000 (as adjusted to reflect cost of living

increases) or 25% of the Individual's compensation. The Trustee may, but is under no obligation to, refuse to accept contributions to a SEP IRA pursuant to Paragraph 2.1(d) that exceed \$49,000 (as adjusted).

- 2.2. Return of Excess.** To the extent that the Individual has determined that there is any excess contribution to this IRA Account under Paragraph 2.1 for a taxable year that constitutes an "excess contribution" within the meaning of Code Section 4973(b) for that year, the Individual may direct the Trustee in an appropriate request, made in accordance with Paragraph 8.1, to pay such excess, together with any net income attributable thereto, to the Individual or the Individual's Beneficiary, on or before the Individual's due date for filing his or her federal income tax return for the year (including extensions), and the Trustee will make such payment as soon as practicable after receipt of such request. If the Individual fails to withdraw excess contributions and earnings thereon as described immediately above, such excess amounts will be subject to a 6% excise tax. However, excess contributions for one year may be carried forward and treated as a contribution in the next year to the extent that the excess, when aggregated with contributions (if any) for the subsequent year, does not exceed the maximum contribution amount for that year.
- 2.3. Nature of Contribution.** Cash contributions may be made by wire order. However, in making a wire order contribution the Individual agrees to indemnify the Trustee, MFS Fund Distributors, Inc., and their affiliates and hold them harmless from all losses, claims, expenses, and liabilities that may result from such wire order, the failure of such wire order to be received or the failure of the wire order to be received in a timely manner. In addition, the Individual understands and agrees that if a contribution is made by wire order at a time when the Individual has not established an MFS IRA, no IRA Account shall be established until the Application is both received and accepted by the Trustee.
- 2.4. Prohibited Contributions.** No contributions will be accepted from a SIMPLE IRA plan established by any employer pursuant to Code Section 408(p). Also, no transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan will be accepted from a SIMPLE IRA, that is, an IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the 2-year period beginning on the date the Individual first participated in that employer's SIMPLE IRA plan.

2.5. Inherited IRA. If this is an inherited IRA within the meaning of Code Section 408(d)(3)(C), no contributions will be accepted and this Article 2 shall not apply.

Article III Rollover Contributions

In addition to contributions under Article 2, the Individual may contribute to the IRA Account a rollover amount as defined in Code Sections 402(c), 402(e)(6), 403(a)(4), 403(b)(8), 403(b)(10), 408(d)(3), or 457(e)(16). A qualified rollover contribution must be in cash, except as provided in Paragraph 8.3(g). A rollover may not include certain amounts, such as the amount of any required minimum distributions. Any contribution by the Individual under this Article 3 shall be accompanied by a declaration from the Individual, made in accordance with Paragraph 8.1, that it is a valid rollover amount. The Trustee shall accept rollover contributions that are transferred to it directly from another trustee or custodian upon receipt of documentation satisfactory to the Trustee. Any amount transferred in a direct trustee-to-trustee transfer in accordance with Code Section 401(a)(31) shall not be includible in gross income for the taxable year of the transfer. If this is an inherited IRA within the meaning of Code Section 408(d)(3)(C), no rollover contributions will be accepted and this Article 3 shall not apply.

Article IV Nonforfeatability

The interest of the Individual in the balance of the IRA Account shall at all times be nonforfeitable within the meaning of Code Section 408(a)(4).

Article V Investment of IRA assets

- 5.1. Cash Contributions.** The Trustee shall apply each cash contribution to the IRA Account to the purchase of MFS Fund Shares (including fractional shares carried to the third decimal place) in accordance with the Individual's instructions, given in accordance with Paragraph 8.1.
- 5.2. Contributions in Property.** To the extent, if any, that the Trustee determines, as provided in Paragraph 8.3(g), to accept property other than cash in a rollover contribution, the Trustee shall liquidate such contributions; provided, that if such property consists of or includes MFS Fund Shares, the Trustee will, if so instructed by the Individual, hold such assets in the IRA Account. The Trustee shall invest the proceeds from any such liquidation, after deduction for all expenses and charges, including fees of the Trustee,

incurred in effecting such liquidation, in accordance with the provisions of Paragraph 5.1.

- 5.3. Dividends and Other Payments.** Dividends, capital gain distributions, and any other cash payments attributable to MFS Fund Shares held in the IRA Account shall be invested in the same shares to which such payments are attributable unless the Individual (or Beneficiary, if applicable) otherwise directs. If dividend or capital gain distributions are payable in MFS Fund Shares or cash, at the option of the holder, the Trustee shall elect payment in full and fractional shares.
- 5.4. Change in Investment.** The Individual (or Beneficiary, if applicable) may direct the Trustee at any time and from time to time: (i) to exchange the MFS Fund Shares held in the IRA Account for other MFS Fund Shares in accordance with the then current prospectuses relating to such shares; and (ii) to liquidate any investments then held in the IRA Account and invest the net proceeds in any form of investment permitted under this Article 5. By giving such investment direction (either directly or through an agent or designee), the Individual (or Beneficiary, if applicable) shall be deemed to have acknowledged receipt of the then current prospectus relating to such MFS Fund Shares.
- 5.5. Appointment of Investment Manager.** The Individual (or Beneficiary, if applicable) may appoint an agent or designee to act on his or her behalf to direct the Trustee as to the investment and reinvestment of the IRA Account, whose directions the Trustee shall follow upon the Trustee's receipt of notice satisfactory to the Trustee of such agent's or designee's authority, until such time as the Trustee receives notice, given in accordance with Paragraph 8.1, that such authority is revoked.
- 5.6. Prohibited Investments.** No part of the IRA Account assets shall be invested in life insurance contracts or in collectibles (within the meaning of Code Section 408(m) and the Regulations thereunder); nor may the assets of the IRA Account be commingled with other property except in a common trust fund or a common investment fund (within the meaning of Code Section 408(a)(5)).
- 5.7. Involuntary Redemptions.** The Individual hereby acknowledges that certain MFS Funds may, in certain circumstances and upon notice to the Individual, redeem the MFS Fund Shares held in the IRA Account without the Individual's permission, including, for example, if the value of such MFS

Fund Shares is less than a specified amount. Unless the Individual provides alternate instructions satisfactory to the Trustee, the proceeds from the redemption of such MFS Fund Shares will be distributed to the Individual.

Article VI Distributions

6.1. Early Distributions. The Individual may elect to withdraw or to transfer directly to another IRA trustee or custodian all or any part of the assets held in the IRA Account at any time and from time to time, upon notice to the Trustee, given in accordance with Paragraph 8.1, provided that such notice shall include a declaration of the Individual’s intention as to the proposed use of any distribution that occurs prior to his attainment of age 59½ other than on account of death or disability (as defined in Code Section 72(m)(7)), and be accompanied by an election with respect to federal income tax withholding, made in accordance with Paragraph 8.1. The Individual (or Beneficiary) also may appoint an agent or designee to act on his or her behalf to direct the Trustee as to the transfer of assets in the IRA Account, whose directions the Trustee shall follow upon the Trustee’s receipt of notice satisfactory to the Trustee of such agent’s or designee’s authority, until such time as the Trustee receives notice, given in accordance with Paragraph 8.1, that such authority is revoked.

6.2. Forms of Distribution. Subject to the required distribution rules discussed in Paragraph 6.3 below, the Individual may, by providing distribution instructions pursuant to Paragraph 8.1 and such other documentation as the Trustee may reasonably require, elect to receive distributions from the IRA Account in any of the following forms:

- (a) a single payment;
- (b) monthly, quarterly, semiannual, or annual payments made over a period certain specified by the Individual which does not extend beyond (i) the Individual’s life expectancy, or (ii) the joint life and last survivor expectancy of the Individual and his or her Beneficiary.

Whenever an Individual elects to receive a distribution, the Individual shall also specify in the distribution instructions whether the distribution is to be made in cash or in MFS Fund Shares.

Even if the Individual has begun to receive distributions pursuant to one of the above options, the Individual may at any time direct the Trustee to distribute all or any portion of the balance of the IRA Account.

6.3. Required Distributions. Notwithstanding any provision of this Agreement to the contrary, the distribution of the Individual's interest in the IRA Account shall be made in accordance with the requirements of Code Section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference. The required minimum distributions calculated for this IRA may be withdrawn from another IRA of the Individual in accordance with Q&A-9 of Section 1.408-8 of the Income Tax Regulations. If this is an inherited IRA within the meaning of Code Section 408(d)(3)(C), the preceding sentence and Paragraph 6.3(a) below do not apply. Distribution instructions for the first required minimum distribution, given in accordance with Paragraph 8.1, must be received, by the Trustee by March 1 in order to be processed by April 1.

(a) *Distributions to the Individual.* The entire value of the IRA Account of the Individual for whose benefit the IRA Account is maintained will commence to be distributed no later than the first day of April following the calendar year in which such Individual attains age 70½ (the "required beginning date") over the life of such Individual or the lives of such Individual and his or her designated Beneficiary.

The amount to be distributed each year, beginning with the calendar year in which the Individual attains age 70½ and continuing through the year of death, shall not be less than the quotient obtained by dividing the value of the IRA as of the end of the preceding year by the distribution period in the Uniform Lifetime Table in Q&A-2 of Section 1.401(a)(9)-9 of the Income Tax Regulations, using the Individual's age as of his or her birthday in the year. However, if the Individual's sole designated Beneficiary is his or her surviving spouse and such spouse is more than 10 years younger than the Individual, then the distribution period is determined under the Joint and Last Survivor Table in Q&A-3 of Section 1.401(a)(9)-9, using the ages as of the Individual's and spouse's birthdays in the year.

The required minimum distribution for the year the Individual attains age 70½ can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.

(b) *Death On or After Required Beginning Date.* If the Individual dies on or after the required beginning date, the remaining portion of his or her interest will be distributed at least as rapidly as follows:

(1) If the designated Beneficiary is someone other than the Individual's surviving spouse, the remaining interest will be distributed over the remaining life expectancy of the designated Beneficiary, with such life expectancy determined using the Beneficiary's age as of his or her birthday in the year following the year of the Individual's death, or over the period described in Paragraph 6.3(b)(3) below, if longer.

(2) If the Individual's sole designated Beneficiary is the Individual's surviving spouse, the remaining interest will be distributed over such spouse's life expectancy or over the period described in Paragraph 6.3(b)(3) below, if longer. Any interest remaining after such spouse's death will be distributed over such spouse's remaining life expectancy determined using the spouse's age as of his or her birthday in the year of the spouse's death, or, if the distributions are being made over the period described in Paragraph 6.3(b)(3) below, over such period.

(3) If there is no designated Beneficiary, or if applicable by operation of Paragraph 6.3(b)(1) or (b)(2) above, the remaining interest will be distributed over the Individual's remaining life expectancy determined in the year of the Individual's death.

(4) The amount to be distributed each year under Paragraph 6.3(b)(1), (2), or (3), beginning with the calendar year following the calendar year of the Individual's death, is the quotient obtained by dividing the value of the IRA as of the end of the preceding year by the remaining life expectancy specified in such Paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Section 1.401(a)(9)-9 of the Income Tax Regulations.

(5) If distributions are being made to a surviving spouse as the sole designated Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's or Individual's age in the year specified in Paragraph 6.3(b)(1), (2), or (3) and reduced by 1 for each subsequent year.

(c) *Death Before Required Beginning Date.* If the Individual dies before the required beginning date, his or her entire interest will be distributed at least as rapidly as follows:

(1) If the designated Beneficiary is someone other than the Individual's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Individual's

death, over the remaining life expectancy of the designated Beneficiary, with such life expectancy determined using the age of the Beneficiary as of his or her birthday in the year following the year of the Individual's death, or, if elected, in accordance with Paragraph 6.3(c)(3) below. If this is an inherited IRA within the meaning of Code Section 408(d)(3)(C) established for the benefit of a non-spouse designated Beneficiary by a direct trustee-to-trustee transfer from a retirement plan of a deceased individual under Code Section 402(c)(11), then, notwithstanding any election made by the deceased individual pursuant to the preceding sentence, the non-spouse designated Beneficiary may elect to have distributions made under this Paragraph 6.3(c)(1) if the transfer is made no later than the end of the year following the year of death.

(2) If the Individual's sole designated Beneficiary is the Individual's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Individual's death (or by the end of the calendar year in which the Individual would have attained age 70½, if later), over such spouse's life expectancy, or, if elected, in accordance with Paragraph 6.3(c)(3) below. If the surviving spouse dies before distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's designated Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed in accordance with Paragraph 6.3(c)(3) below. If the surviving spouse dies after distributions are required to begin, any remaining interest will be distributed over the spouse's remaining life expectancy determined using the spouse's age as of his or her birthday in the year of the spouse's death.

(3) If there is no designated Beneficiary, or if applicable by operation of Paragraph 6.3(c)(1) or (c)(2) above, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the Individual's death (or of the spouse's death in the case of the surviving spouse's death before distributions are required to begin under Paragraph 6.3(c)(2) above).

(4) The amount to be distributed each year under Paragraph 6.3(c)(1) or (2) is the quotient obtained by dividing the value of the IRA as of the end of the preceding year by the remaining life expectancy specified in such Paragraph. Life expectancy is determined using the Single Life Table in Q&A-I of Section 1.401(a)(9)-9 of the Income Tax Regulations.

If distributions are being made to a surviving spouse as the sole designated Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year specified in Paragraph 6.3(c)(1) or (2) and reduced by 1 for each subsequent year.

- (d) If this is an inherited IRA within the meaning of Code Section 408(d)(3)(C) and the Individual is the designated Beneficiary of a deceased individual, then the references to "Individual" in Paragraphs 6.3(b) and (c) shall be references to such deceased individual.
- (e) The "value" of the IRA includes the amount of any outstanding rollover, transfer, and recharacterization under Q&As-7 and 8 of Section 1.408-8 of the Income Tax Regulations.
- (f) If the sole designated Beneficiary is the Individual's surviving spouse, the spouse may elect to treat the IRA as his or her own IRA. This election will be deemed to have been made if such surviving spouse makes a contribution to the IRA or fails to take required distributions as a Beneficiary.
- (g) The Trustee reserves the right to request such additional information from a non-spouse Beneficiary, as it deems appropriate in its sole discretion, prior to distributing assets from the IRA Account.
- (h) The required minimum distributions payable to a designated Beneficiary from this IRA may be withdrawn from another IRA the Beneficiary holds from the same decedent in accordance with Q&A-9 of Section 1.408-8 of the Income Tax Regulations.

6.4. Return of Excess. Notwithstanding anything to the contrary contained in this Agreement, upon notification and request, both made in accordance with Paragraph 8.1, from the Individual that an excess contribution (as defined in Code Section 4973) has been made in any year, any excess contribution, together with any net income allocable thereto, shall be distributed to the Individual.

6.5. Multiple Beneficiaries. If there are two or more Beneficiaries who are simultaneously entitled to receive a benefit upon the death of the Individual or of a prior Beneficiary, that benefit shall be segregated into separate accounts representing each Beneficiary's separate interest in that benefit. Following such segregation of benefits, each Beneficiary's separate account

shall be maintained as though it were a benefit payable solely to that Beneficiary, and no Beneficiary shall have any interest in or claim to any portion of the original benefit other than the separate account representing his or her interest in that benefit.

Article VII Amendment and Termination

- 7.1. Amendment.** This Agreement may be amended by written instrument signed by the Trustee and by the Individual, or by the Trustee and the Beneficiary of the Individual if such Beneficiary is then receiving benefits under Paragraph 6.3. In addition, the Individual hereby delegates to MFS Fund Distributors, Inc. the power to amend this Agreement on behalf of the Individual or Beneficiary. MFS Fund Distributors, Inc. shall notify the Individual or Beneficiary of any such amendment. The Individual or Beneficiary shall be deemed to have consented to any such amendment if he or she fails to object thereto, in accordance with Paragraph 8.1, within 30 calendar days from the date such notice is transmitted.
- 7.2. Termination.** This Agreement shall terminate upon the complete distribution of the assets held in the IRA Account or in the event that a determination is made by the Internal Revenue Service that the IRA Account does not qualify as an individual retirement account within the meaning of Code Section 408(a). In the event the IRA Account is terminated, the balance in the IRA Account shall be distributed to the Individual or to the Beneficiary, as the case may be.

Article VIII Trustee

8.1. Communication, Responsibilities, and Powers.

- (a) *Communications to Trustee; Limited Responsibility of Trustee.* All notices, elections, declarations, requests, applications, forms, designations (including Beneficiary designations), instructions, and directions (including investment, distribution, and other directions), as well as all other communications (collectively, “Communication” or “Communications”) to or from the Trustee shall be made by such method as the Trustee may from time to time prescribe or permit, which methods include in writing, telephonically, or electronically, to the extent such method is in accordance with applicable law, as described further in Paragraph 8.1.(b) below. The Trustee shall be entitled to rely on any such communication filed with or otherwise received by it and believed by it to be genuine or properly given, including but not limited to any such communication from an

agent or designee appointed in accordance with Paragraph 5.5 or Paragraph 6.1, and shall have no duty of inquiry with respect to any of the matters stated therein or the consequences to the Individual or Beneficiary thereof, and shall be fully protected in acting or omitting to take any action in reliance upon any such communication. If any disputes arise as to the person(s) who constitute the Beneficiary(ies) hereunder, the proper allocation or disposition of IRA Account assets, or otherwise relating to the rights or obligations of persons with respect to this IRA Account, it shall be solely the responsibility of the affected person(s) to seek judicial or other appropriate resolution of such dispute, and neither the Trustee nor any affiliate thereof shall have any such responsibility or authority; provided that, in the event such a dispute arises and none of the affected persons seeks appropriate resolution, the Trustee shall have the right, but not any obligation, to apply to a court of competent jurisdiction for a determination of the relative rights and obligations of the affected persons and resolution of such dispute.

(b) *Electronic Recordkeeping and Communications.*

(1) **Recordkeeping.** The Trustee reserves the right to keep all records related to the IRA Account solely in electronic format and to destroy any paper records to the extent permissible by law. The electronic record-keeping system will ensure the integrity, accuracy, authenticity, and reliability of the underlying records. Records will be maintained in reasonable order and in a safe and accessible place, so that they can be inspected or examined if necessary. Electronic records will be readily convertible into legible and readable paper copy as necessary to satisfy any requirements of the law.

(2) **Communications.** Notwithstanding anything in this Agreement to the contrary, to the extent agreed to by the Trustee, in each instance concerning forms, documents, notices, disclosure, or other communication (collectively, "Communications"), including those documents that require a signature by any party, between the Trustee and the Individual or a Beneficiary, in which this Agreement provides that such Communications must be "written" or "in writing," such Communications will be permitted telephonically, electronically, or through any other similar method to the extent such method is in accordance with applicable law (including the Electronic Signatures in Global and National Commerce Act of 2000 ("E-Sign Act") and applicable Internal Revenue Service or Department of Treasury Regulations.

8.2. Voting. MFS Fund Shares held in the IRA Account shall be voted by, or in accordance with the instructions of, the Individual or Beneficiary. The Trustee shall deliver, or cause to be delivered, to the Individual or to the Beneficiary if the Beneficiary is then receiving benefits under Paragraph 6.3, all notices, financial statements, prospectuses, contracts, proxies, and proxy materials relating to the MFS Fund Shares in the IRA Account. The Trustee shall vote MFS Fund Shares held in the IRA Account in accordance with proper voting instructions from the Individual or Beneficiary. Absent such instructions, the Trustee is hereby directed to and shall vote such MFS Fund Shares for or against any proposition in the same proportion as all MFS Fund Shares of the relevant MFS Fund for which instructions have been received.

- 8.3. Powers of Trustee.** Except as otherwise limited under the terms of this Agreement, the Trustee shall have the power and authority in the administration of the IRA Account to do all acts, to execute and deliver all instruments, and to exercise for the sole benefit of the Individual and his Beneficiary any and all powers which would be lawful were it in its own right the actual owner of the property held, including by way of illustration, but not in limitation of the powers conferred by law, the following:
- (a) To delegate to one or more agents and/or contractual service providers of the Trustee the performance of recordkeeping or other ministerial services in connection with the IRA Account. Any such agent's and/or service provider's duties and responsibilities shall be confined solely to the performance of such duties;
 - (b) To sell or exchange any part of the assets of the IRA Account;
 - (c) To register any asset held by the Trustee in its own name, or in nominee or bearer form that will pass by delivery;
 - (d) To consent to or participate in dissolutions, reorganizations, mergers, sales, transfers, or other changes in securities held by the Trustee, and in such connection to delegate the Trustee's powers and to pay assessments, subscriptions, and other charges;
 - (e) To make distributions from the IRA Account in cash or in kind pursuant to the provisions of the Agreement;
 - (f) To invest and reinvest all or a part of the contributions made to the IRA Account and dividends, capital gain distributions, or any other income thereon in MFS Fund Shares (including fractional shares carried to the third decimal place) and to retain such Shares without any duty of further diversification;

- (g) To determine the acceptability of a transfer, either into or out of the IRA Account, of a rollover contribution made in property other than cash, including Marketable Securities or annuity or endowment contracts; and
- (h) To accept and follow directions to invest, reinvest, or liquidate assets or to transfer assets from this MFS IRA to any other IRA if such directions are properly received from the Individual or Beneficiary, or from any agent or designee appointed thereby in accordance with Paragraph 5.5 or Paragraph 6.1, as applicable, and Paragraph 8.1.

8.4. Compensation and Expenses. The Trustee shall receive such compensation for its services hereunder as may be agreed upon from time to time by the Trustee and the Individual, or by the Trustee and the Beneficiary if the Beneficiary is then receiving benefits under Paragraph 6.3. The Application contains a statement of the Trustee's compensation. MFS Fund Distributors, Inc. is hereby delegated the power to agree to such compensation on behalf of the Individual or Beneficiary, provided that after at least 30 days' notice to the Individual or Beneficiary of any increase in compensation, no objection shall have been made thereto. Any compensation of the Trustee, and any expenses, liabilities, or other charges incurred by the Trustee in the administration of the IRA Account, shall be paid from the IRA Account unless paid by the Individual. In addition, the Trustee may, upon such terms and conditions (including without limitation receipt of such documentation) as the Trustee deems necessary, agree to pay directly from the IRA Account certain advisory or other similar fees at the direction of the Individual or Beneficiary, or his or her designee, given in accordance with Paragraph 8.1.

8.5. Limitation of Liability and Indemnification. The Individual acknowledges and agrees that the Trustee shall neither have nor exercise any discretion, authority, or responsibility with respect to the investment of IRA Account assets, that the Trustee shall act only upon the proper communication of the Individual or Beneficiary, and that the Trustee shall be entitled to act on any such communication without any duty of further inquiry. Further, the Trustee shall not be responsible for the purpose, propriety, or tax or other consequences of any designation of Beneficiary, of any contribution or distribution, or of any other action or inaction taken pursuant to the Individual's or Beneficiary's communications. The Individual or Beneficiary (or other person to whom the Individual or Beneficiary has properly delegated authority) shall be solely responsible for the investment of the IRA Account assets in accordance with his or her direction, for any and all designations of Beneficiary, for any and all contributions and distributions, and

for any and all other actions the Trustee takes pursuant to the Individual's or Beneficiary's communications, and for the consequences of any such investment or other action. The Individual shall at all times, to the maximum extent permitted by law, indemnify and save harmless the Trustee, its affiliates, and their agents, successors, and assigns and their officers, directors, and employees, from any and all liability arising from the Individual's communications under or with respect to the IRA Account, and from any and all other liability whatsoever that may arise in connection with this Agreement, except liability arising under applicable law or liability arising from gross negligence or willful misconduct on the part of the indemnified person.

- 8.6. Incomplete or Unclear Instructions.** If at any time the IRA Account holds cash for which investment instructions have not been received, or if the Trustee receives instructions with respect to the selection or allocation of investments that are in the Trustee's opinion incomplete or unclear, the Trustee may request other instructions from the Individual (or Beneficiary, if applicable). Pending receipt of such instructions, such uninvested cash may remain uninvested pending receipt of proper instructions, be invested in money market MFS Fund Shares, or be returned to the Individual or Beneficiary; any invested assets may remain in the most recent properly selected investment. The Trustee shall not be liable for any loss resulting from delay in investing assets or implementing instructions pursuant to this Paragraph.
- 8.7. Resignation and Removal.** The Trustee may resign at any time upon notice to MFS Fund Distributors, Inc. and may be removed by MFS Fund Distributors, Inc. at any time upon notice to the Trustee, any such notice to be given in accordance with Paragraph 8.1. Any such notice of resignation or removal shall take effect on the date specified therein, which shall not be less than 30 days after the delivery thereof, unless such notice shall be waived by the party entitled to the notice. Upon such resignation or removal, MFS Fund Distributors, Inc. shall appoint a successor trustee, which successor shall be a "bank" (as defined in Code Section 408(n)) or such other person who has demonstrated to the satisfaction of the Commissioner of Internal Revenue that he will administer the trust in a manner consistent with the law. In the event that MFS Fund Distributors, Inc. exercises this power, the Individual or Beneficiary, if such Beneficiary is then receiving benefits under Paragraph 6.3, shall be deemed to have consented to such change of Trustee if no objection is received by MFS Fund Distributors, Inc. within 30 days after the date notice of the change is transmitted to the Individual or Beneficiary. If within 30 days after the Trustee's

resignation or removal MFS Fund Distributors, Inc. has not appointed a successor trustee that has accepted such appointment, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor trustee.

Upon receipt by the Trustee of acceptance of appointment by the successor trustee, given in accordance with Paragraph 8.1, the Trustee shall transfer and pay over to such successor the assets of the IRA Account and all records pertaining thereto. The Trustee is authorized, however, to reserve such sum of money as it may deem advisable for payment of all its fees, compensation, costs, and expenses, or for payment of any other liabilities constituting a charge on or against the assets of the IRA Account or on or against the Trustee. Any balance remaining after payment of such items shall be paid over to the successor trustee. The successor trustee shall thereafter be deemed to be the Trustee under this Agreement.

If a new sponsor is used as a successor trustee, then the new sponsor cannot rely upon the opinion letter issued to MFS Fund Distributors, Inc.

8.8. Failure to Consent. If the Individual or Beneficiary does not consent to an appointment of a successor trustee, a change in the Trustee's compensation, or an amendment to this Agreement made or agreed to by MFS Fund Distributors, Inc., this Agreement shall be deemed amended by the Individual or Beneficiary, with the result that MFS Fund Distributors, Inc. shall cease to be the sponsor of this Agreement and there will be no further reliance on the opinion letter issued by the Internal Revenue Service to MFS Fund Distributors, Inc. Further, the Trustee shall notify the Individual or Beneficiary as soon as possible following such objection of its resignation as trustee of this IRA Account as of the thirtieth day following the date of such notice. If within thirty (30) days from the date of such notice the Individual or Beneficiary fails to appoint a new trustee or take other appropriate action with respect to the IRA Account, the Individual or Beneficiary directs the Trustee to distribute all assets held under the IRA Account in a lump sum as soon as administratively reasonable after the close of said thirty-day period.

Article IX Returns and Reports

9.1. Annual Accounting. The Trustee and/or its nominee shall transmit to the Individual, or to the Beneficiary if such Beneficiary is then receiving benefits under Paragraph 6.3, at least once during each calendar year, a report concerning the status of an Individual's IRA Account including statements of all transactions in the IRA Account during the preceding calendar year, statements showing the value of each asset held in the IRA Account as of

December 31 of such preceding year, and such information concerning required minimum distributions as is prescribed by the Commissioner of Internal Revenue. The Individual or Beneficiary should give the Trustee notice, in accordance with Paragraph 8.1, of any exception or objection to the annual accounting within 60 days after it is so transmitted.

- 9.2. Notice.** The annual accounting referred to in Paragraph 9.1 hereof, and all other notices from the Trustee hereunder shall be transmitted to the Individual's address appearing on the Application or to such other address as the Individual, or the Individual's Beneficiary if such Beneficiary is then receiving benefits under Paragraph 6.3, has notified the Trustee in accordance with Paragraph 8.1 for this purpose.
- 9.3. Filing of Returns and Reports.** The Trustee shall file such returns or reports with respect to the IRA Account as are required to be filed by it under the Code and regulations thereunder, including reports required under Code Section 408(i), or by the Department of Labor or the Department of the Treasury, and the Individual or Beneficiary shall provide the Trustee with such information as it may require to file such reports.

Article X Additional Definitions

As used herein:

- (a) "Beneficiary" shall mean the person or persons (including individuals, trusts, estates, partnerships, corporations, associations, charitable or educational organizations, or other similar entities) currently designated as such by the Individual or Beneficiary, as applicable, in such form actually received by the Trustee as the Trustee prescribes. If no primary or contingent Beneficiaries have survived the Individual or the Beneficiary, as applicable, or if no Beneficiary has been properly designated, the Beneficiary shall be the Individual's or Beneficiary's surviving spouse, or if none, his or her surviving issue per stirpes (as designated by the executor or personal representative of the Individual or Beneficiary), or if none, his estate.

The initial Beneficiary shall be the person or persons designated as such on the Application. The Individual or the Beneficiary, if applicable, may modify his designation of Beneficiary at any time by executing a new designation of Beneficiary, in such form actually received by the Trustee as the Trustee prescribes, which designation shall supersede any prior designation. A designated Beneficiary who becomes entitled to receive benefits under Paragraph 6.3 may designate a successor Beneficiary in such form actually

received by the Trustee as the Trustee prescribes. If a designated Beneficiary becomes entitled to receive benefits under Paragraph 6.3 but dies before all amounts in the IRA Account to which the Beneficiary is entitled have been distributed to him, the successor Beneficiary will be entitled to receive any such remaining amounts in the IRA Account. Where there is more than one person designated as Beneficiary, the IRA Account shall be segregated in accordance with Paragraph 6.5; distributions from the IRA Account shall be made pro rata among those persons designated as Beneficiary who are alive at the time of the distribution, unless specified otherwise in the Designation of Beneficiary form.

If any dispute arises as to whether a person has been properly designated as a Beneficiary of the Accounts, the Beneficiary(ies) of the Account will be the person or persons (i) agreed upon in writing acceptable to the Trustee by and between all disputants and any other person or persons to whom a distribution might otherwise be made from the Account or (ii) designated in an order issued or certified by a court of competent jurisdiction.

Notwithstanding any other provision herein, the Trustee has no duty or responsibility to follow the direction of any person claiming to be a Beneficiary of the Account, unless and until such person is determined to be a Beneficiary pursuant to the provisions of this Paragraph. The Trustee has no duty of further inquiry once documentation deemed satisfactory to the Trustee to support the determination of Beneficiary status is presented to the Trustee.

- (b) “Compensation” means, for the purposes of this Agreement, wages, salaries, professional fees, or other amounts derived from or received for personal services actually rendered (including, but not limited to, commissions paid to salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, and bonuses) and includes earned income, as defined in Code Section 401(c)(4) (reduced by the deduction available to self-employed individuals for contributions made to a self-employed retirement plan). For purposes of this definition, Code Section 401(c)(2) shall be applied as if the term trade or business for purposes of Code Section 1402 included service described in Code Section 1402(c)(6). The definition of compensation does not include amounts derived from or received as earnings or profits from property (including but not limited to interest and dividends) or amounts not included in gross income (determined without regard to Code Section 112). Compensation also does not include any amount received as a pension or annuity or as deferred compensation. The term “compensation” shall include any amount included in the

individual's gross income under Code Section 71 with respect to a divorce or separation instrument described in Code Section 71(b)(2)(A). In the case of a married individual filing a joint return, the greater compensation of his or her spouse is treated as his or her own compensation, but only to the extent that such spouse's compensation is not being used for purposes of the spouse making a contribution to a Roth IRA or a nondeductible contribution to a non-Roth IRA. The term "compensation" also includes any differential wage payments as defined in Code Section 3401(h)(2).

- (c) "Marketable Securities" shall mean: (i) shares of regulated investment companies registered under the Investment Company Act of 1940, as amended; (ii) securities that are traded on a national securities exchange or listed for trading on a national quotation service; and (iii) such other securities as the Trustee, in its discretion, deems to be marketable securities.
- (d) "MFS Fund" means any regulated investment company within the meaning of Code Section 851(a) for which Massachusetts Financial Services Company, or any successor thereto, or any affiliate thereof, serves as investment advisor.
- (e) "MFS Fund Shares" shares of any MFS Fund.

Masculine words will be read and construed in the feminine where required by the context.

Article XI State Child Support Orders

Notwithstanding any provision in this document to the contrary, to the extent permitted by federal law, the Trustee shall comply with any order or levy for payment of child support obligations issued by any United States federal or state court, regardless of the state of issuance.

Article XII Miscellaneous

Notwithstanding any other provision in this Agreement, if the Individual has entered into any Spectrum or Select contract(s) relating to this IRA Account, the provisions of said contract(s) shall continue to apply to this IRA Account to the extent applicable.

This IRA Account is established for the exclusive benefit of the Individual and his or her beneficiaries. This IRA Account is established with the intent that it qualify as an "individual retirement account" under Code Section 408(a), and the provisions hereof shall be construed in accordance with such intent. To the

extent not superseded by federal law, this Agreement shall be governed by the laws of the State of New Hampshire generally with respect to the duties, rights, and responsibilities of the Trustee, but shall be governed by the laws of the Commonwealth of Massachusetts with respect to matters relating to or arising out of any payment(s) made or to be made from the IRA Account.

This prototype IRA trust is a revision of the prototype IRA trust that was last approved by the Internal Revenue Service (IRS) in Opinion Letter Serial Number K189707c dated April 16, 2003. It has been submitted to the IRS for a new opinion letter, a copy of which will be provided to the Individual after it has been received by MFS Fund Distributors, Inc.



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

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

Plan Name: IRA Trust 001
FFN: 50144840000-001 Case: 200300590 EIN: 04-3169826
Letter Serial No: K189707c

MFS FUND DISTRIBUTORS INC
500 BOYLSTON STREET
BOSTON, MA 02116

Contact Person:
Ms. Arrington 50-00197
Telephone Number:
(202) 283-8811
In Reference To:
T:EP:RA:T3
Date: 04/16/2003

Dear Applicant:

In our opinion, the amendment to the form of the prototype trust, custodial account or annuity contract identified above does not adversely affect its acceptability under section 408 of the Internal Revenue Code, as amended through the Job Creation and Workers Assistance Act of 2002.

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

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

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

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

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

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

Sincerely yours,

Director,
Employee Plans Rulings & Agreements

MFS ROTH IRA DISCLOSURE STATEMENT

The following information is being provided to you by MFS Heritage Trust Company (the "Trustee") in accordance with the requirements of the Internal Revenue Code of 1986 and regulations thereunder, as amended (the "Code"). This Statement should be read in conjunction with the MFS Roth IRA Agreement and Application (collectively, the "Agreement"), and the prospectus for each investment option you have selected. The provisions of the Agreement and prospectus(es) must prevail over this Statement in any instance where this Statement is incomplete or unclear.

This Statement summarizes the requirements for establishing an MFS Roth IRA and provisions of federal tax law applicable to Roth IRAs. The state tax treatment of your Roth IRA may be different; state tax information should be available from your state taxing authority or your own tax advisor.

Right to Revoke

You may revoke your Roth IRA for any reason within seven calendar days after the date you signed the Application by mailing or delivering a written request that your Roth IRA be revoked to:

MFS Service Center, Inc.
P.O. Box 55824
Boston, MA 02205-5824

If you revoke your Roth IRA, the entire amount of your contribution, without adjustment for items such as administrative expenses, fees, interest, or fluctuation in market value, will be returned to you. If you have any questions concerning this revocation procedure, you may phone MFS at 1-800-637-1255.

Contributions

- 1. Who Can Contribute.** In general, an individual may contribute to a Roth IRA for a calendar year as long as the individual or the individual's spouse receives compensation for the performance of services, including earned income from self-employment, during that calendar year. For 2010 (and subject to adjustment in future years), an individual cannot make a contribution to a Roth IRA if that person's modified adjusted gross income is \$120,000 or more for single individuals, \$176,000 or more for married individuals filing jointly, and \$10,000 or more for married individuals filing separately. You may not make contributions to a Roth IRA through a SIMPLE IRA Plan

established by an employer pursuant to Code Section 408(p). Contributions to a Roth IRA may be made regardless of an individual’s age. Rollover contributions can be made to a Roth IRA but certain restrictions apply. An individual can contribute to a Roth IRA even if he or she is an active participant in an employer plan.

2. Kind and Amount.

(a) *Regular Roth IRA.*

(i) The maximum contribution that can be made to an individual’s regular Roth IRA for any calendar year is the lesser of the compensation the individual earns for the year or the maximum Roth IRA contribution amount in accordance with the chart below. Individuals who will be age 50 or older by the end of the calendar year may make “catch-up” contributions in addition to their regular Roth IRA contributions.

2010 Annual Roth IRA Contribution Limit	2010 Annual Roth IRA Catch-Up Contribution Limit for Age 50 or Older
\$5,000	\$1,000

The annual limits may be adjusted in the future by the Secretary of the Treasury for cost-of-living increases.

If you are married and file a joint federal income tax return, each of you may establish your own regular Roth IRA and contribute up to your maximum Roth IRA contribution amount, provided the total contributions made for both of you do not exceed your joint income. Neither spouse may contribute more than 100% of his or her own income, but the spouse with the higher income can make up any shortfall on behalf of his or her spouse, as long as the total contributions made by the higher paid spouse do not exceed 100% of his or her own income. If you are divorced, all taxable alimony you receive under a decree of divorce or separate maintenance will be treated as compensation. However, for 2010, the maximum annual contribution amount will be phased out if the individual is single and has a modified adjusted gross income of at least \$105,000 but less than \$120,000 (subject to adjustment in future years), is married filing a joint return and has a modified adjusted gross income of at least \$167,000 but less than \$177,000 (subject to adjustment in future years), or is married filing separately and has a modified adjusted gross income of less than \$10,000. Your “modified adjusted gross income” is your adjusted gross income (or the total of your and your spouse’s adjusted gross income if you are married filing jointly)

excluding any amount that would be included as a result of a qualified rollover contribution from a non-Roth IRA (a “conversion”). No amount you contribute to a Roth IRA will be deductible for federal income tax purposes. The maximum annual amount you may contribute to a Roth IRA must be reduced by any amount you contribute to an IRA established under Code Section 408 (a “traditional IRA”) or to any other Roth IRA for that year.

(ii) If you received a “qualified reservist distribution,” as defined below, you may at any time during the two-year period beginning on the day after the end of your active duty period make one or more contributions to your Roth IRA in an aggregate amount not to exceed your qualified reservist distribution. A qualified reservist distribution includes a distribution from an IRA made to a military reservist who was ordered or called to active duty for a period in excess of 179 days or for an indefinite period that was made during the period between the date of the call to duty and the close of the active duty period (as long as the order or call to active duty is after September 11, 2001). The dollar limitations that otherwise apply to Roth IRA contributions do not apply to any contribution up to the amount of your qualified reservist distributions.

(iii) If you received a “qualified recovery assistance distribution” or a “qualified disaster recovery assistance distribution,” you may repay such distribution by making a tax-free rollover of such distribution to an eligible retirement plan at any time during the three-year period beginning on the date you received the distribution. A repayment of a qualified disaster recovery assistance distribution to a Roth IRA is not counted for purposes of the one-rollover-per-year limitation.

(iv) If you received qualified settlement income in connection with the Exxon Valdez litigation, you can contribute all or part of the amount received to your Roth IRA. The amount contributed cannot exceed \$100,000 (reduced by the amount of qualified settlement income contributed to an eligible retirement plan in prior tax years) or the amount of qualified settlement income received during the tax year.

Contributions for the year can be made until the due date for filing your return, not including extensions.

- (b) *Rollovers.* You may roll over into a Roth IRA a distribution from another Roth IRA or from a designated Roth account in a Code Section 401(a) tax-qualified retirement plan (such as a pension, profit-sharing, 401(k), or stock bonus plan), an annuity plan, a Code Section 403(b) tax-sheltered

annuity or custodial account, or governmental deferred compensation plan (a Code Section 457 plan).

You may also make a rollover contribution to a Roth IRA from a traditional IRA, Code Section 401(a) tax-qualified retirement plan, annuity plan, Code Section 403(b) tax-sheltered annuity or custodial account, or governmental deferred compensation plan. You may not transfer or roll over into a Roth IRA funds attributable to contributions made by an employer under a SIMPLE IRA prior to the expiration of the 2-year period beginning on the date you first participated in that employer's SIMPLE IRA Plan. Any amount rolled over from a traditional IRA or non-Roth account described above to a Roth IRA will be includible in income in the year the rollover is made and you will be taxed on the amount rolled over to the Roth IRA to the extent that the amount rolled over represents deductible contributions made to your traditional IRA or other non-Roth account and earnings thereon. The amount rolled over will not be subject to the 10% excise tax on premature distributions. Alternatively, you may convert a traditional IRA or other non-Roth account to a Roth IRA in accordance with Code Section 408A(d)(3)(C); such a conversion will be treated as a rollover. In addition, you may, no later than the due date for filing your federal income tax return for a taxable year (including extensions), transfer from a traditional IRA or other non-Roth account to a Roth IRA contributions made for that year to the traditional IRA or other non-Roth account (and earnings allocable to such contributions), in which case none of the amount so transferred will be includible in your income to the extent the amount transferred was not deductible.

The MFS Roth IRA trustee will accept rollovers, direct rollovers, or amounts that are transferred directly to it from the trustee or custodian of a Roth IRA, a Code Section 401(a) tax-qualified retirement plan, a Code Section 403(b) tax-sheltered annuity or custodial account, a governmental Code Section 457 plan, or a traditional IRA, as long as all applicable requirements are met. You also may roll over or transfer the amounts held in your MFS Roth IRA into another Roth IRA. However, rollovers from one Roth IRA to another may only be made once during any twelve-month period. There is no limit on the dollar amount of a rollover contribution to a Roth IRA. A transfer of funds to or from your Roth IRA with one trustee or custodian to a Roth IRA with another trustee or custodian is not a rollover and thus, is not subject to the one-rollover-per-year limitation discussed above.

If you receive a military death gratuity or servicemembers' group life insurance ("SGLI") payment with respect to a death from injury that occurred after October 6, 2001, you can roll over all or a part of the gratuity or payment to your Roth IRA if the contribution is made within one year of the date you receive the gratuity or payment. These contributions are disregarded for purposes of the one-rollover-per-year limitation discussed above.

In addition, if you are a qualified airline employee, you may contribute all or any portion of an "airline payment" to your Roth IRA if the contribution is made within 180 days of the date you received the payment. An "airline payment" is generally any payment of money or other property that is paid to certain employees and former employees of commercial airline carriers under the approval of an order of federal bankruptcy court filed after September 11, 2001 and before January 1, 2007. The contribution will be treated as a qualified rollover contribution and the modified adjusted gross income limits that generally apply to Roth IRA rollovers do not apply to airline payments.

Strict limitations apply to rollovers. Although the Trustee or MFS may provide you with general information concerning rollovers, you should seek competent tax advice from your own advisor in order to comply with all of the rules governing rollovers.

No contributions to an inherited IRA within the meaning of Code Section 408(d)(3)(C) will be accepted.

3. **Timing.** You may make a contribution to your Roth IRA for any calendar year up to the due date for filing your federal income tax return (excluding extensions) for that year. If you do not specify the year for which your contribution is being made, it will be deemed to be made for the year in which it is actually made.
4. **Nature and Investment.** Contributions other than rollover contributions must be made in cash. Rollover contributions can be made either in cash or, to the extent the Trustee determines that it is acceptable, in other assets held in the account from which the rollover is being made. However, a Roth IRA cannot be invested in life insurance or collectibles, nor may Roth IRA assets be commingled with other property except in a common trust fund or common investment fund. There are also several other restrictions on the use of Roth IRA assets described in "OTHER TAX CONSIDERATIONS" below. The assets in your Roth IRA will be invested as you direct in MFS Fund Shares available for investment from time to time under the terms of your MFS

Roth IRA. You should read all information (e.g., prospectuses) about the permissible investments that must be provided to you, so that you can make an informed investment decision. In particular, certain MFS Funds may, in certain circumstances and upon notice to you, redeem the MFS Fund Shares held in the Roth IRA Account without your permission, including, for example, if the value of such MFS Fund Shares is less than a specified amount. In such event, under the terms of your Roth IRA Agreement, unless you provide alternate instructions satisfactory to the Trustee, the proceeds from the redemption of such MFS Fund Shares will be distributed to you. All fees and other charges that must be paid from Roth IRA assets in connection with each investment and the method for computing and allocating earnings for each investment are described in such informational materials. Growth in the value of your account invested in MFS Fund Shares cannot be guaranteed or projected.

5. **Nonforfeitable.** Your interest in your Roth IRA is at all times nonforfeitable. Your Roth IRA is established for the exclusive benefit of you and your beneficiaries.
6. **Nondeductibility of Contributions.** Contributions you make to your Roth IRA will not be deductible for federal income tax purposes.

Distributions

1. **Premature Distributions.** You may withdraw any or all of your Roth IRA account at any time upon proper application to the Trustee in suitable form. However, if you make withdrawals from your Roth IRA, a 10% excise tax will be imposed on the amount of the distribution includible in your gross income unless the distribution is:
 - (a) For one of the qualified purposes described in Paragraph 4 below (but without the five-year holding period).
 - (b) An exempt withdrawal of an excess contribution (discussed below).
 - (c) Rolled over in accordance with Code requirements.
 - (d) One of a series of substantially equal periodic payments paid not less frequently than annually for your life or life expectancy or for the joint lives or joint life expectancies of you and your beneficiary.
 - (e) A transfer to another Roth IRA pursuant to a decree of divorce or separate maintenance or a written instrument incident to such a decree.

- (f) Used to pay qualified higher education expenses. Qualified higher education expenses are tuition, fees, books, supplies, and equipment required for the enrollment or attendance at an eligible educational institution of the Roth IRA account holder, the account holder's spouse, or the child or grandchild of the account holder or the account holder's spouse. The amount of these expenses is reduced by any amount excludible from income under the rules relating to education savings bonds.
- (g) Used to pay certain medical care expenses. These are medical expenses that can be deducted as medical expenses on your income tax return as itemized deductions (to the extent such expenses exceed 7.5% of adjusted gross income), whether or not you actually itemize deductions for that year.
- (h) Used within 120 days of the date the distribution is received to pay first-time homebuyer expenses. First-time homebuyer expenses, in general, include the costs of acquiring, constructing, or reconstructing an individual's principal residence, subject to a lifetime dollar limit of \$10,000, as long as the individual for whom the expenses are paid did not own a principal residence for the two prior years. The expenses can be used for the expenses of the Roth IRA account holder, the account holder's spouse, or any child, grandchild, or ancestor of the account holder or the account holder's spouse
- (i) Subject to certain restrictions, not in excess of the premiums paid for health insurance coverage for yourself, your spouse, and dependents after you have received 12 consecutive weeks of unemployment compensation. These are distributions to a Roth IRA account holder who has received unemployment compensation for at least 12 weeks under federal or state law and the distributions are made during the taxable year during which that unemployment compensation is paid or the next taxable year. A self-employed individual is treated as meeting the requirements for unemployment compensation if the individual would have received such compensation if he or she had not been self-employed.
- (j) Made due to an IRS levy for income taxes.
- (k) Is a "qualified reservist distribution."
- (l) Is a "qualified recovery assistance distribution" or a "qualified disaster recovery assistance distribution."

2. Required Distributions.

(a) *Form of Distribution.* You may elect to receive distributions from your Roth IRA in the following forms:

- (1) A lump-sum payment of all or any portion of your account;
- (2) Monthly, quarterly, semiannual, or annual payments over a specified period that does not extend beyond (i) your life expectancy or (ii) the joint life and last survivor expectancy of you and your designated beneficiary.

Even if you have begun receiving distributions in accordance with (2) above, you can at any time direct that all or any portion of the balance of your Roth IRA be distributed to you.

During your lifetime, you are not required to begin receiving distributions at any specified age or in any specific amount from your Roth IRA. The preceding sentence does not apply to an inherited IRA within the meaning of Code Section 408(d)(3)(C).

(b) *On Death:* The minimum distribution requirements of Code Section 401(a)(9)(B) apply to distribution of amounts remaining in your Roth IRA account after your death. Under those rules, if you have a designated beneficiary who is not your spouse, any amount remaining in your Roth IRA at your death must begin to be distributed by December 31 of the calendar year following the calendar year of your death over the single life expectancy of your designated beneficiary, based on his or her age in the calendar year following the calendar year of your death. For subsequent years, the life expectancy of the beneficiary will be the beneficiary's initial life expectancy, reduced by one each year. (If this is an inherited IRA and you are the designated beneficiary of a deceased individual, then distributions to you will follow the rule in the preceding sentences except that the terms "you" and "your" will refer to the deceased individual.) If you do not have a designated beneficiary, your entire remaining Roth IRA account must be distributed in a single sum or in a number of partial payments by the end of the fifth calendar year following the calendar year of your death. If a non-spouse designated beneficiary does not begin to receive distributions by the end of the calendar year following the year of your death, then the entire account must be distributed to such beneficiary within the five-year distribution described above. If your spouse is your sole beneficiary, he or she will be treated as the owner of the Roth IRA and no distributions will be required during your surviving spouse's life, unless your spouse elects to begin receiving distributions at such time as would be required for a

non-spouse beneficiary or, if later, by the end of the year in which you would have attained age 70½. If your spouse elects to receive required distributions, the distribution period will be his or her life expectancy in the year following the year of your death (or if later, in the year that you would have attained age 70½), recalculated each year.

3. **Minimum Distributions.** If the amount distributed from your Roth IRA in any year is less than the minimum amount required to be distributed after your death (see Paragraph 2(b) above), your beneficiary will be subject to a 50% excise tax on the difference between the amount required to be distributed and the amount actually distributed. It is the Roth IRA beneficiary's responsibility to seek assistance from a tax advisor, to calculate minimum distribution amounts, and to direct the Trustee, in accordance with procedures established by the Trustee, as to the amount and method of distribution desired. The required minimum distributions payable to your designated beneficiary from your Roth IRA may be withdrawn from another IRA that your beneficiary holds from you in accordance with Q&A-9 of Section 1.408-8 of the Income Tax Regulations.
4. **Taxation of Distributions.** Distributions from your Roth IRA that represent a return of your contributions are not taxable. To the extent that your Roth IRA contains contributions and earnings, all distributions will be treated as a return of your contributions until all contributions have been distributed. Only then will distributions be treated as distributions of earnings. Distributions of earnings will be taxed as ordinary income in the year they are received unless they are "qualified distributions," as discussed below. Roth IRA distributions do not qualify for capital gain treatment.

A distribution from a Roth IRA will be a qualified distribution, and therefore not taxable upon distribution, if:

1. **Five-Year Holding Period.** The distribution is made after the five-taxable-year-period beginning with the taxable year in which you first contributed to your Roth IRA; and
2. **Qualified Purpose.** The distribution is:
 - (a) Age 59½. Made on or after the date you attain age 59½;
 - (b) Death. Made to a beneficiary or estate on or after your death;
 - (c) Disability. Attributable to your being disabled; or
 - (d) First-time Homebuyer Expenses. Used within 120 days of the date the distribution is received to pay first-time homebuyer expenses. First-time homebuyer expenses, in general, include the costs of acquiring, con-

structing, or reconstructing an individual's principal residence, subject to a lifetime dollar limit of \$10,000, as long as the individual for whom the expenses are paid did not own a principal residence for the two prior years. The expenses can be used for the expenses of the Roth IRA account holder, the account holder's spouse, or any child, grandchild, or ancestor of the account holder or the account holder's spouse.

Other Tax Considerations

- 1. Excess Contributions.** If the amount of your Roth IRA contributions for a year exceeds the maximum permissible contribution, the excess contribution amount will be subject to a 6% excise tax. However, the 6% excise tax will not be imposed if you withdraw the excess contribution and any earnings on it on or before the due date for filing your federal income tax return for the year (including extensions). The amount of the excess contribution withdrawn will not be considered a premature distribution nor taxed as ordinary income, but the earnings withdrawn will be taxable income to you. Alternatively, excess contributions for one year may be carried forward and treated as a contribution in the next year to the extent that the excess, when aggregated with your Roth IRA contribution (if any) for the subsequent year, does not exceed the maximum contribution amount for that year. The 6% excise tax will be imposed on excess contributions in each year they are neither returned nor within the permitted contribution limit.
- 2. Prohibited Transactions.** If you or your beneficiary engage in any transaction prohibited by Code Section 4975 (such as any sale, exchange, or leasing of any property or extension of credit between you and the account), the account will lose its tax exemption and the entire balance of the account will be treated as having been distributed to you as of the first day of the calendar year in which the transaction occurs. This distribution will be taxable as ordinary income and, if you are under age 59½ at the time, will also be subject to the 10% excise tax on premature distributions.

If you or your beneficiary use all or any part of your Roth IRA assets as security for a loan, the portion so used will be treated as having been distributed, and will be taxable as ordinary income and, if you are under age 59½ at the time, may also be subject to the 10% excise tax on premature distributions.
- 3. Gift Tax.** If you elect during your lifetime to have all or any part of your Roth IRA payable to a beneficiary upon your death, the election will not subject you to any gift tax liability.

- 4. Tax Withholding and Reporting.** Federal income tax will apply to any taxable distributions you receive from a Roth IRA for the year in which you receive the distribution.

Distributions from a Roth IRA are includible in taxable income for federal income tax purposes, and therefore must be reported on Form 1040 or 1040A. In addition, a Form 5329 must be filed for any year in which there is an excess contribution to, premature distribution from, or insufficient distribution from your Roth IRA. Further information about federal tax reporting can be obtained from any district office of the Internal Revenue Service or from their web site, www.irs.gov.

- 5. IRS Approval.** This prototype Roth IRA trust is a revision of the prototype Roth IRA trust that was last approved by the Internal Revenue Service (IRS) in opinion letter Serial Number K102049c dated August 17, 2006. It has been submitted to the IRS for a new opinion letter, a copy of which will be provided to you after it has been received by MFS Fund Distributors, Inc.
- 6. Additional Information.** You may obtain further information concerning your Roth IRA from any district office of the Internal Revenue Service or by visiting their web site at www.irs.gov, or you may contact MFS at 1-800-637-1255 or go to our web site at www.mfs.com.

NOTE: Although MFS may provide general information concerning your MFS Roth IRA, MFS does not provide tax or other financial, legal, or technical advice. You are urged to contact your own advisor for such guidance.

**MFS ROTH INDIVIDUAL RETIREMENT ACCOUNT
TRUST AGREEMENT**

This AGREEMENT (the “Agreement”), entered into as of the date of the related Application, by and between the individual whose signature appears on that Application (the “Individual”) and MFS Heritage Trust Company (the “Trustee”),

WITNESSES THAT:

WHEREAS, the Individual desires to provide for retirement and for the support of beneficiaries upon death by establishing with the Trustee a Roth individual retirement account described in Section 408A of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, the Trustee accepts its appointment as Trustee of such individual retirement account trust (the “Roth IRA Account”);

NOW, THEREFORE, by executing the Application the Individual and the Trustee agree as follows:

Article I Creation of the Roth IRA Account

The Trustee shall, in accordance with the terms of this Agreement, establish and maintain a Roth IRA Account for the exclusive benefit of the Individual and the Individual’s Beneficiary. The Individual’s Roth IRA Account will be established when (i) the Individual has completed and signed the Application and has transmitted that Application and contribution to MFS Fund Distributors, Inc., its agent, or any successor thereto (“MFS Fund Distributors, Inc.”) and (ii) the Trustee has accepted that Application and contribution. If that Application and contribution are accepted by the Trustee, the Roth IRA Account will be effective as of the date they were accepted. (If the contribution and Application are transmitted separately, the Roth IRA Account will be established as of the transmission date of the contribution or, if later, of the Application.) The Trustee shall hold in trust for the purposes hereinafter set forth, and shall manage and administer in accordance with the terms and conditions hereof, contributions to the Roth IRA Account and any income or gain therefrom. The Roth IRA Account is created and assets thereunder shall be held for the exclusive benefit of the Individual or Beneficiary.

Article II Regular Contributions

2.1. Permitted Contributions. All regular contributions to the Roth IRA Account shall be in cash, and may be made under this Paragraph 2.1 by the Individual or the Individual's spouse. An Individual may make contributions to the Roth IRA Account even if the Individual has attained age 70½. The total of regular contributions to all the Individual's Roth IRAs and traditional IRAs for a taxable year may not exceed the applicable amount (as defined below), or the Individual's compensation (as defined in Article 10), if less, for that taxable year.

Applicable Amount. The applicable amount is determined under (a) or (b) below:

- (a) If the Individual is under age 50, the applicable amount is \$5,000 for any taxable year beginning in 2008 and years thereafter.
- (b) If the Individual will be age 50 or older by the end of the calendar year, the applicable amount is \$6,000 for any taxable year beginning in 2008 and years thereafter.

After 2008, the limits in Paragraphs (a) and (b) above will be adjusted by the Secretary of the Treasury for cost-of-living increases under Code Section 219(b)(5)(D). Such adjustments will be in multiples of \$500.

For 2010, the maximum annual contribution amount will be reduced, however, if the Individual is single and has a modified adjusted gross income of at least \$105,000 but less than \$120,000, is married filing a joint return and has a modified adjusted gross income of at least \$167,000 but less than \$177,000, or is married filing separately and has a modified adjusted gross income of more than \$0 but less than \$10,000. An Individual cannot make a contribution to a Roth IRA if that person's modified adjusted gross income for 2010 is \$120,000 or more for single individuals, \$177,000 or more for married individuals filing jointly, or \$10,000 or more for married individuals filing separately. The dollar amounts above will be adjusted by the Secretary of the Treasury for cost-of-living increases under Code Section 408A(c)(3). Such adjustments will be in multiples of \$1,000. Contributions to the Roth IRA Account will not be deductible for federal income tax purposes. The Trustee may, but is under no obligation to, refuse to accept annual Roth IRA Account contributions that exceed the applicable amount for the calendar year.

For purposes of this Paragraph 2.1 and Article III, an Individual's "modified adjusted gross income" for a taxable year is defined in Code Section

408A(c)(3)(C)(i) and does not include any amount included in adjusted gross income as a result of a qualified rollover contribution.

Notwithstanding the preceding limits on contributions, an Individual may make additional contributions specifically authorized by statute – such as repayments of qualified reservist distributions, repayments of certain plan distributions made on account of a federally declared disaster and certain amounts received in connection with the Exxon Valdez litigation.

- 2.2. Return of Excess.** To the extent that the Individual has determined that there is any excess contribution to this Roth IRA Account under Paragraph 2.1 for a taxable year that constitutes an “excess contribution” within the meaning of Code Section 4973(f) for that year, the Individual may direct the Trustee in an appropriate request, made in accordance with Paragraph 8.1, to pay such excess, together with any net income attributable thereto, to the Individual or the Individual’s Beneficiary, on or before the Individual’s due date for filing his or her federal income tax return for the year (including extensions), and the Trustee will make such payment as soon as practicable after receipt of such request. If the Individual fails to withdraw excess contributions and earnings thereon as described immediately above, such excess amounts will be subject to a 6% excise tax. However, excess contributions for one year may be carried forward and treated as a contribution in the next year to the extent that the excess, when aggregated with contributions (if any) for the subsequent year, does not exceed the maximum contribution amount for that year.
- 2.3. Nature of Contribution.** Cash contributions may be made by wire order. However, in making a wire order contribution, the Individual agrees to indemnify the Trustee, MFS Fund Distributors, Inc., and their affiliates and hold them harmless from all losses, claims, expenses, and liabilities that may result from such wire order, the failure of such wire order to be received, or the failure of the wire order to be received in a timely manner. In addition, the Individual understands and agrees that if a contribution is made by wire order at a time when the Individual has not established an MFS Roth IRA, no Roth IRA Account shall be established until the Application is both received and accepted by the Trustee.
- 2.4. Prohibited Contributions.** No contributions will be accepted from a SIMPLE IRA plan established by any employer pursuant to Code Section 408(p). Also no transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan will be accepted from a

SIMPLE IRA, that is, an IRA used in conjunction with a SIMPLE IRA plan prior to the expiration of the 2-year period beginning on the date the Individual first participated in that employer's SIMPLE IRA plan.

- 2.5. **Inherited IRA.** If this is an inherited IRA within the meaning of Code Section 408(d)(3)(C), no contributions will be accepted and this Article 2 will not apply.
- 2.6. **Recharacterization of Contributions.** If, on or before the due date (including extensions) for filing federal income tax returns for any taxable year, the Individual transfers in a trustee-to-trustee transfer any contribution to an individual retirement plan made during such taxable year to the Individual's Roth IRA Account, such contribution may be recharacterized pursuant to the rules in Treasury Regulation 1.408A-5 as a regular contribution to the Individual's Roth IRA Account.

Article III Qualified Rollover Contributions

In addition to contributions under Article 2, the Individual may contribute to the Roth IRA Account a "qualified rollover contribution" within the meaning of Code Section 408A(e). A "qualified rollover contribution" is a rollover contribution of a distribution from an eligible retirement plan described in Code Section 402(c)(8)(B). If the distribution is from an IRA, the rollover must meet the requirements of Code Section 408(d)(3), except the one-rollover-per-year limitation of Code Section 408(d)(3)(B) does not apply if the distribution is from a non-Roth IRA. If the distribution is from an eligible retirement plan other than an IRA, the rollover must meet the requirements of Code Section 402(c), 402(e)(6), 403(a)(4), 403(b)(8), 403(b)(10), 408(d)(3) or 457(e)(16), as applicable. A qualified rollover contribution also includes Paragraphs 3.1 and 3.2 below.

- 3.1. All or part of a military death gratuity or servicemembers' group life insurance ("SGLI") payment may be contributed if the contribution is made within one year of receiving the gratuity or payment. Such contributions are disregarded for purposes of the one-rollover-per-year limitation under Code Section 408(d)(3)(B).
- 3.2. All or part of an airline payment (as defined in Section 125 of the Worker, Retiree, and Employer Recovery Act of 2008, Pub. L. 110-458) received by certain airline employees may be contributed if the contribution is made within 180 days of receiving the payment.

The Individual may not transfer or roll over to the Roth IRA Account funds attributable to contributions made by an employer to an IRA used in conjunction with a SIMPLE IRA plan maintained by that employer prior to the expiration of the 2-year period beginning on the date the Individual first participated in that employer's SIMPLE IRA plan.

A qualified rollover contribution must be in cash, except as provided in Paragraph 8.3(g). A rollover may not include certain amounts, such as the amount of any required minimum distributions. The Trustee also will accept (i) qualified rollover contributions that are transferred to it directly from another trustee or custodian, (ii) the conversion of an IRA to a Roth IRA in accordance with Code Section 408A(d)(3)(C), and (iii) the transfer, no later than the Individual's due date for filing his or her federal income tax return for a taxable year (including extensions) from a traditional IRA to a Roth IRA of contributions for that year (and earnings allocable to such contributions) in accordance with Code Section 408A(d)(6), each upon receipt of documentation satisfactory to the Trustee. Any contribution by the Individual under this Article 3 shall be accompanied by a declaration from the Individual, made in accordance with Paragraph 8.1, that it is a valid rollover amount.

If this is an inherited IRA within the meaning of Code Section 408(d)(3)(C), no rollover contributions will be accepted and this Article 3 will not apply.

Article IV Nonforfeitability

The interest of the Individual in the balance of the Roth IRA Account shall at all times be nonforfeitable within the meaning of Code Section 408(a)(4).

Article V Investment of IRA assets

5.1. Cash Contributions. The Trustee shall apply each cash contribution to the Roth IRA Account to the purchase of MFS Fund Shares (including fractional shares carried to the third decimal place) in accordance with the Individual's instructions, given in accordance with Paragraph 8.1.

5.2. Contributions in Property. To the extent, if any, that the Trustee determines, as provided in Paragraph 8.3(g), to accept property other than cash in a rollover contribution, the Trustee shall liquidate such contributions; provided, that if such property consists of or includes MFS Fund Shares the Trustee will, if so instructed by the Individual, hold such assets in the Roth IRA Account. The Trustee shall invest the proceeds from any such liquidation, after deduction for all expenses and charges, including fees of

the Trustee incurred in effecting such liquidation, in accordance with the provisions of Paragraph 5.1.

- 5.3. Dividends and Other Payments.** Dividends, capital gain distributions, and any other cash payments attributable to MFS Fund Shares held in the Roth IRA Account shall be invested in the same shares to which such payments are attributable unless the Individual (or Beneficiary, if applicable) otherwise directs. If dividend or capital gain distributions are payable in MFS Fund Shares or cash, at the option of the holder, the Trustee shall elect payment in full and fractional shares.
- 5.4. Change in Investment.** The Individual (or Beneficiary, if applicable) may direct the Trustee at any time and from time to time: (i) to exchange the MFS Fund Shares held in the Roth IRA Account for other MFS Fund Shares in accordance with the then current prospectuses relating to such shares; and (ii) to liquidate any investments then held in the Roth IRA Account and invest the net proceeds in any form of investment permitted under this Article 5. By giving such investment direction (either directly or through an agent or designee), the Individual (or Beneficiary, if applicable) shall be deemed to have acknowledged receipt of the then current prospectus relating to such MFS Fund Shares.
- 5.5. Appointment of Investment Manager.** The Individual (or Beneficiary, if applicable) may appoint an agent or designee to act on his or her behalf to direct the Trustee as to the investment and reinvestment of the Roth IRA Account, whose directions the Trustee shall follow upon the Trustee's receipt of notice satisfactory to the Trustee of such agent's or designee's authority, until such time as the Trustee receives notice, given in accordance with Paragraph 8.1, that such authority is revoked.
- 5.6. Prohibited Investments.** No part of the Roth IRA Account assets shall be invested in life insurance contracts or in collectibles (within the meaning of Code Section 408(m) and the Regulations thereunder); nor may the assets of the Roth IRA Account be commingled with other property except in a common trust fund or a common investment fund (within the meaning of Code Section 408(a)(5)).
- 5.7. Involuntary Redemptions.** The Individual hereby acknowledges that certain MFS Funds may, in certain circumstances and upon notice to the Individual, redeem the MFS Fund Shares held in the Roth IRA Account without the Individual's permission, including, for example, if the value of such MFS

Fund Shares is less than a specified amount. Unless the Individual provides alternate instructions satisfactory to the Trustee, the proceeds from the redemption of such MFS Fund Shares will be distributed to the Individual.

Article VI Distributions

6.1. Early Distributions. The Individual may elect to withdraw or to transfer directly to another Roth IRA trustee or custodian all or any part of the assets held in the Roth IRA Account at any time and from time to time, upon notice to the Trustee, given in accordance with Paragraph 8.1, provided that such notice shall include a declaration of the Individual’s intention as to the proposed use of any distribution that occurs prior to his attainment of age 59½ other than on account of death or disability (as defined in Code Section 72(m)(7)) and shall include a statement of whether such distribution should be treated as a “qualified distribution” that is not includible in gross income under Code Section 408A(d). The Individual (or Beneficiary) also may appoint an agent or designee to act on his or her behalf to direct the Trustee as to the transfer of assets in the Roth IRA Account, whose directions the Trustee shall follow upon the Trustee’s receipt of notice satisfactory to the Trustee of such agent’s or designee’s authority, until such time as the Trustee receives notice, given in accordance with Paragraph 8.1, that such authority is revoked.

6.2. Forms of Distribution. The Individual may, by providing distribution instructions pursuant to Paragraph 8.1 and such other documentation as the Trustee may reasonably require, elect to receive distributions from the Roth IRA Account in any of the following forms:

- (a) a single payment;
- (b) monthly, quarterly, semiannual, or annual payments made over a period certain specified by the Individual which does not extend beyond (i) the Individual’s life expectancy, or (ii) the joint life and last survivor expectancy of the Individual and his or her Beneficiary.

Whenever an Individual elects to receive a distribution, the Individual shall also specify in the distribution instructions whether the distribution is to be made in cash or in MFS Fund Shares.

Even if the Individual has begun to receive distributions pursuant to one of the above options, the Individual may at any time direct the Trustee to distribute all or any portion of the balance of the Roth IRA Account.

6.3. Required Distributions.

- (a) No amount is required to be distributed prior to the death of the Individual. If this is an inherited IRA within the meaning of Code Section 408(d)(3)(C), this Paragraph 6.3(a) does not apply.
- (b) Notwithstanding any provision of this Agreement to the contrary, the distribution of the Individual's interest in the Roth IRA Account shall be made in accordance with the requirements of Code Section 408(a)(6), as modified by Code Section 408A(c)(5), and the regulations thereunder, the provisions of which are herein incorporated by reference.
- (c) Upon the death of the Individual, his or her entire interest will be distributed at least as rapidly as follows:
 - (i) If the designated Beneficiary is someone other than the Individual's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Individual's death, over the remaining life expectancy of the designated Beneficiary, with such life expectancy determined using the age of the Beneficiary as of his or her birthday in the year following the year of the Individual's death, or, if elected, in accordance with Paragraph 6.3(c)(iii) below. If this is an inherited IRA within the meaning of Code Section 408(d)(3)(C) established for the benefit of a non-spouse designated Beneficiary by a direct trustee-to-trustee transfer from a retirement plan of a deceased individual under Code Section 402(c)(11), then, notwithstanding any election made by the deceased individual pursuant to the preceding sentence, the non-spouse designated Beneficiary may elect to have distributions made under this Paragraph 6.3(c)(i) if the transfer is made no later than the end of the year following the year of death.
 - (ii) If the Individual's sole designated Beneficiary is the Individual's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Individual's death (or by the end of the calendar year in which the Individual would have attained age 70½, if later), over such spouse's life expectancy, or, if elected, in accordance with Paragraph 6.3(c)(iii) below. If the surviving spouse dies before distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's designated Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed in accordance with

Paragraph 6.3(c)(iii) below. If the surviving spouse dies after distributions are required to begin, any remaining interest will be distributed over the spouse's remaining life expectancy determined using the spouse's age as of his or her birthday in the year of the spouse's death.

(iii) If there is no designated Beneficiary, or if applicable by operation of Paragraph 6.3(c)(i) or (c)(ii) above, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the Individual's death (or of the spouse's death in the case of the surviving spouse's death before distributions are required to begin under Paragraph 6.3(c)(ii) above).

(iv) The amount to be distributed each year under Paragraph 6.3(c)(i) or (ii) is the quotient obtained by dividing the value of the IRA as of the end of the preceding year by the remaining life expectancy specified in such Paragraph. Life expectancy is determined using the Single Life Table in Q&A-1 of Section 1.401(a)(9)-9 of the Income Tax Regulations. If distributions are being made to a surviving spouse as the sole designated Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year specified in Paragraph 6.3(c)(i) or (a)(ii) and reduced by 1 for each subsequent year.

- (d) If this is an inherited IRA within the meaning of Code Section 408(d)(3)(C) and the Individual is the designated Beneficiary of a deceased individual, then the references to "Individual" in Paragraph 6.3(c) shall be references to such deceased individual.
- (e) The "value" of the IRA includes the amount of any outstanding rollover, transfer, and recharacterization under Q&As-7 and 8 of Section 1.408-8 of the Income Tax Regulations.
- (f) If the sole designated Beneficiary is the Individual's surviving spouse, the spouse may elect to treat the IRA as his or her own IRA. This election will be deemed to have been made if such surviving spouse makes a contribution to the IRA or fails to take required distributions as a Beneficiary.
- (g) The Trustee reserves the right to request such additional information from a non-spouse Beneficiary, as it deems appropriate in its sole discretion, prior to distributing assets from the Roth IRA Account.

(h) The required minimum distributions payable to a designated Beneficiary from this IRA may be withdrawn from another IRA the beneficiary holds from the same Individual in accordance with Q&A-9 of Section 1.408-8 of the Income Tax Regulations.

- 6.4. Return of Excess.** Notwithstanding anything to the contrary contained in this Agreement, the Trustee shall distribute excess contributions, and net income thereon, in accordance with Paragraph 2.2 upon receipt of an appropriate request from the Individual, made in accordance with Paragraph 8.1.
- 6.5. Multiple Beneficiaries.** If there are two or more Beneficiaries who are simultaneously entitled to receive a benefit upon the death of the Individual or of a prior Beneficiary, that benefit shall be segregated into separate accounts representing each Beneficiary's separate interest in that benefit. Following such segregation of benefits, each Beneficiary's separate account shall be maintained as though it were a benefit payable solely to that Beneficiary, and no Beneficiary shall have any interest in or claim to any portion of the original benefit other than the separate account representing his or her interest in that benefit.

Article VII Amendment and Termination

- 7.1. Amendment.** This Agreement may be amended by written instrument signed by the Trustee and by the Individual, or by the Trustee and the Beneficiary of the Individual if such Beneficiary is then receiving benefits under Paragraph 6.3. In addition, the Individual hereby delegates to MFS Fund Distributors, Inc. the power to amend this Agreement on behalf of the Individual or Beneficiary. MFS Fund Distributors, Inc. shall notify the Individual or Beneficiary of any such amendment. The Individual or Beneficiary shall be deemed to have consented to any such amendment if he or she fails to object thereto, in accordance with Paragraph 8.1, within 30 calendar days from the date such notice is transmitted.
- 7.2. Termination.** This Agreement shall terminate upon the complete distribution of the assets held in the Roth IRA Account or in the event that a determination is made by the Internal Revenue Service that the Roth IRA Account does not qualify as a Roth individual retirement account within the meaning of Code Section 408A. In the event the Roth IRA Account is terminated, the balance in the Roth IRA Account shall be distributed to the Individual or to the Beneficiary, as the case may be.

Article VIII Trustee

8.1. Communication, Responsibilities, and Powers.

(a) *Communications to Trustee; Limited Responsibility of Trustee.* All notices, elections, declarations, requests, applications, forms, designations (including Beneficiary designations), instructions, and directions (including investment, distribution, and other directions), as well as all other communications (collectively, “Communication” or “Communications”) to or from the Trustee shall be made by such method as the Trustee may from time to time prescribe or permit, which methods include in writing, telephonically, or electronically, to the extent such method is in accordance with applicable law, as described further in Paragraph 8.1.(b) below. The Trustee shall be entitled to rely on any such communication filed with or otherwise received by it and believed by it to be genuine or properly given, including but not limited to any such communication from an agent or designee appointed in accordance with Paragraph 5.5 or Paragraph 6.1, and shall have no duty of inquiry with respect to any of the matters stated therein or the consequences to the Individual or Beneficiary thereof, and shall be fully protected in acting or omitting to take any action in reliance upon any such communication. If any disputes arise as to the person(s) who constitute the Beneficiary(ies) hereunder, the proper allocation or disposition of Roth IRA Account assets, or otherwise relating to the rights or obligations of persons with respect to this Roth IRA Account, it shall be solely the responsibility of the affected person(s) to seek judicial or other appropriate resolution of such dispute, and neither the Trustee nor any affiliate thereof shall have any such responsibility or authority; provided that, in the event such a dispute arises and none of the affected persons seeks appropriate resolution, the Trustee shall have the right, but not any obligation, to apply to a court of competent jurisdiction for a determination of the relative rights and obligations of the affected persons and resolution of such dispute.

(b) *Electronic Recordkeeping and Communications.*

(1) **Recordkeeping.** The Trustee reserves the right to keep all records related to the Roth IRA Account solely in electronic format and to destroy any paper records to the extent permissible by law. The electronic recordkeeping system will ensure the integrity, accuracy, authenticity, and reliability of the underlying records. Records will be maintained in reasonable order and in a safe and accessible place so they can be inspected or examined if necessary. Electronic records will be

readily convertible into legible and readable paper copy as necessary to satisfy any requirements of the law.

(2) **Communications.** Notwithstanding anything in this Agreement to the contrary, to the extent agreed to by the Trustee, in each instance concerning forms, documents, notices, disclosure, or other communication (collectively, “Communication” or “Communications”), including those documents that require a signature by any party, between the Trustee and the Individual or a Beneficiary, in which this Agreement provides that such Communications must be “written” or “in writing,” such Communications will be permitted telephonically, electronically, or through any other similar method to the extent such method is in accordance with applicable law (including the Electronic Signatures in Global and National Commerce Act of 2000 (“E-Sign Act”) and applicable Internal Revenue Service or Department of Treasury Regulations.

8.2. Voting. MFS Fund Shares held in the Roth IRA Account shall be voted by, or in accordance with the instructions of, the Individual or Beneficiary. The Trustee shall deliver, or cause to be delivered, to the Individual or to the Beneficiary if the Beneficiary is then receiving benefits under Paragraph 6.3, all notices, financial statements, prospectuses, contracts, proxies, and proxy materials relating to the MFS Fund Shares in the Roth IRA Account. The Trustee shall vote MFS Fund Shares held in the Roth IRA Account in accordance with proper voting instructions from the Individual or Beneficiary. Absent such instructions the Trustee is hereby directed to and shall vote such MFS Fund Shares for or against any proposition in the same proportion as all MFS Fund Shares of the relevant MFS Fund for which instructions have been received.

8.3. Powers of Trustee. Except as otherwise limited under the terms of this Agreement, the Trustee shall have the power and authority in the administration of the Roth IRA Account to do all acts, to execute and deliver all instruments, and to exercise for the sole benefit of the Individual and his Beneficiary any and all powers which would be lawful were it in its own right the actual owner of the property held, including by way of illustration, but not in limitation of the powers conferred by law, the following:

- (a) To delegate to one or more agents and/or contractual service providers of the Trustee the performance of recordkeeping or other ministerial services in connection with the Roth IRA Account. Any such agent’s and/or service provider’s duties and responsibilities shall be confined solely to the performance of such duties;

- (b) To sell or exchange any part of the assets of the Roth IRA Account;
- (c) To register any asset held by the Trustee in its own name, or in nominee or bearer form that will pass by delivery;
- (d) To consent to or participate in dissolutions, reorganizations, mergers, sales, transfers, or other changes in securities held by the Trustee, and in such connection to delegate the Trustee's powers and to pay assessments, subscriptions, and other charges;
- (e) To make distributions from the Roth IRA Account in cash or in kind pursuant to the provisions of the Agreement;
- (f) To invest and reinvest all or a part of the contributions made to the Roth IRA Account and dividends, capital gain distributions, or any other income thereon in MFS Fund Shares (including fractional shares carried to the third decimal place) and to retain such Shares without any duty of further diversification;
- (g) To determine the acceptability of a transfer, either into or out of the Roth IRA Account, of a rollover contribution made in property other than cash, including marketable securities or annuity or endowment contracts; and
- (h) To accept and follow directions to invest, reinvest, or liquidate assets or to transfer assets from this MFS Roth IRA to any other Roth IRA if such directions are properly received from the Individual or Beneficiary, or from any agent or designee appointed thereby in accordance with Paragraph 5.5 or Paragraph 6.1, as applicable, and Paragraph 8.1.

8.4. Compensation and Expenses. The Trustee shall receive such compensation for its services hereunder as may be agreed upon from time to time by the Trustee and the Individual, or by the Trustee and the Beneficiary if the Beneficiary is then receiving benefits under Paragraph 6.3. The Application contains a statement of the Trustee's compensation. MFS Fund Distributors, Inc. is hereby delegated the power to agree to such compensation on behalf of the Individual or Beneficiary, provided that after at least 30 days' notice to the Individual or Beneficiary of any increase in compensation, no objection shall have been made thereto. Any compensation of the Trustee, and any expenses, liabilities or other charges incurred by the Trustee in the administration of the Roth IRA Account, shall be paid from the Roth IRA Account unless paid by the Individual. In addition, the Trustee may, upon such terms and conditions (including without limitation receipt of such documentation) as the Trustee deems necessary, agree to pay directly from the Roth IRA Account certain advisory or other similar fees at the direction of

the Individual or Beneficiary, or his or her designee, given in accordance with Paragraph 8.1.

8.5. Limitation of Liability and Indemnification. The Individual acknowledges and agrees that the Trustee shall neither have nor exercise any discretion, authority, or responsibility with respect to the investment of Roth IRA Account assets, that the Trustee shall act only upon the proper communication of the Individual or Beneficiary, and that the Trustee shall be entitled to act on any such communication without any duty of further inquiry. Further, the Trustee shall not be responsible for the purpose, propriety, or tax or other consequences of any designation of Beneficiary, of any contribution or distribution, or of any other action or inaction taken pursuant to the Individual's or Beneficiary's communications. The Individual or Beneficiary (or other person to whom the Individual or Beneficiary has properly delegated authority) shall be solely responsible for the investment of the Roth IRA Account assets in accordance with his or her direction, for any and all designations of Beneficiary, for any and all contributions and distributions, and for any and all other actions the Trustee takes pursuant to the Individual's or Beneficiary's communications, and for the consequences of any such investment or other action. The Individual shall at all times, to the maximum extent permitted by law, indemnify and save harmless the Trustee, its affiliates, and their agents, successors, and assigns and their officers, directors, and employees, from any and all liability arising from the Individual's communications under or with respect to the Roth IRA Account, and from any and all other liability whatsoever that may arise in connection with this Agreement, except liability arising under applicable law or liability arising from gross negligence or willful misconduct on the part of the indemnified person.

8.6. Incomplete or Unclear Instructions. If at any time the Roth IRA Account holds cash for which investment instructions have not been received, or if the Trustee receives instructions with respect to the selection or allocation of investments that are in the Trustee's opinion incomplete or unclear, the Trustee may request other instructions from the Individual (or Beneficiary, if applicable). Pending receipt of such instructions, such uninvested cash may remain uninvested pending receipt of proper instructions, be invested in money market MFS Fund Shares, or be returned to the Individual or Beneficiary; any invested assets may remain in the most recent properly selected investment. The Trustee shall not be liable for any loss resulting from delay in investing assets or implementing instructions pursuant to this Paragraph.

8.7. Resignation and Removal. The Trustee may resign at any time upon notice to MFS Fund Distributors, Inc. and may be removed by MFS Fund Distributors, Inc. at any time upon notice to the Trustee, any such notice to be given in accordance with Paragraph 8.1. Any such notice of resignation or removal shall take effect on the date specified therein, which shall not be less than 30 days after the delivery thereof, unless such notice shall be waived by the party entitled to the notice. Upon such resignation or removal, MFS Fund Distributors, Inc. shall appoint a successor trustee, which successor shall be a “bank” (as defined in Code Section 408(n)) or such other person who has demonstrated to the satisfaction of the Commissioner of Internal Revenue that he will administer the trust in a manner consistent with the law. In the event that MFS Fund Distributors, Inc. exercises this power, the Individual or Beneficiary, if such Beneficiary is then receiving benefits under Paragraph 6.3, shall be deemed to have consented to such change of Trustee if no objection is received by MFS Fund Distributors, Inc. within 30 days after the date notice of the change is transmitted to the Individual or Beneficiary. If within 30 days after the Trustee’s resignation or removal MFS Fund Distributors, Inc. has not appointed a successor trustee that has accepted such appointment, the Trustee may apply to a court of competent jurisdiction for appointment of a successor trustee.

Upon receipt by the Trustee of acceptance of appointment by the successor trustee, given in accordance with Paragraph 8.1, the Trustee shall transfer and pay over to such successor the assets of the Roth IRA Account and all records pertaining thereto. The Trustee is authorized, however, to reserve such sum of money as it may deem advisable for payment of all its fees, compensation, costs, and expenses, or for payment of any other liabilities constituting a charge on or against the assets of the Roth IRA Account or on or against the Trustee. Any balance remaining after payment of such items shall be paid over to the successor trustee. The successor trustee shall thereafter be deemed to be the Trustee under this Agreement.

If a new sponsor is used as a successor trustee, then the new sponsor cannot rely upon the opinion letter issued to MFS Fund Distributors, Inc.

8.8. Failure to Consent. If the Individual or Beneficiary does not consent to an appointment of a successor trustee, a change in the Trustee’s compensation, or an amendment to this Agreement made or agreed to by MFS Fund Distributors, Inc., this Agreement shall be deemed amended by the Individual or Beneficiary, with the result that MFS Fund Distributors, Inc. shall cease to be the sponsor of this Agreement and there will be no further reliance on the opinion letter issued by the Internal Revenue Service to MFS

Fund Distributors, Inc. Further, the Trustee shall notify the Individual or Beneficiary as soon as possible following such objection of its resignation as Trustee of this Roth IRA Account as of the thirtieth day following the date of such notice. If within thirty (30) days from the date of such notice the Individual or Beneficiary fails to appoint a new trustee or take other appropriate action with respect to the Roth IRA Account, the Individual or Beneficiary directs the Trustee to distribute all assets held under the Roth IRA Account in a lump sum as soon as administratively reasonable after the close of said thirty-day period.

Article IX Returns and Reports

- 9.1. **Annual Accounting.** The Trustee and/or its nominee shall transmit to the Individual, or to the Beneficiary if such Beneficiary is then receiving benefits under Paragraph 6.3, at least once during each calendar year, a report concerning the status of an Individual’s Roth IRA Account including statements of all transactions in the Roth IRA Account during the preceding calendar year, statements showing the value of each asset held in the Roth IRA Account as of December 31 of such preceding year, and such information concerning required minimum distributions as is prescribed by the Commissioner of Internal Revenue. The Individual or Beneficiary should give the Trustee notice, in accordance with Paragraph 8.1, of any exception or objection to the annual accounting within 60 days after it is so transmitted.

- 9.2. **Notice.** The annual accounting referred to in Paragraph 9.1 hereof, and all other notices from the Trustee hereunder shall be transmitted to the Individual’s address appearing on the Application or to such other address of which the Individual, or the Individual’s Beneficiary if such Beneficiary is then receiving benefits under Paragraph 6.3, has notified the Trustee in accordance with Paragraph 8.1 for this purpose.

- 9.3. **Filing of Returns and Reports.** The Trustee shall file such returns or reports with respect to the Roth IRA Account as are required to be filed by it under the Code and regulations thereunder, including reports required under Code Section 408(i), or by the Department of Labor or the Department of the Treasury, and the Individual or Beneficiary shall provide the Trustee with such information as it may require to file such reports.

Article X Additional Definitions

As used herein:

- (a) “Beneficiary” shall mean the person or persons (including individuals, trusts, estates, partnerships, corporations, associations, charitable or educational organizations, or other similar entities) currently designated as such by the Individual or Beneficiary, as applicable, in such form actually received by the Trustee as the Trustee prescribes. If no primary or contingent Beneficiaries have survived the Individual or the Beneficiary, as applicable, or if no Beneficiary has been properly designated, the Beneficiary shall be the Individual’s or Beneficiary’s surviving spouse, or if none, his or her surviving issue per stirpes (as designated by the executor or personal representative of the Individual or Beneficiary), or if none, his or her estate.

The initial Beneficiary shall be the person or persons designated as such on the Application. The Individual or the Beneficiary, if applicable, may modify his designation of Beneficiary at any time by executing a new designation of Beneficiary, in such form actually received by the Trustee as the Trustee prescribes, which designation shall supersede any prior designation. A designated Beneficiary who becomes entitled to receive benefits under Paragraph 6.3 may designate a successor Beneficiary in such form actually received by the Trustee as the Trustee prescribes. If a designated Beneficiary becomes entitled to receive benefits under Paragraph 6.3 but dies before all amounts in the IRA Account to which the Beneficiary is entitled have been distributed to him, the successor Beneficiary will be entitled to receive any such remaining amounts in the IRA Account. Where there is more than one person designated as Beneficiary, the Roth IRA Account shall be segregated in accordance with Paragraph 6.5; distributions from the Roth IRA Account shall be made pro rata among those persons designated as Beneficiary who are alive at the time of the distribution, unless specified otherwise in the Designation of Beneficiary form.

If any dispute arises as to whether a person has been properly designated as a Beneficiary of the Accounts, the Beneficiary(ies) of the Account will be the person or persons (i) agreed upon in writing acceptable to the Trustee by and between all disputants and any other person or persons to whom a distribution might otherwise be made from the Account or (ii) designated in an order issued or certified by a court of competent jurisdiction.

Notwithstanding any other provision herein, the Trustee has no duty or responsibility to follow the direction of any person claiming to be a Beneficiary of the Account, unless and until such person is determined to be a Beneficiary pursuant to the provisions of this Paragraph. The Trustee has no duty of further inquiry once documentation deemed satisfactory to the Trustee to support the determination of Beneficiary status is presented to the Trustee.

- (b) “Compensation” means, for the purposes of this Agreement, wages, salaries, professional fees, or other amounts derived from or received for personal services actually rendered (including, but not limited to, commissions paid to salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, and bonuses) and includes earned income as defined in Code Section 401(c)(4) (reduced by the deduction available to self-employed individuals for contributions made to a self-employed retirement plan). For purposes of this definition, Code Section 401(c)(2) shall be applied as if the term trade or business for purposes of Code Section 1402 included service described in Code Section 1402(c)(6). The definition of compensation does not include amounts derived from or received as earnings or profits from property (including but not limited to interest and dividends) or amounts not included in gross income (determined without regard to Code Section 112). Compensation also does not include any amount received as a pension or annuity or as deferred compensation. The term “compensation” shall include any amount included in the individual’s gross income under Code Section 71 with respect to a divorce or separation instrument described in Code Section 71(b)(2)(A). In the case of a married individual filing a joint return, the greater compensation of his or her spouse is treated as his or her own compensation, but only to the extent that such spouse’s compensation is not being used for purposes of the spouse making an IRA contribution. The term “compensation” also includes any differential wage payments as defined in Code Section 3401(h)(2).
- (c) “Marketable Securities” shall mean: (i) shares of regulated investment companies registered under the Investment Company Act of 1940, as amended; (ii) securities that are traded on a national securities exchange or listed for trading on a national quotation service; and (iii) such other securities as the Trustee, in its discretion, deems to be marketable securities.

- (d) “MFS Fund” means any regulated investment company within the meaning of Code Section 851(a) for which Massachusetts Financial Services Company, or any successor thereto, or any affiliate thereof, serves as investment advisor.
- (e) “MFS Fund Shares” means shares of any MFS Fund.
Masculine words will be read and construed in the feminine where required by the context.

Article XI State Child Support Orders

Notwithstanding any provision in this document to the contrary, to the extent permitted by federal law, the Trustee shall comply with any order or levy for payment of child support obligations issued by any United States federal or state court, regardless of the state of issuance.

Article XII Miscellaneous

This Roth IRA Account is established for the exclusive benefit of the Individual and his or her Beneficiaries. This Roth IRA Account is established with the intent that it qualify as a Roth Individual Retirement Account under Code Section 408A, and the provisions hereof shall be construed in accordance with such intent. To the extent not superseded by federal law, this Agreement shall be governed by the laws of the State of New Hampshire generally with respect to the duties, rights, and responsibilities of the Trustee, but shall be governed by the laws of the Commonwealth of Massachusetts with respect to matters relating to or arising out of any payment(s) made or to be made from the IRA Account.

This prototype Roth IRA trust is a revision of the prototype Roth IRA trust that was last approved by the Internal Revenue Service (IRS) in Opinion Letter Serial Number K102049c dated August 17, 2006. It has been submitted to the IRS for a new opinion letter, a copy of which will be provided to the Individual after it has been received by MFS Fund Distributors, Inc.



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

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

Plan Name: Roth IRA Trust 002
PFZ: 50144840000-002 Case: 200602278 EIN: 04-3169826
Letter Serial No: K102049c

MFS FUND DISTRIBUTORS INC
500 BOYLSTON STREET
BOSTON, MA 02116

Contact Person:
Ms. Briggs 50-00797
Telephone Number:
(202) 283-8813
In Reference To:
T:EP:RA:T3
Date: 06/17/2006

Dear Applicant:

In our opinion, the amendment to the form of the prototype trust, custodial account or annuity contract identified above does not adversely affect its acceptability for use as a Roth IRA under section 408A of the Internal Revenue Code, as amended through the Job Creation and Workers Assistance Act of 2002.

Each individual who adopts this approved prototype will be considered to have a Roth IRA that satisfies the requirements of Code section 408A, provided the individual follows the terms of the approved prototype document, does not engage in certain transactions specified in Code section 408(e), and, if the Roth IRA is a trustee or custodial account, the trustee or custodian is a bank within the meaning of Code section 408(n) or has been approved by the Internal Revenue Service pursuant to Code section 408(a)(7).

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

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

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

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

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

Sincerely yours,

Director,
Employee Plans Rulings and Agreement

