

John Hancock Funds

IRAs

All the forms you need to
open a John Hancock Funds:

- Traditional IRA
- Roth IRA
- Rollover IRA

John Hancock[®]

MUTUAL FUNDS

The Opportunity of a Lifetime

Saving for your retirement might be one of the smartest things you can do with your money. Keeping that money working for you, through an IRA, is another smart idea.

For most people, their personal savings will make up the largest part of their retirement nest egg. So it's important that you make sure you're doing everything you can to maximize your growth potential and minimize any tax implications.

This kit contains all the forms and paperwork you need to open a John Hancock Funds IRA. Take a moment to review them, and read the prospectus for the John Hancock mutual fund(s) you have selected. Then simply follow the steps below.

To Establish a New IRA

Complete and sign the IRA Adoption Agreement (Form #1).

- Traditional IRA
- Roth IRA
- Rollover IRA

To Roll Over or Transfer Assets to a John Hancock Funds IRA

Complete and sign the following forms:

- IRA Adoption Agreement (Form #1)
- IRA Rollover/Transfer Form (Form #2)

IRA Rollover — Your current IRA Trustee or Custodian sends a check, payable to you, for the full amount of your IRA assets. You must redeposit this amount into your new IRA no later than the 60th day after the day you received your distribution. You can only make a rollover of your IRA account once every 12 months.

IRA Transfer of Assets — By completing the IRA Rollover/Transfer Form (Form #2), you are instructing your current IRA Trustee or Custodian to send your IRA assets directly to John Hancock Funds. Please forward this form along with your completed IRA Adoption Agreement (Form #1) and an account statement from your current IRA account. John Hancock Signature Services, Inc. will contact your current Trustee or Custodian and facilitate your transfer of assets. The distribution check will be sent directly to John Hancock by your resigning Trustee or Custodian and be deposited into your account.

Direct Rollover from a Qualified Retirement Plan, 403(a), 403(b) or Government 457(b) Plan — By completing the IRA Rollover/Transfer Form (Form #2), you are instructing your current Trustee, Custodian or Retirement Plan Administrator to send your assets directly to John Hancock Funds. Please forward this form along with your completed IRA Adoption Agreement (Form #1) and an account statement from your current Trustee or Custodian. John Hancock Signature Services, Inc. will contact your current Trustee or Custodian and facilitate your direct rollover. By initiating a direct rollover, the distribution check is not made directly payable to you, and your distribution is not subject to current income taxes, possible tax penalties or any mandatory tax withholding. The distribution check will be sent directly to John Hancock by your resigning Trustee or Custodian and be deposited into your account.

***Please note:** If you are initiating a direct transfer into an existing John Hancock Funds IRA, you do NOT need to complete a new adoption agreement. However, you must complete one if you are opening a new John Hancock Funds IRA or are changing the investment selection of your current John Hancock Funds IRA.*

To Convert a Traditional IRA to a Roth IRA

Complete and sign the following forms:

- IRA Adoption Agreement (Form #1).
- Roth IRA Conversion Authorization Form (Form #3)

Be sure to include any existing plan contracts or certificates for your Traditional IRA. Attach a copy of the most recent account statement from your resigning Trustee or Custodian.

***Please note:** If you are initiating a conversion into an existing John Hancock Funds IRA, you do NOT need to complete a new adoption agreement. However, you must complete one if you are opening a new John Hancock Funds IRA or are changing the investment selection of your current John Hancock Funds IRA.*

Mailing Instructions

Make a check payable to John Hancock Signature Services, Inc. for the amount of your John Hancock Fund investment. Send your completed application materials, along with your check, to your investment professional or to John Hancock Funds directly.

Send the documents to:

Mutual Funds Operations
John Hancock Signature Services, Inc.
P.O. Box 55913
Boston, MA 02205-5913

Express mail:

Mutual Funds Operations
John Hancock Signature Services, Inc.
30 Dan Road
Canton, MA 02021

***Please note:** We cannot accept starter or third-party checks.*

John Hancock Funds and your investment professional can help you make the most of the IRA opportunities **of a lifetime — for your lifetime.** Call your investment professional or John Hancock Funds at 1-800-225-5291 at any point if you would like assistance or further information.

5. Initial Investment by Check

Please select one of the following if you are sending a check with your IRA Adoption Agreement and then proceed to Section 8. If you are initiating a direct rollover, transfer or conversion, proceed directly to Section 6 or Section 7.

- Check represents an Annual Contribution
- Check represents a Transfer from another IRA (issued by your prior custodian, payable to John Hancock)
- Check represents a Rollover from another IRA, Employer-Sponsored Qualified Plan, 403(a), 403(b) or government 457(b) plan.

Please note: We cannot accept starter or third-party checks. Make checks payable to John Hancock Signature Services, Inc. The initial investment must be at least \$2500.

6. Initial Investment by Direct Rollover or Transfer

Please select one of the following if you are initiating a direct rollover or transfer from your existing account, attach a completed IRA Rollover/Transfer Form (Form #2) and then proceed to Section 8.

- Transfer from another IRA or SEP account. Request the proceeds from my current Trustee/Custodian and open a John Hancock Funds Traditional IRA.
- Transfer from another Roth IRA account. Request the proceeds from my current Trustee/Custodian and open a John Hancock Funds Roth IRA. The original establishment date of my Roth IRA was _____.
- Direct Rollover from an Employer-Sponsored Qualified Plan, 403(a), 403(b) or government 457(b) plan. Request the proceeds from my current Trustee/Custodian and open a John Hancock Funds Traditional IRA/Roth IRA.

Approximate amount of transfer: \$_____. (Initial investment must be at least \$2500.)

7. Initial Investment by Conversion

Please select one of the following if you are initiating a conversion from your IRA to a Roth IRA, attach a completed Roth IRA Conversion Authorization Form (Form #3) and then proceed to Section 8.

- Convert my John Hancock Funds Traditional IRA to a John Hancock Funds Roth IRA.
- Request a conversion of a Traditional IRA from my current Trustee/Custodian and open a John Hancock Funds Roth IRA.

Approximate amount of conversion: \$_____. (Initial investment must be at least \$2500.)

8. Designation of Beneficiary

- Designating beneficiaries is an important part of the estate planning process. Please take care in choosing your beneficiaries and, of course, make plans to periodically review your beneficiaries to make sure nothing should change. We have provided some basic information about this process below; however, if you have specific questions regarding how this will affect your estate plan, we recommend that you contact your tax adviser or estate attorney.
- You may change your beneficiary(ies) at any time after the initial designation by notifying John Hancock Signature Services, Inc., in writing.
- If no beneficiaries are designated, or if there are no beneficiaries living at the time of your death, your estate will generally be entitled to your account assets.
- Percentages for beneficiaries must total 100% for each section. If not, transfers shall be made proportionally on the percentages stated. If no percentages are indicated, each primary beneficiary who survives you will receive equal percentages of your account.
- If multiple beneficiaries are listed and a beneficiary does not survive you, his or her percentage will be divided equally among the remaining beneficiaries, unless previously stated otherwise.
- Contingent beneficiaries are entitled to receive your account only if there are no surviving primary beneficiaries at the time of your death.
- For Trusts, please list the Trust name, name of Trustees and Trust establishment date.
- John Hancock Funds allows you to place certain restrictions on distributions made to your named beneficiaries. In order to take advantage of this feature, please leave this section blank and complete the John Hancock Funds Individual Retirement Account (IRA) Restricted Beneficiary Designation Form available by calling John Hancock Signature Services, Inc. at 800-225-5291 or by visiting our Web site at www.jhfunds.com.

13. Signature and Certification

I hereby adopt this IRA plan, appointing John Hancock Life and Health Insurance Co. to serve as Custodian and to perform the administrative services of this plan. I have received and read the prospectus(es) for the funds in which I am making my IRA investment. In addition, I have received and read a copy of the Adoption Agreement, Custodial Agreement and Disclosure Statement, and I understand the eligibility requirements for the type of IRA deposit I am making, as well as any fees to which my account(s) may be subject. I understand that I am responsible for determining my eligibility for an IRA each year I make a contribution, and that all contributions I make are within the limits set forth by the tax laws. I also assume complete responsibility for the tax consequences of any contributions (including rollover contributions) and distributions that I make, and **I certify under penalties of perjury that my Social Security number as printed in Section 2 is correct and I am a U.S. person (including a U.S. resident alien)**. I acknowledge that identifying information is required before the account can be opened and is subject to verification by my financial professional, the Fund or its agents. If verification is unsuccessful, John Hancock Funds may close my account, redeem my shares at the next NAV minus any applicable sales charges and take other steps that it deems reasonable.

Signature of Depositor

/ /
Date (MM/DD/YYYY)

Acceptance by _____
John G. Vrysen
John Vrysen — Senior Vice President
John Hancock Life and Health Insurance Co.

5. Acceptance by New Custodian (John Hancock Life and Health Insurance Co.)

(Completed by John Hancock Life and Health Insurance Co.) We agree to accept custodianship and the transfer described above for the John Hancock IRA plan established on behalf of the individual named above. John Hancock Life and Health Insurance Co. accepts its appointment as successor Custodian of the above IRA account and requests the liquidation of assets as indicated above.

Acceptance by John G. Vrysen
John Vrysen — Senior Vice President
John Hancock Life and Health Insurance Co.

Important: This plan is not effective until its receipt has been acknowledged through a confirmation statement mailed by Custodian to Depositor.

John Hancock Funds Roth IRA Conversion Authorization Form

Instructions

Use this form to convert a Traditional IRA or SIMPLE IRA to a Roth IRA, unless you are enclosing a check for the amount of your Traditional IRA assets. If you are establishing a new Roth IRA, you must also attach a completed John Hancock Funds IRA Adoption Agreement (Form #1).

A conversion from a Traditional IRA or SIMPLE IRA to a Roth IRA is a taxable event that will be reported to the Internal Revenue Service by your IRA Custodian or Trustee. Please consult your tax adviser regarding the financial effects of this conversion. See Section 3 for more information.

1. Your Current Account

First Name	MI	Last Name
Residential Address or Place of Business (No P.O. Boxes except A.P.O. or F.P.O. Boxes)		
City	State	Zip
Social Security Number	Phone Number	

Note: If you are 70½ or older, you must take any required minimum distribution before converting. Each conversion carries its own five-year requirement. Consult IRS Publication 590 for details.

2. Fund Selection

A. Convert my John Hancock Funds Traditional IRA to a John Hancock Funds Roth IRA.

Please convert 100% or _____% or \$_____ of my John Hancock Funds Traditional IRA to a John Hancock Funds Roth IRA from the following accounts, and maintain my present fund allocation.

I have attached a John Hancock Funds IRA Adoption Agreement (Form #1) for a Roth IRA.

Fund Name	A	B	C	Account Number	% or Dollar

B. Convert my Traditional IRA from another Trustee/Custodian to a John Hancock Funds Roth IRA.

Please liquidate all or part (\$_____) of the Traditional IRA accounts listed below, and transfer the proceeds to my John Hancock Funds Roth IRA immediately or at maturity (if applicable). I have attached a John Hancock Funds IRA Adoption Agreement (Form #1) for a Roth IRA.

Account Number	Maturity Date (if applicable)

Please attach statements, certificates or any other information about your existing plan.

5. Acceptance by New Custodian (John Hancock Life and Health Insurance Co.)

(Completed by John Hancock Life and Health Insurance Co.) We agree to accept custodianship and the transfer described above for the John Hancock Roth IRA established on behalf of the individual named above. John Hancock Life and Health Insurance Co. accepts its appointment as successor Custodian of the above Roth IRA account and requests the liquidation of assets as indicated above.

Acceptance by _____

John G. Vrysen

John Vrysen — Senior Vice President
John Hancock Life and Health Insurance Co.

Important: This plan is not effective until its receipt has been acknowledged through a confirmation statement mailed by Custodian to Depositor.

Note to Resigning Trustee/Custodian: Be sure to return a copy of this form with your check for the account proceeds.

Please make payable to:

Mutual Funds Operations
John Hancock Signature Services, Inc.
P.O. Box 55913
Boston, MA 02205-5913

Overnight Address

Mutual Funds Operations
John Hancock Signature Services, Inc.
30 Dan Road
Canton, MA 02021

Helpful Hints

Make a copy of your IRA Forms for your records.
John Hancock Signature Services, Inc. will confirm your purchase through a confirmation statement.

Mail



Regular Mail:
Mutual Funds Operations
John Hancock Signature Services, Inc.
P.O. Box 55913
Boston, MA 02205-5913



Express Mail:
Mutual Funds Operations
John Hancock Signature Services, Inc.
30 Dan Road
Canton, MA 02021

More Information



Please call us at 1-800-225-5291
1-800-554-6713 TDD



or visit us at www.jhfunds.com

INDIVIDUAL RETIREMENT CUSTODIAL ACCOUNT AGREEMENT

Form 5305-A under Section 408(a) of the Internal Revenue Code **FORM (REV. MARCH 2002)**

The Depositor named on the Application is establishing a Traditional individual retirement account under section 408(a) to provide for his or her retirement and for the support of his or her beneficiaries after death.

The Custodian named on the Application has given the Depositor the disclosure statement required by Regulations section 1.408-6.

The Depositor has assigned the custodial account the sum indicated on the Application.

The Depositor and the Custodian make the following agreement:

ARTICLE I

Except in the case of a rollover contribution described in section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), an employer contribution to a simplified employee pension plan as described in section 408(k), or a recharacterized contribution described in section 408A(d)(6), the Custodian will accept only cash contributions up to \$3,000 per year for tax years 2002 through 2004. That contribution limit is increased to \$4,000 for tax years 2005 through 2007 and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$3,500 per year for tax years 2002 through 2004, \$4,500 for 2005, \$5,000 for 2006 and 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

ARTICLE II

The Depositor's interest in the balance in the custodial account is nonforfeitable.

ARTICLE III

1. No part of the custodial account funds may be invested in life insurance contracts, nor may the assets of the custodial account be commingled with other property except in a common trust fund or common investment fund (within the meaning of section 408(a)(5)).
2. No part of the custodial account funds may be invested in collectibles (within the meaning of section 408(m)) except as otherwise permitted by section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins, coins issued under the laws of any state, and certain bullion.

ARTICLE IV

1. Notwithstanding any provision of this Agreement to the contrary, the distribution of the Depositor's interest in the custodial account shall be made in accordance with the following requirements and shall otherwise comply with section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference.
2. The Depositor's entire interest in the custodial account must be, or begin to be, distributed not later than the Depositor's required beginning date, April 1 following the calendar year in which the Depositor reaches age 70½. By that date, the Depositor may elect, in a manner acceptable to the Custodian, to have the balance in the custodial account distributed in: (a) A single sum or (b) Payments over a period not longer than the life of the Depositor or the joint lives of the Depositor and his or her designated beneficiary.
3. If the Depositor dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:
 - (a) If the Depositor dies on or after the required beginning date and:
 - (i) The designated beneficiary is the Depositor's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being

made over the period in paragraph (a)(iii) below, over such period.

- (ii) The designated beneficiary is not the Depositor's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the death of the Depositor and reduced by one for each subsequent year, or over the period in paragraph (a)(iii) below if longer.
 - (iii) There is no designated beneficiary, the remaining interest will be distributed over the remaining life expectancy of the Depositor as determined in the year of the Depositor's death and reduced by one for each subsequent year.
- (b) If the Depositor dies before the required beginning date, the remaining interest will be distributed in accordance with (i) below or, if elected or there is no designated beneficiary, in accordance with (ii) below:
 - (i) The remaining interest will be distributed in accordance with paragraphs (a)(i) and (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), starting by the end of the calendar year following the year of the Depositor's death. If, however, the designated beneficiary is the Depositor's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Depositor would have reached age 70½. But, in such case, if the Depositor's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with (ii) below if there is no such designated beneficiary.
 - (ii) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Depositor's death.
 4. If the Depositor dies before his or her entire interest has been distributed and if the designated beneficiary is not the Depositor's surviving spouse, no additional contributions may be accepted in the account.
 5. The minimum amount that must be distributed each year, beginning with the year containing the Depositor's required beginning date, is known as the "required minimum distribution" and is determined as follows:
 - (a) The required minimum distribution under paragraph 2(b) for any year, beginning with the year the Depositor reaches age 70½, is the Depositor's account value at the close of business on December 31 of the preceding year divided by the distribution period in the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if the Depositor's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the Depositor's account value at the close of business on December 31 of the preceding year divided by the number in the joint and last survivor table in Regulations section 1.401(a)(9)-9. The required minimum distribution for a year under this paragraph (a) is determined using the Depositor's (or, if applicable, the Depositor and spouse's) attained age (or ages) in the year.
 - (b) The required minimum distribution under paragraphs 3(a) and 3(b)(i) for a year, beginning with the year following the year of the Depositor's death (or the year the Depositor would have reached age 70½, if applicable under paragraph 3(b)(i)) is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the individual specified in such paragraphs 3(a) and 3(b)(i).
 - (c) The required minimum distribution for the year the Depositor reaches 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.
 6. The owner of two or more Traditional IRAs may satisfy the minimum distribution requirements described above by taking from one Traditional IRA the amount required to satisfy the requirement for another in accordance with the Regulations under section 408(a)(6).

ARTICLE V

1. The Depositor agrees to provide the Custodian with all information necessary to prepare any reports required by section 408(i) and Regulations sections 1.408-5 and 1.408-6.
2. The Custodian agrees to submit to the Internal Revenue Service (IRS) and Depositor the reports prescribed by the IRS.

ARTICLE VI

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through III and this sentence will be controlling. Any additional articles inconsistent with section 408(a) and the related Regulations will be invalid.

ARTICLE VII

This Agreement will be amended as necessary to comply with the provisions of the Code and the related Regulations. Other amendments may be made with the consent of the persons whose signatures appear on the Application.

ARTICLE VIII

8.01 Definitions: In this part of this Agreement (Article VIII), the words "you" and "your" mean the Depositor, the words "we," "us" and "our" mean the Custodian, "Code" means the Internal Revenue Code, and "Regulations" means the Treasury Regulations.

8.02 Notices and Change of Address: Any required notice regarding this IRA will be considered effective when we send it to the intended recipient at the last address which we have in our records. Any notice to be given to us will be considered effective when we actually receive it. You, or the intended recipient, must notify us of any change of address.

8.03 Representations and Responsibilities: You represent and warrant to us that any information you have given or will give us with respect to this Agreement is complete and accurate. Further, you agree that any directions you give us, or action you take will be proper under this Agreement, and that we are entitled to rely upon any such information or directions. If we fail to receive directions from you regarding any transaction, or if we receive ambiguous directions regarding any transaction, or we, in good faith, believe that any transaction requested is in dispute, we reserve the right to take no action until further clarification acceptable to us is received from you or the appropriate government or judicial authority. We shall not be responsible for losses of any kind that may result from your directions to us or your actions or failures to act, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act. We shall not be responsible for any penalties, taxes, judgments or expenses you incur in connection with your IRA. We have no duty to determine whether your contributions or distributions comply with the Code, Regulations, rulings or this Agreement. We may permit you to appoint, through written notice acceptable to us, an authorized agent to act on your behalf with respect to this Agreement (e.g., attorney-in-fact, executor, administrator, investment manager), however, we have no duty to determine the validity of such appointment or any instrument appointing such authorized agent. We shall not be responsible for losses of any kind that may result from directions, actions or failures to act by your authorized agent, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act by your authorized agent. You will have sixty (60) days after you receive any documents, statements or other information from us to notify us in writing of any errors or inaccuracies reflected in these documents, statements or other information. If you do not notify us within 60 days, the documents, statements or other information shall be deemed correct and accurate, and we shall have no further liability or obligation for such documents, statements, other information or the transactions described therein.

By performing services under this Agreement we are acting as your agent. You acknowledge and agree that nothing in this Agreement shall be construed as conferring fiduciary status upon us. We shall not be required to perform any additional services unless specifically agreed to under the terms and conditions of this Agreement, or as required

under the Code and the Regulations promulgated thereunder with respect to IRAs. You agree to indemnify and hold us harmless for any and all claims, actions, proceedings, damages, judgments, liabilities, costs and expenses, including attorney's fees, arising from, or in connection with this Agreement.

To the extent written instructions or notices are required under this Agreement, we may accept or provide such information in any other form permitted by the Code or applicable Regulations.

8.04 Custodian's Fees:

(a) Payment of the following fee(s) may be made by separate check or the Custodian will deduct it from the Custodial Account.

1. Calendar Year Maintenance Fee per Depositor \$15.00, unless your account was established by rolling over assets held in a pension, profit-sharing or other plan qualified under Section 401(a) or described in Section 457(b) of the Internal Revenue Code on 1986, as amended, which is funded by certain John Hancock group annuity contracts, directly to a John Hancock Custodial IRA or JH Custodial Roth IRA investing in John Hancock funds, in which case it is \$25.00

(b) Upon thirty (30) days prior written notice, Custodian may substitute a fee schedule differing from the one above. Custodial fees, any income, estate, gift and inheritance taxes and other taxes of any kind whatsoever, including transfer taxes incurred in connection with the investment or reinvestment of the assets in the Custodial Account, that may be levied or assessed in respect to such assets and all other administrative expenses incurred by Custodian in performance of its duties, including fees for legal services rendered to Custodian, may be charged to the Custodial account, with the right to liquidate Fund shares for this purpose, or (at Custodian's option) to the Depositor.

8.05 Investment of Amounts in the IRA: You have exclusive responsibility for and control over the investment of the assets of your IRA. All transactions shall be subject to any and all restrictions or limitations, direct or indirect, which are imposed by our charter, articles of incorporation, or bylaws; any and all applicable federal and state laws and regulations; the rules, regulations, customs and usages of any exchange, market or clearing house where the transaction is executed; our policies and practices; and this Agreement. After your death, and unless otherwise specified, your beneficiary(ies) shall have the right to direct the investment of your IRA assets, subject to the same conditions that applied to you during your lifetime under this Agreement (including, without limitation, Section 8.03 of this article). We shall have no discretion to direct any investment in your IRA. We assume no responsibility for rendering investment advice with respect to your IRA, nor will we offer any opinion or judgment to you on matters concerning the value or suitability of any investment or proposed investment for your IRA. In the absence of instructions from you, or if your instructions are not in a form acceptable to us, we shall have the right to hold any uninvested amounts in cash, and we shall have no responsibility to invest uninvested cash unless and until directed by you. We will not exercise the voting rights and other shareholder rights with respect to investments in your IRA unless you provide timely written directions acceptable to us.

You will select the type of investment for your IRA assets, provided, however, that your selection of investments shall be limited to those types of investments that we are authorized by our charter, articles of incorporation, or bylaws to offer and do in fact offer for investment in IRAs. We may, in our sole discretion, make available to you, additional investment offerings, which shall be limited to publicly traded securities, mutual funds, money market instruments and other investments that are obtainable by us and that we are capable of holding in the ordinary course of our business.

8.06 Beneficiary(ies): If you die before you receive all of the amounts in your IRA, payments from your IRA will be made to your beneficiary(ies).

You may designate one or more persons or entities as beneficiary of your IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during your lifetime. Unless otherwise specified, each beneficiary designation you file with us will cancel all previous ones. The consent of a beneficiary(ies) shall not be required for you to revoke a beneficiary designation. If you have designated both primary and contingent beneficiaries and no primary beneficiary(ies) survives you, the contingent beneficiary(ies) shall acquire the designated share of your IRA. If you do not designate a beneficiary, or if all of your primary and contingent beneficiary(ies) predecease you, your estate will be the beneficiary.

Unless otherwise specified, a spouse beneficiary shall have all rights as granted under the Code or applicable Regulations to treat your IRA as his or her own.

We may allow, if permitted by state law, an original IRA beneficiary(ies) (the beneficiary(ies) who is entitled to receive distribution(s) from an inherited IRA at the time of your death) to name a successor beneficiary(ies) for the inherited IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during the original IRA beneficiary(ies)' lifetime. Unless otherwise specified, each beneficiary designation form that the original IRA beneficiary(ies) files with us will cancel all previous ones. The consent of a successor beneficiary(ies) shall not be required for the original IRA beneficiary(ies) to revoke a successor beneficiary(ies) designation. If the original IRA beneficiary(ies) does not designate a successor beneficiary(ies), his or her estate will be the successor beneficiary. In no event shall the successor beneficiary(ies) be able to extend the distribution period beyond that required for the original IRA beneficiary.

8.07 Required Minimum Distributions: Your required minimum distribution is calculated using the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if your spouse is your sole designated beneficiary and is more than 10 years younger than you, your required minimum distribution is calculated each year using the joint and last survivor table in Regulations section 1.401(a)(9)-9.

If you fail to request your required minimum distribution by your required beginning date, we can, at our complete and sole discretion, do any one of the following:

- make no distribution until you give us a proper withdrawal request;
- distribute your entire IRA to you in a single sum payment; or
- determine your required minimum distribution from your IRA each year based on your life expectancy, calculated using the uniform lifetime table in Regulations section 1.401(a)(9)-9, and pay those distributions to you until you direct otherwise.

We will not be liable for any penalties or taxes related to your failure to take a required minimum distribution.

8.08 Termination of Agreement, Resignation, or Removal of Custodian: Either party may terminate this Agreement at any time by giving written notice to the other. We can resign as Custodian at any time effective 30 days after we mail written notice of our resignation to you. Upon receipt of that notice, you must make arrangements to transfer your IRA to another financial organization. If you do not complete a transfer of your IRA within 30 days from the date we mail the notice to you, we have the right to transfer your IRA assets to a successor IRA custodian or trustee that we choose in our sole discretion, or we may pay your IRA to you in a single sum. We shall not be liable for any actions or failures to act on the part of any successor custodian or trustee, nor for any tax consequences you may incur that result from the transfer or distribution of your assets pursuant to this section.

If this Agreement is terminated, we may charge your IRA a reasonable amount of money that we believe is necessary to cover any associated costs, including but not limited to, one or more of the following:

- any fees, expenses or taxes chargeable against your IRA;
- any penalties or surrender charges associated with the early withdrawal of any savings instrument or other investment in your IRA.

If we are required to comply with Regulations section 1.408-2(e), and we fail to do so, or we are not keeping the records, making the returns or sending the statements as are required by forms or Regulations, the IRS may, after notifying you, require you to substitute another trustee or custodian.

We may establish a policy requiring distribution of the entire balance of your IRA to you in cash or property if the balance of your IRA drops below the minimum balance required under the applicable investment or policy established.

8.09 Successor Custodian: If our organization changes its name, reorganizes, merges with another organization (or comes under the control of any federal or state agency), or if our entire organization (or any portion which includes your IRA) is bought by another organization, that organization (or agency) shall automatically become the trustee or custodian of your IRA, but only if it is the type of organization authorized to serve as an IRA trustee or custodian.

8.10 Amendments: We have the right to amend this Agreement at any time. Any amendment we make to comply with the Code and related Regulations does not require your consent. You will be deemed to have consented to any other amendment unless, within 30 days from the date we mail the amendment, you notify us in writing that you do not consent.

8.11 Withdrawals: All requests for withdrawal shall be on a form provided by us or in a form and manner that is acceptable to us. The method of distribution must be specified. The tax identification number of the recipient must be provided to us before we are obligated to make a distribution.

Any withdrawals shall be subject to all applicable tax and other laws and regulations including possible early withdrawal penalties and withholding requirements.

8.12 Transfers from Other Plans: We can receive amounts transferred to this IRA from the custodian or trustee of another IRA. In addition, we can accept direct rollovers of eligible rollover distributions from employer-sponsored retirement plans as permitted by the Code. We reserve the right not to accept any transfer or direct rollover.

8.13 Liquidation of Assets: We have the right to liquidate assets in your IRA if necessary to make distributions or to pay fees, expenses, taxes, penalties or surrender charges properly chargeable against your IRA. If you fail to direct us as to which assets to liquidate, we will decide, in our complete and sole discretion, and you agree not to hold us liable for any adverse consequences that result from our decision.

8.14 Restrictions on the Fund: Neither you nor any beneficiary may sell, transfer or pledge any interest in your IRA in any manner whatsoever, except as provided by law or this Agreement.

The assets in your IRA shall not be responsible for the debts, contracts or torts of any person entitled to distributions under this Agreement.

8.15 What Law Applies: This Agreement is subject to all applicable federal and state laws and regulations. If it is necessary to apply any state law to interpret and administer this Agreement, the law of our domicile shall govern.

If any part of this Agreement is held to be illegal or invalid, the remaining parts shall not be affected. Neither you nor our failure to enforce at any time or for any period of time any of the provisions of this Agreement shall be construed as a waiver of such provisions, or your right or our right thereafter to enforce each and every such provision.

GENERAL INSTRUCTIONS

(Section references are to the Internal Revenue Code unless otherwise noted.)

PURPOSE OF FORM

Form 5305-A is a model custodial account agreement that meets the requirements of section 408(a) and has been pre-approved by the IRS. A traditional individual retirement account (Traditional IRA) is established after the form is fully executed by both the individual (Depositor) and the Custodian and must be completed no later than the due date (excluding extensions) of the individual's income tax return for the tax year. This account must be created in the United States for the exclusive benefit of the Depositor and his or her beneficiaries.

Do not file Form 5305-A with the IRS. Instead, keep it with your records.

For more information on IRAs, including the required disclosures the Custodian must give the Depositor, see Pub. 590, Individual Retirement Arrangements (IRAs).

DEFINITIONS

Custodian: The custodian must be a bank or savings and loan association, as defined in section 408(n), or any person who has the approval of the IRS to act as custodian.

Depositor: The depositor is the person who establishes the custodial account.

IDENTIFYING NUMBER

The Depositor's Social Security number will serve as the identification number of his or her IRA. An employer identification number (EIN) is required only for an IRA for which a return is filed to report unrelated business taxable income. An EIN is required for a common fund created for IRAs.

TRADITIONAL IRA FOR NONWORKING SPOUSE

Form 5305-A may be used to establish the IRA custodial account for a nonworking spouse. Contributions to an IRA custodial account for a nonworking spouse must be made to a separate IRA custodial account established by the nonworking spouse.

SPECIFIC INSTRUCTIONS

Article IV: Distributions made under this article may be made in a single sum, periodic payment, or a combination of both. The distribution option should be reviewed in the year the Depositor reaches age 70½ to ensure that the requirements of section 408(a)(6) have been met.

Article VIII: Article VIII and any that follow it may incorporate additional provisions that are agreed to by the Depositor and Custodian to complete the agreement. They may include, for example, definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of the Custodian, Custodian's fees, state law requirements, beginning date of distributions, accepting only cash, treatment of excess contributions, prohibited transactions with the Depositor, etc. Attach additional pages if necessary.

DISCLOSURE STATEMENT

RIGHT TO REVOKE YOUR IRA

You have the right to revoke your IRA within seven (7) days of the receipt of the disclosure statement. If revoked, you are entitled to a full return of the contribution you made to your IRA. The amount returned to you would not include an adjustment for such items as sales commissions, administrative expenses, or fluctuation in market value. You may make this revocation only by mailing or delivering a written notice to the Custodian at the address listed on the Application.

If you send your notice by first class mail, your revocation will be deemed mailed as of the postmark date.

If you have any questions about the procedure for revoking your IRA, please call the Custodian at the telephone number listed on the Application.

REQUIREMENTS OF AN IRA

A. Cash Contributions — Your contribution must be in cash, unless it is a rollover contribution.

B. Maximum Contribution — The total amount you may contribute to an IRA for any taxable year cannot exceed the lesser of 100 percent of your compensation or \$3,000 for years 2002–2004, \$4,000 for years 2005–2007, and \$5,000 for

2008, with possible cost-of-living adjustments in years 2009 and beyond. If you also maintain a Roth IRA, the maximum contribution to your Traditional IRAs (i.e., IRAs subject to Internal Revenue Code (Code) sections 408(a) or 408(b)) is reduced by any contributions you make to your Roth IRA. Your total annual contribution to all Traditional IRAs and Roth IRAs cannot exceed the lesser of the dollar amounts described above or 100 percent of your compensation.

C. Contribution Eligibility — You are eligible to make a regular contribution to your IRA if you have compensation and have not attained age 70½ by the end of the taxable year for which the contribution is made.

D. Catch-Up Contributions — If you are age 50 or older by the close of the taxable year, you may make an additional contribution to your IRA. The maximum additional contribution is \$500 for years 2002–2005 and \$1,000 for years 2006 and beyond.

E. Catch-Up Contributions Allowed in Certain Employer Bankruptcies — You may be able eligible to contribute an additional catch-up contribution of up to \$3,000 each year in 2006 through 2009. To be eligible, the following conditions must be met: 1) you were a participant in a 401(k) plan in which the employer matched at least 50% of your contributions to the plan with employer stock, 2) the employer must have been a debtor in a bankruptcy case in an earlier year and must have been indicted or convicted as a result of the events leading up to the bankruptcy, and 3) you must have been a participant in the 401(k) plan at least six months before the bankruptcy case was filed. If you choose to make these special catch-up contributions, you will not be eligible for the normal catch-up contributions for individuals age 50 and older.

F. Nonforfeitablety — Your interest in your IRA is nonforfeitable.

G. Eligible Custodians — The Custodian of your IRA must be a bank, savings and loan association, credit union, or a person or entity approved by the Secretary of the Treasury.

H. Commingling Assets — The assets of your IRA cannot be commingled with other property except in a common trust fund or common investment fund.

I. Life Insurance — No portion of your IRA may be invested in life insurance contracts.

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

K. Required Minimum Distributions — You are required to take minimum distributions from your IRA at certain times in accordance with Regulations section 1.408-8. Below is a summary of the IRA distribution rules.

1. You are required to take a minimum distribution from your IRA for the year in which you reach age 70½ and for each year thereafter. You must take your first distribution by your required beginning date, which is April 1 of the year following the year you attain age 70½. The minimum distribution for any taxable year is equal to the amount obtained by dividing the account balance at the end of the prior year by the applicable divisor.

2. The applicable divisor is generally determined using the uniform lifetime table provided by the IRS. The table assumes a designated beneficiary exactly 10 years younger than you, regardless of who is named as your beneficiary(ies), if any. If your spouse is your sole designated beneficiary, and is more than 10 years younger than you, the required minimum distribution is determined annually using the actual joint life expectancy of you and your spouse obtained from the joint and last survivor table provided by the IRS, rather than the life expectancy divisor from the uniform lifetime table.

We reserve the right to do any one of the following by April 1 of the year following the year in which you turn age 70½:
(a) make no distribution until you give us a proper withdrawal request,

(b) distribute your entire IRA to you in a single sum payment, or

(c) determine your required minimum distribution each year based on your life expectancy calculated using the uniform lifetime table, and pay those distributions to you until you direct otherwise.

3. Your designated beneficiary is determined based on the beneficiary(ies) designated as of the date of your death, who remains your beneficiary(ies) as of September 30 of the year following the year of your death. If you die,

(a) on or after your required beginning date, distributions must be made to your beneficiary(ies) over the longer of the single life expectancy of your designated beneficiary(ies), or your remaining life expectancy. If a beneficiary other than an individual or qualified trust as defined in the Regulations is named, you will be treated as having no designated beneficiary of your IRA for purposes of determining the distribution period. If there is no designated beneficiary of your IRA, distributions will commence using your single life expectancy, reduced by one in each subsequent year.

(b) before your required beginning date, the entire amount remaining in your account will, at the election of your designated beneficiary(ies), either

(i) be distributed by December 31 of the year containing the fifth anniversary of your death, or

(ii) be distributed over the remaining life expectancy of your designated beneficiary(ies); or

(iii) as indicated on the completed John Hancock Funds Individual Retirement Account Restricted Beneficiary Designation Form.

Unless otherwise specified; if your spouse is your sole designated beneficiary, he or she must elect either option (i) or (ii) by the earlier of December 31 of the year containing the fifth anniversary of your death, or December 31 of the year you would have attained age 70½. Your designated beneficiary(ies), other than a spouse who is the sole beneficiary, must elect either option (i) or (ii) by December 31 of the year following the year of your death. If no election is made, distribution will be calculated in accordance with option (ii). In the case of distributions under option (ii), distributions must commence by December 31 of the year following the year of your death. If your spouse is the designated beneficiary, distributions need not commence until December 31 of the year you would have attained age 70½, if later. If a beneficiary(ies) other than an individual or qualified trust as defined in the Regulations is named, you will be treated as having no designated beneficiary(ies) of your IRA for purposes of determining the distribution period. If there is no designated beneficiary of your IRA, the entire IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

Unless otherwise specified; your spouse who is the sole designated beneficiary of your entire IRA may elect to redesignate your IRA as his or her own. Alternatively, the sole spouse beneficiary will be deemed to elect to treat your IRA as his or her own by either (1) making contributions to your IRA or (2) failing to timely remove a required minimum distribution from your IRA. Regardless of whether or not the spouse is the sole designated beneficiary of your IRA, unless otherwise specified, a spouse beneficiary may roll over his or her share of the assets to his or her own IRA.

L. Waiver of 2009 RMD — If you are an IRA holder age 70½ or older, you are not required to remove an RMD for calendar year 2009. In addition, no beneficiary life expectancy payments are required for calendar year 2009. If the five-year rule applies to an IRA with respect to any decedent, the five-year period is determined without regard to calendar year 2009. For example, if an IRA owner died in 2007, the beneficiary's five-year period ends in 2013 instead of 2012.

INCOME TAX CONSEQUENCES OF ESTABLISHING AN IRA

A. IRA Deductibility — If you are eligible to contribute to your IRA, the amount of the contribution for which you

may take a tax deduction will depend upon whether you (or, in some cases, your spouse) are an active participant in an employer-maintained retirement plan. If you (and your spouse, if married) are not an active participant, your entire IRA contribution will be deductible. If you are an active participant

(or are married to an active participant), the deductibility of your contribution will depend on your modified adjusted gross income (MAGI) and your tax filing status for the tax year for which the contribution was made. MAGI is determined on your income tax return using your adjusted gross income but disregarding any deductible IRA contribution.

Definition of Active Participant — Generally, you will be an active participant if you are covered by one or more of the following employer-maintained retirement plans:

1. a qualified pension, profit sharing, 401(k), or stock bonus plan;
2. a qualified annuity plan of an employer;
3. a simplified employee pension (SEP) plan;
4. a retirement plan established by the federal government, a state, or a political subdivision (except certain unfunded deferred compensation plans under Code section 457);
5. a tax-sheltered annuity for employees of certain tax-exempt organizations or public schools;
6. a plan meeting the requirements of Code section 501(c)(18);
7. a qualified plan for self-employed individuals (H.R. 10 or Keogh Plan); and
8. a savings incentive match plan for employees of small employers (SIMPLE) IRA plan or a SIMPLE 401(k) plan.

If you do not know whether your employer maintains one of these plans, or whether you are an active participant in it, check with your employer or your tax adviser. Also, the IRS Form W-2, Wage and Tax Statement, that you receive at the end of the year from your employer will indicate whether you are an active participant.

If you are an active participant, are single, and have MAGI within the applicable phase out range listed below, the deductible amount of your contribution is determined as follows: (1) begin with the appropriate phase-out range maximum for the applicable year (specified below), and subtract your MAGI; (2) divide this total by the difference between the phase-out maximum and minimum; (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take. For example, if you are age 30 with MAGI of \$36,000 in 2002, your maximum deductible contribution is \$2,400 (the 2002 phase-out range maximum of \$44,000 minus your MAGI of \$36,000, divided by the difference between the maximum and minimum phase-out range limits of \$10,000 and multiplied by the contribution limit of \$3,000.)

If you are an active participant, are married and you file a joint income tax return, and have MAGI within the applicable phase out range listed below, the deductible amount of your contribution is determined as follows: (1) begin with the appropriate phase-out maximum for the applicable year (specified below), and subtract your MAGI range; (2) divide this total by the difference between the phase-out range maximum and minimum; (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take. For example, if you are age 30 with MAGI of \$56,000 in 2002, your maximum deductible contribution is \$2,400 (the 2002 phase-out maximum of \$64,000 minus your MAGI of \$56,000, divided by the difference between the maximum and minimum phase-out limits of \$10,000 and multiplied by the contribution limit of \$3,000.)

If you are an active participant, are married and you file a separate income tax return, your MAGI phase-out range is generally \$0 – \$10,000. However, if you lived apart for the entire tax year, you are treated as a single filer.

Tax Year	Joint Filers	Single Taxpayers
	Phase-out Range*	Phase-out Range*
	(minimum) (maximum)	(minimum) (maximum)
2002	\$54,000 – \$64,000	\$34,000 – \$44,000
2003	\$60,000 – \$70,000	\$40,000 – \$50,000
2004	\$65,000 – \$75,000	\$45,000 – \$55,000
2005	\$70,000 – \$80,000	\$50,000 – \$60,000
2006	\$75,000 – \$85,000	\$50,000 – \$60,000
2007**	\$80,000 – \$100,000	\$50,000 – \$60,000

*MAGI limits are subject to cost-of-living increases for tax years beginning after 2006.

**The MAGI limits for 2007 listed above may be subject to additional increases.

The MAGI phase out range for an individual that is not an active participant, but is married to an active participant, is \$150,000-\$160,000. This limit is also subject to cost-of-living increases for tax years beginning after 2006. If you are not an active participant in an employer-maintained retirement plan, are married to someone who is an active participant, and you file a joint income tax return with MAGI between the applicable phase out range for the year, your maximum deductible contribution is determined as follows: (1) begin with the appropriate MAGI phase-out maximum for the year and subtract your MAGI from it; (2) divide this total by the difference between the phase-out range maximum and minimum; (3) multiply this number by the maximum allowable contribution for the applicable year, including catch-up contributions if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take.

You must round the resulting deduction to the next highest \$10 if the number is not a multiple of 10. If your resulting deduction is between \$0 and \$200 you may round up to \$200.

B. Contribution Deadline — The deadline for making an IRA contribution is your tax return due date (not including extensions). You may designate a contribution as a contribution for the preceding taxable year in a manner acceptable to us. For example, if you are a calendar year taxpayer, and you make your IRA contribution on or before April 15, your contribution is considered to have been made for the previous tax year if you designate it as such.

C. Tax Credit for Contributions — You may be eligible to receive a tax credit for your Traditional contributions. This credit will be allowed in addition to any tax deduction that may apply, and may not exceed \$1,000 in a given year. You may be eligible for this tax credit if you are

- age 18 or older as of the close of the taxable year,
- not a dependent of another taxpayer, and
- not a full-time student.

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

Adjusted Gross Income*			
Joint Return	Head of a Household	All Other Cases	Applicable Percentage
\$1–30,000	\$1–22,500	\$1–15,000	50
\$30,001–32,500	\$22,501–24,375	\$15,001–16,250	20
\$32,500–50,000	\$24,376–37,500	\$16,251–25,000	10
Over 50,000	Over 37,500	Over 25,000	0

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

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

E. Nondeductible Contributions — You may make nondeductible contributions to your IRA to the extent that

deductible contributions are not allowed. The sum of your deductible and nondeductible IRA contributions cannot exceed your contribution limit (the lesser of the allowable contribution limit described previously, or 100 percent of compensation). You may elect to treat deductible IRA contributions as nondeductible contributions.

If you make nondeductible contributions for a particular tax year, you must report the amount of the nondeductible contribution along with your income tax return using IRS Form 8606. Failure to file IRS Form 8606 will result in a \$50 per failure penalty.

If you overstate the amount of designated nondeductible contributions for any taxable year, you are subject to a \$100 penalty unless reasonable cause for the overstatement can be shown.

F. Taxation of Distributions — The taxation of IRA distributions depends on whether or not you have ever made nondeductible IRA contributions. If you have only made deductible contributions, any IRA distribution will be fully included in income.

If you have ever made nondeductible contributions to any IRA, the following formula must be used to determine the amount of any IRA distribution excluded from income.

(Aggregate Nondeductible Contributions)

$$\frac{x \text{ (Amount Withdrawn)}}{\text{Aggregate IRA Balance}} = \frac{\text{Amount Excluded}}{\text{From Income}}$$

Note: Aggregate nondeductible contributions include all nondeductible contributions made by you through the end of the year of the distribution (which have not previously been withdrawn and excluded from income). Also note that the aggregate IRA balance includes the total balance of all of your IRAs as of the end of the year of distribution and any distributions occurring during the year.

G. Rollovers and Conversions — Your IRA may be rolled over to an IRA of yours, may receive rollover contributions, and may be converted to a Roth IRA, provided that all of the applicable rollover and conversion rules are followed. Rollover is a term used to describe a tax-free movement of cash or other property to your IRA from another IRA, or from your employer's qualified retirement plan, 403(a) annuity plan, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan. Conversion is a term used to describe the movement of Traditional IRA assets to a Roth IRA. A conversion is generally a taxable event. The rollover and conversion rules are generally summarized below. These transactions are often complex. If you have any questions regarding a rollover or conversion, please see a competent tax advisor.

1. Traditional IRA to Traditional IRA Rollovers — Funds distributed from your IRA may be rolled over to an IRA of yours if the requirements of Code section 408(d)(3) are met. A proper IRA to IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another IRA to IRA rollover from the distributing IRA during the 12 months preceding the date you receive the distribution. Further, you may roll over the same dollars or assets only once every 12 months.

2. SIMPLE IRA to Traditional IRA Rollovers — Funds may be distributed from your SIMPLE IRA and rolled over to your IRA without IRS penalty provided, two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. As with Traditional IRA to Traditional IRA rollovers, the requirements of Code section 408(d)(3) must be met. A proper SIMPLE IRA to IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another SIMPLE IRA to IRA or SIMPLE IRA to SIMPLE IRA rollover from the distributing SIMPLE IRA during the 12 months preceding the date you receive the distribution. Further, you may roll over the same dollars or assets only once every 12 months.

3. Employer-Sponsored Retirement Plan to Traditional IRA Rollovers — You may roll over, directly or indirectly, any eligible rollover distribution from an eligible employer-

sponsored retirement plan. An eligible rollover distribution is defined generally as any distribution from a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan (other than distributions to nonspouse beneficiaries), unless it is part of a certain series of substantially equal periodic payments, a required minimum distribution or a hardship distribution or a distribution of Roth 401(k) or Roth 403(b) elective deferrals.

If you elect to receive your rollover distribution prior to placing it in an IRA, thereby conducting an indirect rollover, your plan administrator will generally be required to withhold 20 percent of your distribution as a payment of income taxes. When completing the rollover, you may make up the amount withheld, out of pocket, and roll over the full amount distributed from your employer-sponsored retirement plan. To qualify as a rollover, your eligible rollover distribution must be rolled over to your IRA not later than 60 days after you receive it. Alternatively, you may claim the withheld amount as income, and pay the applicable income tax and, if you are under age 59½, the 10-percent early distribution penalty (unless an exception to the penalty applies).

As an alternative to the indirect rollover, your employer generally must give you the option to directly roll over your employer-sponsored retirement plan balance to an IRA. If you elect the direct rollover option, your eligible rollover distribution will be paid directly to the IRA (or other eligible employer-sponsored retirement plan) that you designate. The 20 percent withholding requirements do not apply to direct rollovers.

4. Beneficiary Rollovers from Employer-Sponsored Retirement Plans

— If you are a spouse, nonspouse or qualified trust beneficiary of a deceased employer plan participant, you may directly roll over inherited assets from a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) governmental deferred compensation plan to an inherited IRA. The IRA must be maintained as an inherited IRA, subject to the beneficiary distribution requirements, (i.e., you may not roll these assets to your own IRA.)

5. Traditional IRA to Employer-Sponsored Retirement Plans

— You may roll over, directly or indirectly, any eligible rollover distribution from an IRA to an employer's qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan so long as the employer-sponsored retirement plan accepts such rollover contributions. An eligible rollover distribution is defined as any taxable distribution from an IRA that is not a part of a required minimum distribution.

6. Traditional IRA to Roth IRA Conversions

— If your modified adjusted gross income is not more than \$100,000, and you are not married filing a separate income tax return, you are eligible to convert all or any portion of your existing Traditional IRA(s) into your Roth IRA(s). Beginning in 2010, the \$100,000 MAGI limit and the married filing separate tax filing restriction will be eliminated for conversion eligibility. If you are age 70½ or older you must remove your required minimum distribution prior to converting your Traditional IRA. The amount of the conversion from your Traditional IRA to your Roth IRA shall be treated as a distribution for income tax purposes, and is includible in your gross income (except for any nondeductible contributions). Although the conversion amount is generally included in income, the 10-percent early distribution penalty shall not apply to conversions from a Traditional IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10-percent penalty.

7. Qualified HSA Funding Distribution

— If you are eligible to contribute to a health savings account (HSA), you may be eligible to take a one-time tax-free HSA funding distribution from your IRA and directly deposit it to your HSA. The amount of the qualified HSA funding distribution may not exceed the maximum HSA contribution limit in effect for the type of high deductible health plan coverage (i.e., single or family coverage) that you have at the time of the deposit, and counts toward your HSA contribution limit for that year. For further detailed information, you may wish to

obtain IRS Publication 969, *Health Savings Accounts and other Tax-Favored Health Plans*.

8. Rollover of Exxon Valdez Settlement payments

— If you receive a qualified settlement payment from Exxon Valdez litigation, you may roll over the amount of the settlement, up to \$100,000, reduced by the amount of any qualified Exxon Valdez settlement income previously contributed to a Traditional or Roth IRA or eligible retirement plan in prior taxable years. You will have until your tax return due date (not including tax extensions) for the year in which the qualified settlement income is received to make the rollover contribution. To obtain more information on this type of rollover, you may wish to visit the IRS website at www.irs.gov.

9. Written Election

— At the time you make a proper rollover to an IRA, you must designate in writing to us, your election to treat that contribution as a rollover. Once made, the rollover election is irrevocable.

H. Transfer Due to Divorce

— If all or any part of your IRA is awarded to your spouse or former spouse in a divorce or legal separation proceeding, the amount so awarded will be treated as the spouse's IRA (and may be transferred pursuant to a court-approved divorce decree or written legal separation agreement to another IRA of your spouse), and will not be considered a taxable distribution to you. A transfer is a tax-free direct movement of cash and/or property from one Traditional IRA to another.

I. Recharacterizations

— If you make a contribution to a Traditional IRA and later recharacterize either all or a portion of the original contribution to a Roth IRA along with net income attributable, you may elect to treat the original contribution as having been made to the Roth IRA. The same methodology applies when recharacterizing a contribution from a Roth IRA to a Traditional IRA. If you have converted from a Traditional IRA to a Roth IRA you may recharacterize the conversion along with net income attributable back to the Traditional IRA. The deadline for completing a recharacterization is your tax filing deadline (including any extensions), for the year for which the original contribution was made or conversion completed.

LIMITATIONS AND RESTRICTIONS

A. SEP Plans

— Under a simplified employee pension (SEP) plan that meets the requirements of Code section 408(k), your employer may make contributions to your IRA. Your employer is required to provide you with information which describes the terms of your employer's SEP plan.

B. Spousal IRA

— If you are married and have compensation, you may contribute to an IRA established for the benefit of your spouse for any year prior to the year your spouse turns age 70½, regardless of whether or not your spouse has compensation. You may make these spousal contributions even if you are age 70½ or older. You must file a joint income tax return for the year for which the contribution is made.

The amount you may contribute to your IRA and your spouse's IRA is the lesser of 100 percent of your combined compensation or \$6,000 for 2002–2004, \$8,000 for 2005–2007 and \$10,000 for 2008. This amount may be increased with cost-of-living adjustments in 2009 and beyond. However, you may not contribute more than the individual contribution limit to each IRA.

If your spouse is age 50 or older by the close of the taxable year, and is otherwise eligible, you may make an additional contribution to your spouse's IRA. The maximum additional contribution is \$500 for years 2002–2005 and \$1,000 for years 2006 and beyond.

C. Deduction of Rollovers and Transfers

— A deduction is not allowed for rollover contributions or transfers.

D. Gift Tax

— Transfers of your IRA assets to a beneficiary made during your life and at your request may be subject to federal gift tax under Code section 2501.

E. Special Tax Treatment

— Capital gains treatment and 10-year forward income averaging authorized by Code section 402 do not apply to IRA distributions.

F. Income Tax Treatment

— Any withdrawal from your IRA is subject to federal income tax withholding. You may, however, elect not to have withholding apply to your IRA withdrawal.

If withholding is applied to your withdrawal, not less than 10-percent of the amount withdrawn must be withheld.

G. Prohibited Transactions

— If you or your beneficiary engage in a prohibited transaction with your IRA, as described in Code section 4975, your IRA will lose its tax-deferred status, and you must include the value of your account in your gross income for the taxable year you engage in the prohibited transaction. The following transactions are examples of prohibited transactions with your IRA: (1) taking a loan from your IRA; (2) buying property for personal use (present or future) with IRA funds; or (3) receiving certain bonuses or premiums because of your IRA.

H. Pledging

— If you pledge any portion of your IRA as collateral for a loan, the amount so pledged will be treated as a distribution, and will be included in your gross income for the taxable year in which you pledge the assets.

FEDERAL TAX PENALTIES

A. Early Distribution Penalty

— If you are under age 59½ and receive an IRA distribution, an additional tax of 10 percent will apply, unless made on account of 1) death, 2) disability, 3) a qualifying rollover, 4) the timely withdrawal of an excess contribution, 5) a series of substantially equal periodic payments (at least annual payments) made over your life expectancy or the joint life expectancy of you and your beneficiary, 6) medical expenses which exceed 7.5 percent of your adjusted gross income, 7) health insurance payments if you are separated from employment and have received unemployment compensation under a federal or state program for at least 12 weeks, 8) certain qualified education expenses, 9) first-home purchases (up to a life-time maximum of \$10,000), or 10) a levy issued by the IRS. or 11) active military duty (see Qualified Reservist Distributions below). This additional tax will apply only to the portion of a distribution which is includible in your taxable income.

B. Excess Contribution Penalty

— An additional tax of six percent is imposed upon any excess contribution you make to your IRA. This additional tax will apply each year in which an excess remains in your IRA. An excess contribution is any amount that is contributed to your IRA that exceeds the amount that you are eligible to contribute.

C. Excess Accumulation Penalty

— As previously described, you must take a required minimum distribution by your required beginning date for the year you attain age 70½ and by the end of each year thereafter. Your beneficiary(ies) is required to take certain minimum distributions after your death. An additional tax of 50 percent is imposed on the amount of the required minimum distribution which should have been taken but was not.

D. Penalty Reporting

— You must file IRS Form 5329 along with your income tax return to the IRS to report and remit any additional taxes.

OTHER

A. IRS Plan Approval

— The Agreement used to establish this IRA has been approved by the IRS. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.

B. Additional Information

— You may obtain further information on IRAs from your District Office of the IRS. In particular, you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements*, by calling 1-800-TAX-FORM, or by visiting www.irs.gov on the Internet.

C. Important Information About Procedures for Opening a New Account

— To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial organizations to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, you are required to provide your name, residential address, date of birth, and identification number. We may require other information that will allow us to identify you.

D. Hurricane-Related Relief

— If you are an individual who sustained an economic loss due to, or are otherwise considered affected by, hurricane Katrina, Rita or Wilma, you may be eligible for favorable tax treatment on distributions and rollovers from your IRA. Qualified distributions include

IRA distributions made on or after specified dates for each hurricane and before January 1, 2007 to a qualified individual. For a complete definition of what constitutes a qualified individual and a qualified hurricane distribution for purposes of hurricane relief, refer to IRS Publication 4492, *Information for Taxpayers Affected by Hurricanes Katrina, Rita and Wilma*.

1. 10-percent Penalty Exception on Qualified Distributions — Qualified hurricane distributions are not subject to the 10-percent early distribution penalty tax. This penalty exception applies only to the first \$100,000 of qualified distributions to each individual.

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

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

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

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

F. Charitable Distributions — If you are age 70½ or older, you may make tax-free distributions of up to \$100,000 per year directly from your IRA to certain charitable organizations. Special tax rules may apply. This provision applies to distributions during tax years 2008 and 2009, or until such later time as extended by Congress. For further detailed information you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements* from the IRS.

G. Heartland Disaster Related Tax Relief — If you are an individual who has sustained an economic loss due to, or are otherwise considered affected by, the severe storms, tornadoes and flooding that occurred in the Midwestern disaster area, you may be eligible for favorable tax treatment on distributions and rollovers from your IRA. Qualified disaster recovery assistance distributions include IRA distributions made on or after specified dates for each disaster, and before January 1, 2010 to a qualified individual. For more information on this tax relief, refer to IRS Publication 4492-B, *Information for Affected Taxpayers in the Midwestern Disaster Area*.

1. 10-percent Penalty Exception on Qualified Distributions — Qualified disaster recovery assistance distributions are not subject to the 10-percent early distribution penalty tax. This penalty exception applies only to the first \$100,000 of qualified distributions to each individual.

2. Taxation May be Spread Over Three Years — If you received qualified disaster recovery assistance distributions, you may elect to include the distribution in your gross income ratably over three years, beginning with the year of the distribution.

3. Repayment of Qualified Disaster Recovery Assistance Distributions — You may roll over qualified disaster recovery assistance distributions to an eligible retirement plan, and avoid federal income taxation, within three years of the date of receipt of the distribution. The 60-day rollover rule does not apply to these distributions.

ROTH INDIVIDUAL RETIREMENT CUSTODIAL ACCOUNT AGREEMENT

Form 5305-RA Under Section 408(a) of the Internal Revenue Code **FORM (REV. MARCH 2002)**

The Depositor named on the Application is establishing a Roth Individual Retirement Account under section 408A to provide for his or her retirement and for the support of his or her beneficiaries after death.

The Custodian named on the Application has given the Depositor the disclosure statement required by Regulations section 1.408-6.

The Depositor has assigned the custodial account the sum indicated on the Application.

The Depositor and the Custodian make the following agreement:

ARTICLE I

Except in the case of a rollover contribution described in section 408A(e), a recharacterized contribution described in section 408A(d)(6), or an IRA Conversion Contribution, the Custodian will accept only cash contributions up to \$3,000 per year for tax years 2002 through 2004. That contribution limit is increased to \$4,000 for tax years 2005 through 2007 and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$3,500 per year for tax years 2002 through 2004, \$4,500 for 2005, \$5,000 for 2006 and 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

ARTICLE II

1. The annual contribution limit described in Article I is gradually reduced to \$0 for higher income levels. For a single Depositor, the annual contribution is phased out between adjusted gross income (AGI) of \$95,000 and \$110,000; for a married Depositor filing jointly, between AGI of \$150,000 and \$160,000; and for a married Depositor filing separately, between AGI of \$0 and \$10,000. In the case of a conversion, the Custodian will not accept IRA Conversion Contributions in a tax year if the Depositor's AGI for the tax year the funds were distributed from the other IRA exceeds \$100,000 or if the Depositor is married and files a separate return. Adjusted gross income is defined in section 408A(c)(3) and does not include IRA Conversion Contributions.

2. In the case of a joint return, the AGI limits in the preceding paragraph apply to the combined AGI of the Depositor and his or her spouse.

ARTICLE III

The Depositor's interest in the balance in the custodial account is nonforfeitable.

ARTICLE IV

1. No part of the custodial account funds may be invested in life insurance contracts, nor may the assets of the custodial account be commingled with other property except in a common trust fund or common investment fund (within the meaning of section 408(a)(5)).

2. No part of the custodial account funds may be invested in collectibles (within the meaning of section 408(m)) except as otherwise permitted by section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins, coins issued under the laws of any state, and certain bullion.

ARTICLE V

1. If the Depositor dies before his or her entire interest is distributed to him or her and the Depositor's surviving spouse is not the designated beneficiary, the remaining interest will be distributed in accordance with (a) below or, if elected or there is no designated beneficiary, in accordance with (b) below:

(a) The remaining interest will be distributed, starting by the end of the calendar year following the year of the Depositor's death, over the designated beneficiary's remaining life expectancy as determined in the year following the death of the Depositor.

(b) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Depositor's death.

2. The minimum amount that must be distributed each year under paragraph 1(a) above is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the designated beneficiary using the attained age of the beneficiary in the year following the year of the Depositor's death and subtracting 1 from the divisor for each subsequent year.

3. If the Depositor's surviving spouse is the designated beneficiary, such spouse will then be treated as the Depositor.

ARTICLE VI

1. The Depositor agrees to provide the Custodian with all information necessary to prepare any reports required by sections 408(i) and 408A(d)(3)(E), Regulations sections 1.408-5 and 1.408-6, or other guidance published by the Internal Revenue Service (IRS).

2. The Custodian agrees to submit to the IRS and Depositor the reports prescribed by the IRS.

ARTICLE VII

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through IV and this sentence will be controlling. Any additional articles inconsistent with section 408A, the related regulations, and other published guidance will be invalid.

ARTICLE VIII

This Agreement will be amended as necessary to comply with the provisions of the Code, the related Regulations, and other published guidance. Other amendments may be made with the consent of the persons whose signatures appear on the Application.

ARTICLE IX

9.01 Definitions: In this part of this Agreement (Article IX), the words "you" and "your" mean the Depositor, the words "we," "us" and "our" mean the Custodian, "Code" means the Internal Revenue Code, and "Regulations" means the Treasury Regulations.

9.02 Notices and Change of Address: Any required notice regarding this Roth IRA will be considered effective when we send it to the intended recipient at the last address which we have in our records. Any notice to be given to us will be considered effective when we actually receive it. You, or the intended recipient, must notify us of any change of address.

9.03 Representations and Responsibilities: You represent and warrant to us that any information you have given or will give us with respect to this Agreement is complete and accurate. Further, you agree that any directions you give us, or action you take will be proper under this Agreement, and that we are entitled to rely upon any such information or directions. If we fail to receive directions from you regarding any transaction, or if we receive ambiguous directions regarding any transaction, or we, in good faith, believe that any transaction requested is in dispute, we reserve the right to take no action until further clarification acceptable to us is received from you or the appropriate government or judicial authority. We shall not be responsible for losses of any kind that may result from your directions to us or your actions or failures to act, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act. We shall not be responsible for any penalties, taxes, judgments or expenses you incur in connection with your Roth IRA. We have no duty to determine whether your contributions or distributions comply with the Code, Regulations, rulings or this Agreement. We may permit you to appoint, through written notice acceptable to us, an authorized agent to act on your behalf with respect to this Agreement (e.g., attorney-in-fact, executor, administrator, investment manager), however, we have no duty to

determine the validity of such appointment or any instrument appointing such authorized agent. We shall not be responsible for losses of any kind that may result from directions, actions or failures to act by your authorized agent, and you agree to reimburse us for any loss we may incur as a result of such directions, actions or failures to act by your authorized agent. You will have sixty (60) days after you receive any documents, statements or other information from us to notify us in writing of any errors or inaccuracies reflected in these documents, statements or other information. If you do not notify us within 60 days, the documents, statements or other information shall be deemed correct and accurate, and we shall have no further liability or obligation for such documents, statements, other information or the transactions described therein.

By performing services under this Agreement we are acting as your agent. You acknowledge and agree that nothing in this Agreement shall be construed as conferring fiduciary status upon us. We shall not be required to perform any additional services unless specifically agreed to under the terms and conditions of this Agreement, or as required under the Code and the Regulations promulgated thereunder with respect to Roth IRAs. You agree to indemnify and hold us harmless for any and all claims, actions, proceedings, damages, judgments, liabilities, costs and expenses, including attorney's fees, arising from, or in connection with this Agreement.

To the extent written instructions or notices are required under this Agreement, we may accept or provide such information in any other form permitted by the Code or applicable regulations.

9.04 Custodian's Fees:

(a) Payment of the following fee(s) may be made by separate check or the Custodian will deduct it from the Custodial Account.

1. Calendar Year Maintenance Fee per Depositor \$15.00, unless your account was established by rolling over assets held in a pension, profit-sharing or other plan qualified under Section 401(a) or described in Section 457(b) of the Internal Revenue Code on 1986, as amended, which is funded by certain John Hancock group annuity contracts, directly to a John Hancock Custodial IRA or John Hancock Custodial Roth IRA investing in John Hancock funds, in which case it is \$25.00.

(b) Upon thirty (30) days prior written notice, Custodian may substitute a fee schedule differing from the one above. Custodial fees, any income, estate, gift and inheritance taxes and other taxes of any kind whatsoever, including transfer taxes incurred in connection with the investment or reinvestment of the assets in the Custodial Account, that may be levied or assessed in respect to such assets and all other administrative expenses incurred by Custodian in performance of its duties, including fees for legal services rendered to Custodian, may be charged to the Custodial account, with the right to liquidate Fund shares for this purpose, or (at Custodian's option) to the Depositor.

9.05 Investment of Amounts in the Roth IRA: You have exclusive responsibility for and control over the investment of the assets of your Roth IRA. All transactions shall be subject to any and all restrictions or limitations, direct or indirect, which are imposed by our charter, articles of incorporation, or bylaws; any and all applicable federal and state laws and regulations; the rules, regulations, customs and usages of any exchange, market or clearing house where the transaction is executed; our policies and practices; and this Agreement. After your death, unless otherwise specified, your beneficiary(ies) shall have the right to direct the investment of your Roth IRA assets, subject to the same conditions that applied to you during your lifetime under this Agreement (including, without limitation, Section 9.03 of this article). We shall have no discretion to direct any investment in your Roth IRA. We assume no responsibility for rendering investment advice

with respect to your Roth IRA, nor will we offer any opinion or judgment to you on matters concerning the value or suitability of any investment or proposed investment for your Roth IRA. In the absence of instructions from you, or if your instructions are not in a form acceptable to us, we shall have the right to hold any uninvested amounts in cash, and we shall have no responsibility to invest uninvested cash unless and until directed by you. We will not exercise the voting rights and other shareholder rights with respect to investments in your Roth IRA unless you provide timely written directions acceptable to us.

You will select the type of investment for your Roth IRA assets, provided, however, that your selection of investments shall be limited to those types of investments that we are authorized by our charter, articles of incorporation, or bylaws to offer and do in fact offer for investment in Roth IRAs. We may, in our sole discretion, make available to you, additional investment offerings, which shall be limited to publicly traded securities, mutual funds, money market instruments and other investments that are obtainable to us and that we are capable of holding in the ordinary course of our business.

9.06 Beneficiary(ies): If you die before you receive all of the amounts in your Roth IRA, payments from your Roth IRA will be made to your beneficiary(ies).

You may designate one or more persons or entities as beneficiary of your Roth IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during your lifetime. Unless otherwise specified, each beneficiary designation you file with us will cancel all previous ones. The consent of a beneficiary(ies) shall not be required for you to revoke a beneficiary designation. If you have designated both primary and contingent beneficiaries and no primary beneficiary(ies) survives you, the contingent beneficiary(ies) shall acquire the designated share of your Roth IRA. If you do not designate a beneficiary, or if all of your primary and contingent beneficiary(ies) predecease you, your estate will be the beneficiary.

Unless otherwise specified, if your surviving spouse is the designated beneficiary, your spouse may elect to treat your Roth IRA as his or her own Roth IRA, and would not be subject to the required minimum distribution rules. Unless otherwise specified, your surviving spouse will also be entitled to such additional beneficiary payment options as are granted under the Code or applicable Regulations.

We may allow, if permitted by state law, an original Roth IRA beneficiary(ies) (the beneficiary(ies) who is entitled to receive distribution(s) from an inherited Roth IRA at the time of your death) to name a successor beneficiary(ies) for the inherited Roth IRA. This designation can only be made on a form provided by or acceptable to us, and it will only be effective when it is filed with us during the original Roth IRA beneficiary's(ies') lifetime. Unless otherwise specified, each beneficiary designation form that the original Roth IRA beneficiary(ies) files with us will cancel all previous ones. The consent of a successor beneficiary(ies) shall not be required for the original Roth IRA beneficiary(ies) to revoke a successor beneficiary(ies) designation. If the original Roth IRA beneficiary(ies) does not designate a successor beneficiary(ies), his or her estate will be the successor beneficiary. In no event shall the successor beneficiary(ies) be able to extend the distribution period beyond that required for the original Roth IRA beneficiary.

9.07 Termination of Agreement, Resignation, or Removal of Custodian: Either party may terminate this Agreement at any time by giving written notice to the other. We can resign as Custodian at any time effective 30 days after we mail written notice of our resignation to you. Upon receipt of that notice, you must make arrangements to transfer your Roth IRA to another financial organization. If you do not complete a transfer of your Roth IRA within 30 days from the date we mail the notice to you, we have the right to transfer your Roth IRA assets to a successor Roth IRA custodian or trustee that we choose in our sole discretion,

or we may pay your Roth IRA to you in a single sum. We shall not be liable for any actions or failures to act on the part of any successor custodian or trustee, nor for any tax consequences you may incur that result from the transfer or distribution of your assets pursuant to this section.

If this Agreement is terminated, we may charge your Roth IRA a reasonable amount of money that we believe is necessary to cover any associated costs, including but not limited to, one or more of the following:

- any fees, expenses or taxes chargeable against your Roth IRA;
- any penalties or surrender charges associated with the early withdrawal of any savings instrument or other investment in your Roth IRA.

If we are required to comply with Regulations section 1.408-2(e), and we fail to do so, or we are not keeping the records, making the returns or sending the statements as are required by forms or Regulations, the IRS may, after notifying you, require you to substitute another trustee or custodian.

We may establish a policy requiring distribution of the entire balance of your Roth IRA to you in cash or property if the balance of your Roth IRA drops below the minimum balance required under the applicable investment or policy established.

9.08 Successor Custodian: If our organization changes its name, reorganizes, merges with another organization (or comes under the control of any federal or state agency), or if our entire organization (or any portion which includes your Roth IRA) is bought by another organization, that organization (or agency) shall automatically become the trustee or custodian of your Roth IRA, but only if it is the type of organization authorized to serve as a Roth IRA trustee or custodian.

9.09 Amendments: We have the right to amend this Agreement at any time. Any amendment we make to comply with the Code and related Regulations does not require your consent. You will be deemed to have consented to any other amendment unless, within 30 days from the date we mail the amendment, you notify us in writing that you do not consent.

9.10 Withdrawals: All requests for withdrawal shall be on a form provided by us or in a form and manner that is acceptable to us. The method of distribution must be specified. The tax identification number of the recipient must be provided to us before we are obligated to make a distribution.

Any withdrawals shall be subject to all applicable tax and other laws and regulations including possible early withdrawal penalties and withholding requirements.

9.11 Transfers From Other Plans: We can receive amounts transferred to this Roth IRA from the custodian or trustee of another Roth IRA as permitted by the Code. We reserve the right not to accept any transfer.

9.12 Liquidation of Assets: We have the right to liquidate assets in your Roth IRA if necessary to make distributions or to pay fees, expenses, taxes, penalties or surrender charges properly chargeable against your Roth IRA. If you fail to direct us as to which assets to liquidate, we will decide, in our complete and sole discretion, and you agree not to hold us liable for any adverse consequences that result from our decision.

9.13 Restrictions on the Fund: Neither you nor any beneficiary may sell, transfer or pledge any interest in your Roth IRA in any manner whatsoever, except as provided by law or this Agreement.

The assets in your Roth IRA shall not be responsible for the debts, contracts or torts of any person entitled to distributions under this Agreement.

9.14 What Law Applies: This Agreement is subject to all applicable federal and state laws and regulations. If it is necessary to apply any state law to interpret and administer

this Agreement, the law of our domicile shall govern.

If any part of this Agreement is held to be illegal or invalid, the remaining parts shall not be affected. Neither your nor our failure to enforce at any time or for any period of time any of the provisions of this Agreement shall be construed as a waiver of such provisions, or your right or our right thereafter to enforce each and every such provision.

GENERAL INSTRUCTIONS

(Section references are to the Internal Revenue Code unless otherwise noted.)

PURPOSE OF FORM

Form 5305-RA is a model custodial account agreement that meets the requirements of section 408A and has been pre-approved by the IRS. A Roth Individual Retirement Account (Roth IRA) is established after the form is fully executed by both the individual (Depositor) and the Custodian. This account must be created in the United States for the exclusive benefit of the Depositor and his or her beneficiaries.

Do not file Form 5305-RA with the IRS. Instead, keep it with your records.

Unlike contributions to Traditional individual retirement arrangements, contributions to a Roth IRA are not deductible from the Depositor's gross income; and distributions after 5 years that are made when the Depositor is 59½ years of age or older or on account of death, disability, or the purchase of a home by a first-time homebuyer (limited to \$10,000), are not includible in gross income. For more information on Roth IRAs, including the required disclosures the Custodian must give the Depositor, see Pub. 590, Individual Retirement Arrangements (IRAs).

DEFINITIONS

IRA Conversion Contributions: IRA Conversion Contributions are amounts rolled over, transferred, or considered transferred from a nonRoth IRA to a Roth IRA. A nonRoth IRA is an individual retirement account or annuity described in section 408(a) or 408(b), other than a Roth IRA.

Custodian: The custodian must be a bank or savings and loan association, as defined in section 408(n), or any person who has the approval of the IRS to act as custodian.

Depositor: The depositor is the person who establishes the custodial account.

SPECIFIC INSTRUCTIONS

Article I: The Depositor may be subject to a 6% tax on excess contributions if (1) contributions to other individual retirement arrangements of the Depositor have been made for the same tax year, (2) the Depositor's adjusted gross income exceeds the applicable limits in Article II for the tax year, or (3) the Depositor's and spouse's compensation is less than the amount contributed by or on behalf of them for the tax year. The Depositor should see the Disclosure Statement or Pub. 590 for more information.

Article V: This article describes how distributions will be made from the Roth IRA after the Depositor's death. Elections made pursuant to this article should be reviewed periodically to ensure they correspond to the Depositor's intent. Under paragraph 3 of Article V, the Depositor's spouse is treated as the owner of the Roth IRA upon the death of the Depositor, rather than as the beneficiary. If the spouse is to be treated as the beneficiary, and not the owner, an overriding provision should be added to Article IX.

Article IX: Article IX and any that follow it may incorporate additional provisions that are agreed to by the Depositor and Custodian to complete the agreement. They may include, for example, definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of the Custodian, Custodian's fees, state law requirements, beginning date of distributions, accepting only cash, treatment of excess contributions, prohibited transactions with the Depositor, etc. Attach additional pages if necessary.

DISCLOSURE STATEMENT

RIGHT TO REVOKE YOUR ROTH IRA

You have the right to revoke your Roth IRA within seven (7) days of the receipt of the disclosure statement. If revoked, you are entitled

to a full return of the contribution you made to your Roth IRA. The amount returned to you would not include an adjustment for such items as sales commissions, administrative expenses, or fluctuation in market value. You may make this revocation only by mailing or delivering a written notice to the Custodian at the address listed on the Application.

If you send your notice by first class mail, your revocation will be deemed mailed as of the postmark date.

If you have any questions about the procedure for revoking your Roth IRA, please call the Custodian at the telephone number listed on the Application.

REQUIREMENTS OF A ROTH IRA

A. Cash Contributions — Your contribution must be in cash, unless it is a rollover or conversion contribution.

B. Maximum Contribution — The total amount you may contribute to a Roth IRA for any taxable year cannot exceed the lesser of 100% of your compensation or \$3,000 for years 2002–2004, \$4,000 for years 2005–2007, and \$5,000 for 2008, with possible cost-of-living adjustments in years 2009 and beyond. If you also maintain a Traditional IRA (i.e., an IRA subject to the limits of Internal Revenue Code (Code) sections 408(a) or 408(b)), the maximum contribution to your Roth IRAs is reduced by any contributions you make to your Traditional IRA. Your total annual contribution to all Traditional IRAs and Roth IRAs cannot exceed the lesser of the dollar amounts described above or 100 percent of your compensation.

Your Roth IRA contribution is further limited if your modified adjusted gross income (MAGI) equals or exceeds \$150,000 if you are a married individual filing a joint income tax return, or equals or exceeds \$95,000 if you are a single individual. Married individuals filing a joint income tax return with MAGI equaling or exceeding \$160,000 may not fund a Roth IRA. Single individuals with MAGI equaling or exceeding \$110,000 may not fund a Roth IRA. Married individuals filing a separate income tax return with MAGI equaling or exceeding \$10,000 may not fund a Roth IRA. The MAGI limits described above are subject to cost-of-living increases for tax years beginning after 2006.

If you are married filing a joint income tax return and your MAGI is between the applicable MAGI phase out range for the year, your maximum Roth IRA contribution is determined as follows: (1) Begin with the appropriate MAGI phase-out maximum for the applicable year and subtract your MAGI from it; (2) divide the result by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable contribution for the year, including catch-up contributions if you are age 50 or older. For example, if you are age 30 and your MAGI is \$155,000, your maximum Roth IRA contribution for 2002 is \$1,500. This amount is determined as follows: [(\$160,000 minus \$155,000) divided by \$10,000] multiplied by \$3,000.

If you are single and your MAGI is between the applicable MAGI phase out for the year, your maximum Roth IRA contribution is determined as follows: (1) Begin with the appropriate MAGI phase-out maximum for the applicable year and subtract your MAGI from it; (2) divide the result by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable contribution for the year, including catch-up contributions if you are age 50 or older. For example, if you are age 30 and your MAGI is \$98,000, your maximum Roth IRA contribution for 2002 is \$2,400. This amount is determined as follows: [(\$110,000 minus \$98,000) divided by \$15,000] multiplied by \$3,000.

C. Contribution Eligibility — You are eligible to make a regular contribution to your Roth IRA, regardless of your age, if you have compensation and your MAGI is below the maximum threshold. Your Roth IRA contribution is not limited by your participation in a retirement plan, other than a Traditional IRA.

D. Catch-Up Contribution — If you are age 50 or older by the close of the taxable year, you may make an additional contribution to your Roth IRA. The maximum additional contribution is \$500 for years 2002–2005 and \$1,000 for years 2006 and beyond.

E. Catch-up Contributions Allowed in Certain Employer Bankruptcies — You may be able eligible to contribute an

additional catch-up contribution of up to \$3,000 each year in 2006 through 2009. To be eligible, the following conditions must be met: 1) you were a participant in a 401(k) plan in which the employer matched at least 50% of your contributions to the plan with employer stock, 2) the employer must have been a debtor in a bankruptcy case in an earlier year and must have been indicted or convicted as a result of the events leading up to the bankruptcy, and 3) you must have been a participant in the 401(k) plan at least six months before the bankruptcy case was filed. If you choose to make these special catch-up contributions, you will not be eligible for the normal catch-up contributions for individuals age 50 and older.

F. Nonforfeitability — Your interest in your Roth IRA is nonforfeitable.

G. Eligible Custodians — The Custodian of your Roth IRA must be a bank, savings and loan association, credit union, or a person or entity approved by the Secretary of the Treasury.

H. Commingling Assets — The assets of your Roth IRA cannot be commingled with other property except in a common trust fund or common investment fund.

I. Life Insurance — No portion of your Roth IRA may be invested in life insurance contracts.

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

K. Beneficiary Payouts — Your designated beneficiary is determined based on the beneficiary(ies) designated as of the date of your death who remains your beneficiary(ies) as of September 30 of the year following the year of your death. The entire amount remaining in your account will, at the election of your beneficiary(ies), either

1. be distributed by December 31 of the year containing the fifth anniversary of your death, or
2. be distributed over the remaining life expectancy of your designated beneficiary(ies); or
3. as indicated on the completed John Hancock Funds Individual Retirement Account (IRA) Restricted Beneficiary Designation Form.

Unless otherwise specified, if your spouse is your sole designated beneficiary, he or she must elect either option (1) or (2) by the earlier of December 31 of the year containing the fifth anniversary of your death, or December 31 of the year you would have attained age 70½. Your designated beneficiary(ies), other than a spouse who is the sole designated beneficiary, must elect either option (1) or (2) by December 31 of the year following the year of your death. If no election is made, distribution will be calculated in accordance with option (2). In the case of distributions under option (2), distributions must commence by December 31 of the year following the year of your death. If your spouse is the designated beneficiary, distributions need not commence until December 31 of the year you would have attained age 70½, if later. If a beneficiary(ies) other than an individual or qualified trust as defined in the Regulations is named, you will be treated as having no designated beneficiary(ies) of your Roth IRA for purposes of determining the distribution period. If there is no designated beneficiary of your Roth IRA, the entire Roth IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

Unless otherwise specified, a spouse who is the sole designated beneficiary of your entire Roth IRA may elect to redesignate your Roth IRA as his or her own. Alternatively, the sole spouse beneficiary will be deemed to elect to treat your Roth IRA as his or her own by either (1) making contributions to your Roth IRA or (2) failing to timely remove a required minimum distribution from your Roth IRA. Regardless of whether or not the spouse is the sole designated beneficiary of your Roth IRA, unless otherwise specified, a spouse beneficiary may roll over his or her share of the assets to his or her own Roth IRA.

L. Waiver of 2009 Beneficiary Payment — No beneficiary life expectancy payments are required from an inherited Roth IRA for calendar year 2009. If the five-year rule applies to a Roth IRA with respect to any decedent, the five-year period is determined without regard to calendar year 2009. For example, if a Roth IRA owner died in 2007, the beneficiary's five-year period ends in 2013 instead of 2012.

INCOME TAX CONSEQUENCES OF ESTABLISHING A ROTH IRA

A. Contributions Not Deducted — No deduction is allowed for Roth IRA contributions, including transfers, rollovers and conversion contributions.

B. Contribution Deadline — The deadline for making a Roth IRA contribution is your tax return due date (not including extensions). You may designate a contribution as a contribution for the preceding taxable year in a manner acceptable to us. For example, if you are a calendar year taxpayer, and you make your Roth IRA contribution on or before April 15, your contribution is considered to have been made for the previous tax year if you designate it as such.

C. Tax Credit for Contributions — You may be eligible to receive a tax credit for your Roth IRA contributions. This credit may not exceed \$1,000 in a given year. You may be eligible for this tax credit if you are:

- age 18 or older as of the close of the taxable year,
- not a dependent of another taxpayer, and
- not a full-time student.

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

Adjusted Gross Income*

Joint Return	Head of a Household	All Other Cases	Applicable Percentage
\$1–30,000	\$1–22,500	\$1–15,000	50
\$30,001–32,500	\$22,501–24,375	\$15,001–16,250	20
\$32,500–50,000	\$24,376–37,500	\$16,251–25,000	10
Over 50,000	Over 37,500	Over 25,000	0

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

D. Tax-Deferred Earnings — The investment earnings of your Roth IRA are not subject to federal income tax as they accumulate in your Roth IRA. In addition, distributions of your Roth IRA earnings will be free from federal income tax if you take a qualified distribution, as described below.

E. Taxation of Distributions — The taxation of Roth IRA distributions depends on whether the distribution is a qualified distribution or a nonqualified distribution.

1. Qualified Distributions — Qualified distributions from your Roth IRA (both the contributions and earnings) are not included in your income. A qualified distribution is a distribution which is made after the expiration of the five-year period beginning January 1 of the first year for which you made a contribution to any Roth IRA (including a conversion from a Traditional IRA), and is made on account of one of the following events:

- attainment of age 59½,
- disability,
- the purchase of a first home, or
- death.

For example, if you made a contribution to your Roth IRA for 1998, the five-year period for determining whether a distribution is a qualified distribution is satisfied as of January 1, 2003.

2. Nonqualified Distributions — If you do not meet the requirements for a qualified distribution, any earnings you withdraw from your Roth IRA will be included in your gross income and, if you are under age 59½, may be subject to an early distribution penalty. However, when you take a distribution, the amounts you contributed annually to any Roth IRA account and any military death gratuity or Servicemembers' Group Life Insurance (SGLI) payments that you rolled over to a Roth IRA, will be deemed to be removed first, followed by conversion contributions made to any Roth IRA on a first-in, first-out basis. Therefore, your nonqualified distributions will not be taxable to you until your withdrawals exceed the amount of your annual contributions, military death gratuity or SGLI payments and your conversion contributions.

F. Required Minimum Distributions — You are not required to take distributions from your Roth IRA at age 70½ (as required for Traditional and SIMPLE IRAs). However, your beneficiary(ies) is generally required to take distributions from your Roth IRA after your death. See the section titled Beneficiary Payouts in this Disclosure Statement regarding beneficiary's(ies)' required minimum distributions.

G. Rollovers and Conversions — Your Roth IRA may be rolled over to another Roth IRA of yours, may receive rollover contributions, or may receive conversion contributions provided that all of the applicable rollover or conversion rules are followed. Rollover is a term used to describe a tax-free movement of cash or other property to your Roth IRA from another Roth IRA. Conversion is a term used to describe the movement of Traditional IRA or SIMPLE IRA assets to a Roth IRA. A conversion is generally a taxable event. The rollover and conversion rules are generally summarized below. These transactions are often complex. If you have any questions regarding a rollover or conversion, please see a competent tax advisor.

1. Roth IRA to Roth IRA Rollovers — Funds distributed from your Roth IRA may be rolled over to a Roth IRA of yours if the requirements of Code section 408(d)(3) are met. A proper Roth IRA to Roth IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. You may not have completed another Roth IRA to Roth IRA rollover from the distributing Roth IRA during the 12 months preceding the date you receive the distribution. Further, you may roll over the same dollars or assets only once every 12 months. Roth IRA assets may not be rolled over to other types of IRAs (e.g., Traditional IRA, SIMPLE IRA).

2. Traditional IRA to Roth IRA Conversions — If your MAGI is not more than \$100,000, and you are not married filing a separate income tax return, you are eligible to convert all or any portion of your existing Traditional IRA(s) into your Roth IRA(s). Beginning in 2010, the \$100,000 MAGI limit and the married filing separate tax filing restriction will be eliminated for conversion eligibility. If you are age 70½ or older you must remove your required minimum distribution prior to converting your Traditional IRA. The amount of the conversion from your Traditional IRA to your Roth IRA shall be treated as a distribution for income tax purposes, and is includible in your gross income (except for any nondeductible contributions). Although the conversion amount is generally included in income, the 10-percent early distribution penalty shall not apply to conversions from a Traditional IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10-percent penalty.

3. SIMPLE IRA to Roth IRA Conversions — If your MAGI is not more than \$100,000 and you are not married filing a separate income tax return, you are eligible to convert all or any portion of your existing savings incentive match plan for employees of small employers (SIMPLE) IRA(s) into your Roth IRA(s), provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. Beginning in 2010, the \$100,000 MAGI limit and the married filing separate tax filing restriction will be eliminated for conversion eligibility. If you are age 70½ or older you must remove your required minimum distribution prior to converting

your SIMPLE IRA. The amount of the conversion from your SIMPLE IRA to your Roth IRA shall be treated as a distribution for income tax purposes and is includible in your gross income. Although the conversion amount is generally included in income, the 10-percent early distribution penalty shall not apply to conversions from a SIMPLE IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10-percent penalty.

4. Rollovers of Roth Elective Deferrals — Roth elective deferrals distributed from a 401(k) cash or deferred arrangement or 403(b) tax-sheltered annuity may be rolled into your Roth IRA.

5. Rollovers from Employer-Sponsored Retirement Plans — Distributions taken from your qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) governmental deferred compensation plan after December 31, 2007 may be rolled over to your Roth IRA. If you are a spouse, nonspouse, or qualified trust beneficiary who has inherited a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) governmental deferred compensation plan, you may be eligible to directly roll over the assets to an inherited Roth IRA. The inherited Roth IRA is subject to the beneficiary distribution requirements. Roth IRA conversion rules, as described above, will apply, including the requirement to include the taxable portion in income in the year distributed.

6. Beneficiary Rollovers from 401(k) or 403(b) Plans Containing Roth Elective Deferrals — If you are a spouse, nonspouse or qualified trust beneficiary of a deceased 401(k) or 403(b) plan participant who had made Roth elective deferrals to the plan, you may directly roll over the Roth elective deferrals, and their earnings, to an inherited Roth IRA. The Roth IRA must be maintained as an inherited Roth IRA, subject to the beneficiary distribution requirements, (i.e., you may not roll these assets to your own Roth IRA.)

7. Rollover of Military Death Benefits — If you receive or have received a military death gratuity or a payment from the Servicemembers' Group Life Insurance (SGLI) program, you may be able to roll over the proceeds to your Roth IRA. The rollover contribution amount is limited to the sum of the death benefits of SGLI payment received, less any such amount that was rolled over to a Coverdell Education Savings account. Proceeds must be rolled over within one year of receipt of the gratuity or SGLI payment for deaths occurring on or after June 17, 2008. For deaths occurring between October 7, 2001 and June 17, 2008, proceeds may be rolled over no later than one year from June 17, 2008. Any amount that is rolled over under this provision is considered nontaxable basis in your Roth IRA.

8. Qualified HSA Funding Distribution — If you are eligible to contribute to a health savings account (HSA), you may be eligible to take a one-time tax-free HSA funding distribution from your Roth IRA and directly deposit it to your HSA. The amount of the qualified HSA funding distribution may not exceed the maximum HSA contribution limit in effect for the type of high deductible health plan coverage (i.e., single or family coverage) that you have at the time of the deposit, and counts toward your HSA contribution limit for that year. For further detailed information, you may wish to obtain IRS Publication 969, *Health Savings Accounts and Other Tax-Favored Health Plans*.

9. Rollovers of Settlement Payments from Bankrupt Airlines — If you are a qualified airline employee who has received an airline settlement payment from a commercial airline carrier under the approval of an order of a Federal bankruptcy court in a case file after September 11, 2001, and before January 1, 2007, you are allowed to roll over any portion of the proceeds into your Roth IRA by the later of 180 days after receipt of such amount, or June 21, 2009. To obtain more information on this type of rollover, you may wish to visit the IRS website at www.irs.gov.

10. Rollover of Exxon Valdez Settlement Payments — If you receive a qualified settlement payment from Exxon Valdez litigation, you may roll over the amount of the

settlement, up to \$100,000, reduced by the amount of any qualified Exxon Valdez settlement income previously contributed to a Traditional or Roth IRA or eligible retirement plan in prior taxable years. You will have until your tax return due date (not including tax extensions) for the year in which the qualified settlement income is received to make the rollover contribution. To obtain more information on this type of rollover, you may wish to visit the IRS website at www.irs.gov.

11. Written Election — At the time you make a proper rollover or conversion to a Roth IRA, you must designate in writing to us, your election to treat that contribution as a rollover or conversion. Once made, the election is irrevocable.

H. Transfer due to Divorce — If all or any part of your Roth IRA is awarded to your spouse or former spouse in a divorce or legal separation proceeding, the amount so awarded will be treated as the spouse's Roth IRA (and may be transferred pursuant to a court-approved divorce decree or written legal separation agreement to another Roth IRA of your spouse), and will not be considered a taxable distribution to you. A transfer is a tax-free direct movement of cash and/or property from one Roth IRA to another.

I. Recharacterizations — If you make a contribution to a Traditional IRA and later recharacterize either all or a portion of the original contribution to a Roth IRA along with net income attributable, you may elect to treat the original contribution as having been made to the Roth IRA. The same methodology applies when recharacterizing a contribution from a Roth IRA to a Traditional IRA. If you have converted from a Traditional IRA to a Roth IRA you may recharacterize the conversion along with net income attributable back to the Traditional IRA. The deadline for completing a recharacterization is your tax filing deadline (including any extensions), for the year for which the original contribution was made or conversion completed.

LIMITATIONS AND RESTRICTIONS

A. Spousal Roth IRA — If you are married and have compensation, you may contribute to a Roth IRA established for the benefit of your spouse, regardless of whether or not your spouse has compensation. You must file a joint income tax return for the year for which the contribution is made. Your contribution may be further limited if your MAGI falls within the minimum and maximum thresholds.

The amount you may contribute to your Roth IRA and your spouse's Roth IRA is the lesser of 100 percent of your combined compensation or \$6,000 for 2002–2004, \$8,000 for 2005–2007 and \$10,000 for 2008. This amount may be increased with cost-of-living adjustments in 2009 and beyond. However, you may not contribute more than the individual contribution limit to each Roth IRA. Your contribution may be further limited if your MAGI falls within the minimum and maximum thresholds.

If your spouse is age 50 or older by the close of the taxable year, and is otherwise eligible, you may make an additional contribution to your spouse's Roth IRA. The maximum additional contribution is \$500 for years 2002–2005, and \$1,000 for years 2006 and beyond.

B. Gift Tax — Transfers of your Roth IRA assets to a beneficiary made during your life and at your request may be subject to federal gift tax under Code section 2501.

C. Special Tax Treatment — Capital gains treatment and 10-year forward income averaging authorized by Code section 402 do not apply to Roth IRA distributions.

D. Income Tax Treatment — Any nonqualified withdrawal of earnings from your Roth IRA may be subject to federal income tax withholding. You may, however, elect not to have withholding apply to your Roth IRA withdrawal. If withholding is applied to your withdrawal, not less than 10-percent of the amount withdrawn must be withheld.

E. Prohibited Transactions — If you or your beneficiary engage in a prohibited transaction with your Roth IRA, as described in Code section 4975, your Roth IRA will lose its tax-deferred or tax-exempt status, and you must generally include the value of the earnings in your account in your gross income for the taxable year you engage in the prohibited transaction. The following transactions are examples of prohibited transactions with your Roth IRA: (1) taking a loan from your Roth IRA;

(2) buying property for personal use (present or future) with Roth IRA funds; or (3) receiving certain bonuses or premiums because of your Roth IRA.

F. Pledging — If you pledge any portion of your Roth IRA as collateral for a loan, the amount so pledged will be treated as a distribution, and may be included in your gross income for the taxable year in which you pledge the assets to the extent it represents earnings.

FEDERAL TAX PENALTIES

A. Early Distribution Penalty — If you are under age 59½ and receive a nonqualified Roth IRA distribution, an additional tax of 10-percent will generally apply to the amount includible in income in the year of the distribution. If you are under age 59½ and receive a distribution of conversion amounts within the five-year period beginning with the year in which the conversion occurred, an additional tax of 10-percent will generally apply to the amount of the distribution. The additional tax of 10-percent will generally not apply if a distribution is made on account of 1) death, 2) disability, 3) a qualifying rollover, 4) the timely withdrawal of an excess contribution, 5) a series of substantially equal periodic payments (at least annual payments) made over your life expectancy or the joint life expectancy of you and your beneficiary, 6) medical expenses which exceed 7.5 percent of your adjusted gross income, 7) health insurance payments if you are separated from employment and have received unemployment compensation under a federal or state program for at least 12 weeks, 8) certain qualified education expenses, 9) first-home purchases (up to a life-time maximum of \$10,000), or 10) a levy issued by the IRS, or 11) active military duty (see Qualified Reservist Distributions below).

B. Excess Contribution Penalty — An additional tax of six percent is imposed upon any excess contribution you make to your Roth IRA. This additional tax will apply each year in which an excess remains in your Roth IRA. An excess contribution is any amount that is contributed to your Roth IRA that exceeds the amount that you are eligible to contribute.

C. Excess Accumulation Penalty — As previously described, your beneficiary(ies) is generally required to take certain required minimum distributions after your death. An additional tax of 50 percent is imposed on the amount of the required minimum distribution which should have been taken but was not.

D. Penalty Reporting — You must file IRS Form 5329 along with your income tax return to the IRS to report and remit any additional taxes.

OTHER

A. IRS Plan Approval — The Agreement used to establish this Roth IRA has been approved by the IRS. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.

B. Additional Information — You may obtain further information on Roth IRAs from your District Office of the IRS. In particular, you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements*, by calling 1-800-TAX FORM, or by visiting www.irs.gov on the Internet.

C. Important Information About Procedures for Opening a New Account — To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial organizations to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, you are required to provide your name, residential address, date of birth, and identification number. We may require other information that will allow us to identify you.

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

1. 10-percent Penalty Exception on Qualified Distributions — Qualified hurricane distributions are not subject to the 10-percent early distribution penalty tax. This penalty exception applies only to the first \$100,000 of qualified distributions to each individual.

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

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

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

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

F. Charitable Distributions — If you are age 70½ or older, you may make tax-free distributions of up to \$100,000 per year directly from your Roth IRA to certain charitable organizations. Special tax rules may apply. This provision applies to distributions during tax years 2008 and 2009, or until such later time as extended by Congress. For further detailed information you may wish to obtain IRS Publication 590, *Individual Retirement Arrangements* from the IRS.

G. Heartland Disaster Related Tax Relief — If you are an individual who has sustained an economic loss due to, or are otherwise considered affected by, the severe storms, tornadoes and flooding that occurred in the Midwestern disaster area, you may be eligible for favorable tax treatment on distributions and rollovers from your Roth IRA. Qualified disaster recovery assistance distributions include Roth IRA distributions made on or after specified dates for each disaster, and before January 1, 2010 to a qualified individual. For more information on this tax relief, refer to IRS Publication 4492-B, *Information for Affected Taxpayers in the Midwestern Disaster Area*.

1. 10-Percent Penalty Exception on Qualified Distributions — Qualified disaster recovery assistance distributions are not subject to the 10-percent early distribution penalty tax. This penalty exception applies only to the first \$100,000 of qualified distributions to each individual.

2. Taxation May be Spread Over Three Years — If you received qualified disaster recovery assistance distributions, you may elect to include the distribution in your gross income ratably over three years, beginning with the year of the distribution.

3. Repayment of Qualified Disaster Recovery Assistance Distributions — You may roll over qualified disaster recovery assistance distributions to an eligible retirement plan, and avoid federal income taxation, within three years of the date of receipt of the distribution. The 60-day rollover rule does not apply to these distributions.

WITHHOLDING NOTICE INFORMATION

BASIC INFORMATION ABOUT WITHHOLDING FROM PENSIONS AND ANNUITIES.

Generally, Federal income tax withholding applies to payments made from pension, profit sharing, stock bonus, annuity and certain deferred compensation plans, IRAs, and commercial annuities.

PURPOSE OF FORM W-4P

Unless you elect otherwise, Federal income tax will be withheld from payments from Individual Retirement Accounts (IRAs). You can use Form W-4P, or a substitute form, such as that contained on this form, furnished by the Trustee or Custodian, to instruct

your Trustee or Custodian to withhold no tax from your IRA payments (or to revoke this election). This substitute form should be used only for distributions from IRAs which are payable upon demand.

NONPERIODIC PAYMENTS

Payments from IRAs that are payable upon demand are treated as nonperiodic payments for Federal income tax purposes. Generally, nonperiodic payments must have income tax withheld at a rate not less than 10-percent. However, qualified distributions from a Roth IRA are nontaxable and, therefore not subject to withholding. You can elect to have no income tax withheld from a nonperiodic payment (IRA payment) by filing Form W-4P or a substitute form with the Trustee or Custodian and checking the appropriate box on that form. Your election will remain in effect for any subsequent distribution unless you change or revoke it.

For more information, please see Publication 505, *Tax Withholding and Estimated Tax*, available from most IRS offices.

Caution: Remember that there are penalties for not paying enough tax during the year, through either withholding or estimated tax payments. New retirees should see Publication 505. It explains the estimated tax requirements and penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your IRA using Form W-4P.

REVOKING THE EXEMPTION FROM WITHHOLDING

If you want to revoke your previously filed exemption from withholding, file another Form W-4P with the Trustee or Custodian and check the appropriate box on that form.

STATEMENT OF INCOME TAX WITHHELD FROM YOUR IRA

By January 31 of next year, you will receive a statement from your Trustee or Custodian showing the total amount of your IRA payments and the total Federal income tax withheld during the year. Copies of Form W-4P will not be sent to the IRS by the Trustee or Custodian.

IRA FINANCIAL DISCLOSURE

The value of your IRA will be solely dependent upon the performance of any investment instrument used to fund your IRA. Therefore, no projection of the growth of your IRA can reasonably be shown or guaranteed. Terms and conditions of the IRA, which affect your investment are listed below.

INVESTMENT OPTIONS

Your IRA will be invested in investments we offer directly or those we offer through a relationship with a registered securities broker-dealer.

FEES

There are certain fees and charges connected with your IRA investments. These fees and charges may include the following.

- Sales Commissions
- Investment Management Fees
- Distribution Fees
- Annual Maintenance Fees

To find out what fees apply, read the prospectus, which will describe the terms of your IRA investment.

There may be certain fees and charges connected with the IRA itself, such as Calendar Year Maintenance Fees. Refer to the Custodial Agreement for further information.

EARNINGS

The method for computing and allocating earnings (interest, dividends, etc.) on your investment will vary with the nature and issuer of the investment chosen. Please refer to the prospectus of the investment(s) of your choice for the method(s) used for computing and allocating annual earnings.

ADDITIONAL DISCLOSURE REGARDING YOUR ROLLOVER

This section only applies to accounts established by rolling over assets held in a pension, profit-sharing or other plan qualified under Section 401(a) or described in Section 457(b) of the Internal Revenue Code on 1986, as amended, which is funded by certain John Hancock group annuity contracts, directly to a John Hancock Custodial IRA or JH Custodial Roth IRA investing in John Hancock funds. The following provides certain information to individuals ("You") who are participants in a

retirement plan described in Section 401(a) or Section 457(b) of the Internal Revenue Code ("Plan") that is invested in a group annuity contract ("Group Contract") issued by John Hancock Life Insurance Company (U.S.A.) (the "Company", "We" or "Us"), and interested in rolling over their Plan's benefit into an Individual Retirement Account and/or Roth Individual Retirement Account set up with John Hancock Life Insurance Company (the "JH Rollover IRA/Roth IRA"). You should review the following information before establishing a JH Rollover IRA/Roth IRA.

JOHN HANCOCK'S RETIREMENT INCOME & ROLLOVER SOLUTIONS ("RIRS") ROLLOVER EDUCATION SPECIALISTS

You may have contacted RIRS recently and spoken with one of our Rollover Education Specialists. These specialists are salaried employees of the Company, and this relationship limits their ability to recommend or provide information to you about the products of any financial institution other than those of the Company or its affiliates.

JH ROLLOVER IRA

The JH Rollover IRA/Roth IRA is a custodial account that invests in Class A shares of one or more mutual funds ("JH mutual funds") offered by one of our affiliates, John Hancock Funds, LLC. The Class A shares are made available to your JH Rollover IRA/Roth IRA without front-end sales charges or contingent deferred sales charges. The investment options available under the JH Rollover IRA/Roth IRA and the performance of such investment options may not be the same investment options available under your Group Contract and the performance of such investment options may be different.

FEES AND EXPENSES

For a description of the charges and expenses of the JH mutual funds, please refer to the "Your Expenses" section in the applicable John Hancock funds prospectus that accompanies this document. The total fees, charges and expenses payable in connection with your JH Rollover IRA/Roth IRA may be more or less than the total fees, charges and expenses payable by you during your participation in the Plan under the Group Contract. For a description of the investment options available under your Group Contract, including fees, log onto www.jhpensions.com (select Your contract reports — Investments — Contract investment options and view Selected investment options only) or alternatively, You may obtain this information by calling our toll free service line at 1-800-395-1113 to speak to your Client Account Representative.

COMPENSATION

We compensate those of our employees who are involved in providing information to you and, if applicable, those who provide coordinating support to your employer for the termination of the Plan from which your rollover is made. As well, the following persons may receive compensation from Us or one of our affiliates if you set up a JH Rollover IRA/Roth IRA, handled by one of our RIRS RolloverEducation Specialists.

- Annual Reward to Broker-of-Record: The financial representative who is your Plan's broker-of-record may receive an annual fee based on the value of assets held in your JH Rollover IRA/Roth IRA. This annual fee is derived from 12b-1 fees paid to us and allocated to your Plan's broker-of-record at an annual rate not expected to exceed one quarter of one percent (.25%) of the average daily net eligible assets held in JohnHancock funds [15% for the John Hancock Money Market Fund] under the rollover program.
- Nominal Fee to Plan's TPA: The person who is shown on our record as your Plan's Third Party Administrator (the "TPA") will receive a one-time nominal fee from John Hancock not expected to exceed \$25 per each participant rollover into a JH Rollover IRA/Roth IRA for facilitating the transaction.

For information about any John Hancock fund, please read the prospectus. The prospectus contains more complete information about factors that should be considered before investing including investment objective, charges, expenses and risks. Please read the prospectus carefully before investing or sending money. For prospectuses call your financial professional or John Hancock Funds at 1-800-225-5291, or visit our Web site at www.jhfunds.com.



1-800-225-5291
1-800-554-6713 TDD
1-800-338-8080 EASI-Line
www.jhfunds.com

Mutual Funds
Privately Managed Accounts
Retirement Plans
529 College Savings Plan

NOT FDIC INSURED. MAY LOSE VALUE. NO BANK GUARANTEE. NOT INSURED BY ANY GOVERNMENT AGENCY.

IRADOC 12/09