

Putnam

403(b)(7)
Custodial Account

Putnam 403(b)(7) Custodial Account Agreement

1. ESTABLISHMENT

The purpose of the Account is to accept Code Section 403(b) contributions made by the employer of the Account Owner, and Rollover Contributions, for investment in Putnam Funds in order to provide retirement benefits for the Account Owner. The Account is intended to satisfy the requirements of Code Section 403(b) and rules and regulations thereunder.

The Account is subject to the terms and conditions of the Adoption Agreement and this Putnam 403(b)(7) Custodial Account Agreement. Effective January 1, 2009, to the extent required by applicable regulations and to the extent necessary to ensure the continued tax-favored status of the Account, the Account is also subject to the terms of the Plan under which the Account is established or maintained, except to the extent the terms of the Plan expand or enlarge upon the Custodian's duties or responsibilities under this agreement. Without limiting the foregoing and except as otherwise provided herein, the Account Owner's consent shall be necessary to terminate the Account.

Except as otherwise provided, the provisions of this instrument are effective as of January 1, 2008, or, if later, the date on which the Account Owner establishes the Account. References to January 1, 2009, are intended to refer to the date final regulations issued in July of 2007 under Code Section 403(b) are to go into effect. If that date is postponed, references to January 1, 2009, herein shall refer to such later effective date.

The Account Owner establishes a Putnam 403(b)(7) Custodial Account solely by completing the Adoption Agreement and submitting it to the Custodian. The terms of the Adoption Agreement shall control, notwithstanding any election, form, or other documentation relating to the Account or the Plan filed with the Administrator of the Plan.

2. CONTRIBUTIONS

- (a) **Elective Deferral Contributions.** The Account Owner's employer may contribute to the Account in accordance with a salary reduction agreement with the Account Owner. The limits set forth below shall apply to all Code Section 403(b) accounts maintained for the Account Owner under the Plan.
- (i) **Maximum Amount.** Elective Deferral Contributions may not exceed the amount established under Code Section 402(g) (\$15,500 in 2008), subject to cost of living or other adjustments pursuant to Code Section 402(g). Further, in no event shall contributions under the Plan (disregarding for this purpose Catch-Up Contributions) exceed the amount established under Code Section 415(c) (\$46,000 in 2008), subject to cost of living or other adjustments pursuant to Code Section 415 or 100% of the Account Owner's Compensation. All such contributions shall be made on a pre-tax basis.
- (ii) **15-Year Election Contributions.** The dollar amounts in Section 2(a)(i) will be increased for a calendar year by the lesser of the following amounts, provided the Account Owner has completed at least 15 years of service (as determined in accordance with Code Section 402(g)(7) and regulations thereunder) with a Qualified Organization:
- (A) \$3,000;
- (B) \$15,000 less the aggregate amount of all previous 15-Year Election Contributions; or
- (C) The excess of (1) \$5,000 multiplied by the number of years of service of the Account Owner with the Qualified Organization over (2) any salary reduction contributions under a tax-deferred annuity, a Code Section 401(k) plan, a simplified employee pension plan, or a SIMPLE IRA made by the Qualified Organization on behalf of the Account Owner for prior taxable years.

- (iii) **Catch-Up Contributions.** The dollar amounts in Section 2(a)(i) (as increased by the dollar amounts in Section 2(a)(ii), if applicable) will be increased by \$5,000 (in 2008 and subject to cost of living or other adjustments pursuant to Code Section 414(v)) provided the Account Owner will attain at least age 50 for the year of the contribution.
- (iv) **Coordination of 15-Year Election and Catch-Up Contributions.** Amounts contributed to the Account in excess of the limitation described in Section 2(a)(i) will be treated first as a 15-Year Election Contribution made pursuant to Section 2(a)(ii) and then as a Catch-Up Contribution made pursuant to Section 2(a)(iii).
- (v) **Excess Elective Deferral Contributions.** An “Excess Elective Deferral Contribution” is the amount by which all Elective Deferral Contributions to the Account and all salary reduction contributions on behalf of the Account Owner to any other tax-deferred annuity, qualified plan such as a Code Section 401(k) plan, simplified employee pension plan, or SIMPLE IRA for a calendar year exceed the applicable maximum amount set forth in this Section 2(a). On or before March 1 of the year following the year for which the Excess Elective Deferral Contribution was made, the Account Owner may notify the Custodian that all or a portion of such Excess Elective Deferral Contribution is allocated to the Account. Such Excess Elective Deferral Contributions shall be held in a separate Account for purposes of Code Section 72 and pursuant to Treasury Regulation Section 1.403(b)-4(f). Notwithstanding any other provision herein, the Account Owner may direct the Custodian to distribute any such Excess Elective Deferral Contribution (and any income attributable thereto) on or before the immediately following April 15. The Account Owner shall be responsible for determining and paying any tax imposed upon such Excess Elective Deferral Contributions.
- (b) **Rollover Contributions.** A Rollover Contribution in cash may be made at any time as permitted by Code Section 403(b) and regulations thereunder.
- (c) **Other Contributions.** No contributions other than Elective Deferral Contributions and Rollover Contributions may be made to the Account. Thus, for example, designated Roth contributions in the form of Elective Deferral Contributions or Rollover Contributions may not be made to the Account.

Notwithstanding the preceding paragraph, a contribution not to exceed the amount of a qualified hurricane distribution described in Code Section 1400Q may be made at any time during the 3-year period beginning on the day after the distribution was received. In addition, an Account Owner whose employment is interrupted by qualified military service may elect to make additional Elective Deferral Contributions pursuant to Code Section 414(u).

- (d) **Minimum Contributions.** Contributions to the Account shall be subject to such minimum amounts as the Custodian may impose and announce from time to time.
- (e) **Limitation of Custodian’s Responsibilities.** Notwithstanding any other provision herein, the Custodian has no duty or responsibility to (i) collect, or determine the source or correctness of, any contribution, (ii) to determine whether any contribution exceeds the limits of this Section 2 or is excludible from income for federal, state, or local income or other tax purposes, or (iii) to distribute any Excess Elective Deferral Contribution in the absence of the Account Owner’s or Administrator’s proper direction to do so.

3. BENEFICIARIES

- (a) **Designation.** The Account Owner may designate one or more beneficiaries of the Account. A beneficiary designation is not valid unless it is (i) in a form acceptable to the Custodian, (ii) received by the Custodian on a date prior to the Account Owner’s date of death, and (iii) maintained in the Custodian’s records at the time of any request for a distribution or other payment from the Account; provided, however, that if a Plan explicitly provides otherwise and no distribution has been made to a beneficiary otherwise determined pursuant to this Section 3, a valid beneficiary designation on file with the Plan shall govern the disposition of the Account on death and the Custodian shall be entitled to conclusively rely on the direction of the Administrator with respect to such disposition.

- (b) **Change or Revocation.** The Account Owner may change or revoke any beneficiary designation, provided such change or revocation meets the requirements of Section 3(a).
- (c) **Allocation of Account.** The Account Owner may direct the portion of the Account to be allocated to each beneficiary following the Account Owner's death, provided such direction meets the requirements of Section 3(a). Unless the Account Owner directs otherwise, the following rules apply.
 - (i) If more than one primary beneficiary is designated, then the Account will be allocated to all primary beneficiaries equally. If a primary beneficiary has predeceased the Account Owner, then his portion of the Account will be allocated to any surviving primary beneficiaries equally.
 - (ii) If no primary beneficiaries have survived the Account Owner, then the Account will be allocated to any contingent beneficiaries equally. If a contingent beneficiary has predeceased the Account Owner, then his portion of the Account will be allocated to any surviving contingent beneficiaries equally.
- (d) **Default Beneficiary.** If no primary or contingent beneficiaries designated pursuant to Section 3(a) or 3(b) have survived the Account Owner, or if no beneficiaries have been properly designated at the time of the Account Owner's death, the primary beneficiaries shall be the Account Owner's surviving spouse, or if none, his surviving issue per stirpes, or if none, his estate.
- (e) **Minor or Incapacitated Beneficiary.** Following the death of the Account Owner, if the Custodian is notified that a beneficiary is a minor or otherwise lacks legal capacity under applicable state law, then the Custodian may distribute, or take any other action with respect to, such beneficiary's portion of the Account pursuant to the direction of the beneficiary's parent or legal representative; provided, however, such person must furnish or cause to be furnished evidence of authority that the Custodian deems necessary or desirable. The Custodian will not be liable for acting based upon authority that appears on its face to be genuine, or for failing or refusing to act based upon authority that it is not satisfied is genuine, and the Custodian has no duty of further inquiry.
- (f) **Death of Beneficiary.** Following the death of the Account Owner, a beneficiary may designate one or more persons to direct the investment, and to receive distribution, of the beneficiary's portion of the Account remaining at the time of the beneficiary's death, if any. Any such person (or, upon his death, any such person's estate) must receive distributions from the Account at least as rapidly as would have been required of the beneficiary under Section 5 had he survived.
- (g) **Claim of Beneficiary Status.** If following the death of the Account Owner any person who has not been properly designated as a beneficiary of the Account under Section 3(a) or 3(b) and who is not a default beneficiary under Section 3(d) (a "Claimant") claims to be a beneficiary of all or a portion of the Account then, notwithstanding anything herein to the contrary, the beneficiary(ies) of the Account will be the person or persons identified in the Plan and certified by the Administrator or agreed upon in a writing acceptable to the Custodian by and between such Claimant and any other person or persons to whom a distribution might otherwise be made from the Account, including, but not limited to any designated or default beneficiaries who survive the Account Owner. Alternatively, or in the event that such persons fail or refuse to enter into such an arrangement, the beneficiary(ies) shall be the person or persons determined and identified in an order issued or certified by a court of competent jurisdiction that is binding upon all such persons.
- (h) **Limitation of Custodian's Responsibilities.** Notwithstanding any other provision herein, the Custodian has no duty or responsibility to (i) locate a beneficiary, or notify a beneficiary of the existence of the Account, upon the Account Owner's death or (ii) follow the direction of any person claiming to be a beneficiary of the Account, unless and until such person is determined to be a beneficiary pursuant to the provisions of this Section 3, and the Custodian has no duty of further inquiry.

4. INVESTMENTS

- (a) **Permitted Investments.** An Account may be invested in Putnam Funds or stock of other regulated investment companies that are acceptable to the Custodian.
- (b) **Investment Direction.** The Account Owner will direct the Custodian with respect to the investment of amounts held in the Account. Unless otherwise directed, any cash dividends and capital gains distributions from a Putnam Fund will be reinvested in such Putnam Fund. The Custodian will have no duty or responsibility to question any investment directions it receives. The Account Owner hereby directs the Custodian to invest in the Putnam Money Market Fund (or other similar fund) any amounts held in the Account for which other investment directions are not received in good order. Following the Account Owner's death, this Section 4(b) will apply to a beneficiary (or the beneficiary of such beneficiary) with respect to his portion of the Account as if such beneficiary (or the beneficiary of such beneficiary) were the Account Owner.
- (c) **Voting.** Subject to applicable law, the Custodian will deliver to the Account Owner copies of notices of shareholders' meetings, proxies and proxy soliciting materials, prospectuses, and annual or other reports to shareholders that it receives for Putnam Funds and other stock of regulated investment companies in the Account. The Account Owner may direct the manner in which such Putnam Funds or other stock of regulated investment companies are voted with respect to any matters contained in such materials. In the event the Custodian does not timely receive voting instructions in good order for any shares of a Putnam Fund, the Account Owner affirmatively directs the Custodian to vote such shares in the same proportions as the Custodian has been instructed to vote the shares of such Putnam Fund held in all Putnam 403(b)(7) Custodial Accounts. Following notice of the Account Owner's death, this Section 4(c) will apply to a beneficiary (or the beneficiary of such beneficiary) with respect to his portion of the Account as if such beneficiary (or the beneficiary of such beneficiary) were the Account Owner.
- (d) **Investment Advice.** Notwithstanding any other provision herein, the Custodian has no duty or responsibility to render advice with respect to the investment of amounts held in the Account and will not be liable for any loss incurred with respect to any investment purchased, sold, or retained in accordance with the directions of the Account Owner (or, following the Account Owner's death, a beneficiary or the beneficiary of such beneficiary).

5. DISTRIBUTIONS

- (a) **Direction.** Subject to the provisions of this Section 5, the Account Owner may direct the Custodian to distribute all or any portion of the Account, and following the Account Owner's death, a beneficiary (or the beneficiary of such beneficiary) may direct the Custodian to distribute all or any portion of his portion of the Account. A direction to make a distribution from the Account must be in writing or by or through another medium acceptable to the Custodian. In addition, the Custodian will not be required to make a distribution until it is furnished with any and all applications, certificates, tax waivers, signature guarantees, and other documents or information (including power of any legal representative's authority) deemed necessary or desirable by the Custodian or that may be required by the Putnam Funds pursuant to the terms of their respective prospectuses and statements of additional information.

Effective as of January 1, 2009, a distribution from the Account shall also require the Administrator to certify such facts within its knowledge or to transmit another party's certification as to such facts as may be necessary to assure (i) the continued tax favored status of the Account or (ii) that the Plan under which the Account is established or maintained continues to be tax compliant under Code Section 403(b), unless the Custodian determines that such certification is not required to satisfy Code Section 403(b) and the regulations thereunder.

Notwithstanding the foregoing, the Custodian will not be liable for complying with directions that appear on their face to be genuine, or for refusing to comply with directions that it is not satisfied are genuine, and the Custodian assumes no duty of further inquiry.

- (b) **Form.** The Account Owner (and, following the Account Owner's death, a beneficiary or the beneficiary of such beneficiary) may direct distributions to be paid:
- (i) from time to time in an amount designated by the Account Owner (or a beneficiary or the beneficiary of such beneficiary as the case may be) in cash or in kind;
 - (ii) in monthly, quarterly, semiannual, or annual installments in cash or in kind over a period designated by the Account Owner; or
 - (iii) by purchase and delivery of an annuity contract providing for payment commencing at such dates as may be selected by the Account Owner.

Nothing herein will require the Custodian to pay installments of less than \$50 per month. Upon notice to the Account Owner (or, following notice of the Account Owner's or beneficiary's death, as applicable, a beneficiary or the beneficiary of such beneficiary) that a monthly installment will be less than \$50, the Custodian will not be obligated to continue such installment payment, or to make any other distribution, unless and until it receives proper direction to make a distribution in another permissible form.

- (c) **Conditions and Limitations.** Except as permitted by Section 2(a)(v) and Sections 5(d), (e), or (f), the Account Owner may not direct the Custodian to distribute all or any portion of the Account before the Account Owner:
- (i) attains age 59½;
 - (ii) encounters a financial hardship, as defined in Treasury Regulation Section 1.403(b)-6(d)(2);
 - (iii) becomes disabled; or
 - (iv) severs from employment, as defined in Treasury Regulation Section 1.403(b)-2(b)(19).

A beneficiary may not direct the Custodian to make any distribution before the Account Owner's death.

A distribution on account of a financial hardship may not exceed the lesser of the amount necessary to relieve the financial hardship or the total amount of contributions in the Account made pursuant to a salary deferral agreement (reduced by any prior hardship distribution(s) and exclusive of any attributable earnings). A financial hardship incurred by the Account Owner's spouse or dependent may qualify as a financial hardship encountered by the Account Owner.

Effective January 1, 2009, the Administrator must certify such facts within its knowledge as demonstrate that a hardship withdrawal is deemed to be necessary to satisfy the Account Owner's financial need (pursuant to Treasury Regulation Section 1.401(k)-1(d)(3)). Contributions to the Account will not be permitted within 6 months of such a withdrawal.

- (d) **Qualified Reservist Distributions.** A qualified reservist distribution described in Code Section 72(t)(2)(G) may be made to an individual called to active duty for a period of at least 180 days (or an indefinite period) after September 11, 2001, provided the distribution was made during the period between the call to active duty and the end of the duty.
- (e) **Domestic Relations Orders.** The Custodian shall notify the Administrator of any domestic relations order applicable to the Account; likewise, the Administrator shall notify the Custodian of the existence of any domestic relations order applicable to the Account. If a domestic relations order provides for distribution of a benefit payable to an alternate payee (within the meaning of Code Section 414(p)), then the Custodian shall make the distribution pursuant to such order regardless of whether the Account Owner is otherwise eligible for a distribution pursuant to this agreement.
- (f) **Plan Termination.** Effective January 1, 2009, upon termination of the Plan, a distribution of the Account Owner's entire Account balance is permitted, subject to the requirements of Code Section 403(b) and regulations thereunder, and the Custodian shall make such a distribution on the direction of the Administrator and/or the Account Owner, as the Custodian shall require. No distribution shall be made unless and until the Administrator and/or the Account Owner provides such documents as the Custodian shall reasonably determine to be necessary or desirable with respect to the Plan's termination.

- (g) **Direct Rollover.** The Account Owner or, after the death of the Account Owner, the spouse beneficiary of an Account Owner, may direct that an eligible rollover distribution be paid in a direct rollover to an eligible retirement plan pursuant to Code Sections 401(a)(31) and 403(b)(10). In the case of a distribution to a beneficiary who at the time of the Account Owner's death was neither the spouse of the Account Owner nor the spouse or former spouse of the Account Owner who is an alternate payee under a domestic relations order, consistent with the terms of the Plan a direct rollover is payable only to an individual retirement account or individual retirement annuity that has been established on behalf of the beneficiary as an inherited individual retirement account within the meaning of Code Section 408(d)(3)(C).
- (h) **Required Minimum Distributions.** Notwithstanding anything herein to the contrary, distributions must comply with Code Sections 401(a)(9) and 403(b)(10), regulations thereunder and the provisions of this Section 5(h).
- (i) **Required Minimum Distributions to the Account Owner.** The Account Owner must distribute at least a minimum amount (calculated as described below) from the Account for the calendar year in which the Account Owner reaches age 70½ (or retires, if later, or, effective January 1, 2009, unless the Plan otherwise provides) and each calendar year thereafter. The minimum amount for the first such calendar year must be distributed by April 1 of the following calendar year (the "Required Beginning Date"). The Account Owner must distribute the minimum amount for each subsequent calendar year by December 31 of that year.

For each year a distribution is required, the minimum distribution amount is determined by dividing the balance of the Account as of the preceding December 31 (adjusted to the extent required under applicable regulations) by a distribution period factor. The distribution period factor is determined from the following chart, using the Account Owner's age as of his birthday in the year for which the minimum distribution is required:

Age	Distribution Period Factor	Age	Distribution Period Factor
70	27.4	93	9.6
71	26.5	94	9.1
72	25.6	95	8.6
73	24.7	96	8.1
74	23.8	97	7.6
75	22.9	98	7.1
76	22.0	99	6.7
77	21.2	100	6.5
78	20.3	101	5.9
79	19.5	102	5.5
80	18.7	103	5.2
81	17.9	104	4.9
82	17.1	105	4.5
83	16.3	106	4.2
84	15.5	107	3.9
85	14.8	108	3.7
86	14.1	109	3.4
87	13.4	110	3.1
88	12.7	111	2.9
89	12.0	112	2.6
90	11.4	113	2.4
91	10.8	114	2.4
92	10.2	115 and older	2.4

Alternatively, if the sole beneficiary for a year is the Account Owner's spouse and the spouse is more than ten years younger than the Account Owner, the distribution period factor is equal to the joint life expectancy of the Account Owner and the spouse under life expectancy tables set forth in Treasury Regulation Section 1.401(a)(9)-9, or any successor thereto, using the age of the Account Owner and the spouse as of their birthdays in the year for which the distribution is required.

(ii) **Required Minimum Distributions to a Beneficiary.**

(A) **Death on or after Required Beginning Date.** If the Account Owner dies on or after the Required Beginning Date, a beneficiary must withdraw at least a minimum amount of his portion of the Account by December 31 of the year following the year of the Account Owner's death and each subsequent year. The minimum amount is determined by dividing the balance of the beneficiary's portion of the Account as of December 31 of the preceding year by a distribution period factor. The distribution period factor for the first year following the year of the Account Owner's death will equal the beneficiary's life expectancy under life expectancy

tables under Treasury Regulation Section 1.401(a)(9)-9, or any successor thereto, using the beneficiary's age as of his birthday in that year. Alternatively, if the beneficiary is at least the age of the Account Owner or is not an individual, the distribution period factor for the first year is determined using the Account Owner's age as of his birthday in the calendar year of the Account Owner's death.

For each subsequent year, the prior year's distribution period factor is reduced by one. Notwithstanding the foregoing, if the beneficiary is the Account Owner's spouse, the distribution period factor may be recalculated for each subsequent year using the spouse's age as of the spouse's birthday in that year during the spouse's lifetime, and for each year following the year of the spouse's death, the prior year's life expectancy factor is reduced by one.

- (B) **Death before Required Beginning Date.** The Account Owner dies before the Required Beginning Date, a beneficiary may elect to withdraw amounts using an applicable method under Section 5(h)(ii)(A) above, provided that
- (1) the beneficiary may not use a distribution period factor based on the Account Owner's age, and
 - (2) if the sole beneficiary is the Account Owner's spouse, he or she may elect to postpone distributions until the end of the calendar year in which the Account Owner would have reached age 70½.

Alternatively, on or before December 31 of the year following the year of the Account Owner's death, a beneficiary may elect to withdraw his portion of the Account at any time or times by the end of the calendar year containing the fifth anniversary of the Account Owner's death. If the beneficiary is not a living person, it must use this alternative. Effective January 1, 2009, the provisions of this Section 5(h)(ii)(B) shall apply to the extent permissible under the Plan.

- (C) **Special rules for multiple beneficiaries.** If more than one beneficiary maintains an interest in the Account as of September 30 of the year following the year of the Account Owner's death, special rules apply. Each of those beneficiaries may use a distribution period factor based on his own life expectancy for purposes of Sections 5(h)(ii)(A) and 5(h)(ii)(B) above for years following the year in which a separate account is established for his interest, so long as the separate account is established by December 31 of the year following the year of the Account Owner's death. Otherwise, all beneficiaries must use a distribution period factor based on the life expectancy of the oldest beneficiary (or, if one or more beneficiaries are not living persons, all beneficiaries must use the rules that apply to beneficiaries that are not living persons). Beneficiaries must contact the Custodian to establish separate accounts for their interests under the Account.

- (i) **Federal Income Tax Withholding.** The Custodian will withhold 20% of any distribution that is an eligible rollover distribution within the meaning of Code Section 401(a)(31) and 403(b)(10) as federal income tax withholding, unless it is directly rolled over to an eligible retirement plan. The Custodian will withhold 10% of any other distribution, unless the Account Owner (or, following the Account Owner's death, a beneficiary or beneficiary of such beneficiary) elects that no amount or another amount be withheld.
- (j) **Limitation of Custodian's Responsibilities.** Notwithstanding any other provision herein, the Custodian has no duty or responsibility (i) to ensure that distributions are made in accordance with Section 5(h), (ii) to determine the correctness or taxable amount of any distribution, (iii) to determine whether any domestic relations order is qualified pursuant to Code Section 414(p), or (iv) to make any distributions from the Account, unless and until it receives directions in accordance with this Section 5.

6. TRANSFERS AND EXCHANGES

(a) **Transfers and Exchanges to the Account.** In accordance with the provisions of Treasury Regulation Section 1.403(b)-10 and this Section 6(a), the Account Owner may transfer or exchange in to the Account in cash all or a portion of the Account Owner's interest in:

- (i) another custodial account maintained for his benefit in accordance with Code Section 403(b)(7); or
- (ii) an annuity contract maintained for his benefit in accordance with Code Section 403(b)(1).

In the event the Account Owner transfers an amount from a custodial account or annuity contract described in this Section 6(a) that is maintained in connection with a plan subject to Sections 205 and 206 of Title I of the Employee Retirement Income Security Act of 1974, as it may be amended from time to time, the provisions of such Sections will continue to apply with respect to such amount.

Provided that both the transferor plan and the Plan permit such a transfer, a transfer to the Account pursuant to a plan-to-plan transfer that complies with the requirements of Treasury Regulation Section 1.403(b)(3)-10(b)(3) will be permitted. Such transferred amounts shall be treated in the same manner as other contributions to the Account except that to the extent any amount transferred is subject to distribution restrictions more stringent than those imposed under this agreement, the distribution restrictions applicable to the transferor plan shall apply.

The Account will also accept amounts received in a contract exchange, provided such exchange complies with the requirements of Treasury Regulation Section 1.403(b)-10(b)(2).

(b) **Transfers and Exchanges from the Account.** In accordance with the provisions of Treasury Regulation Section 1.403(b)-10 and this Section 6(b), the Account Owner may direct the Custodian to transfer or exchange all or a portion of the Account in cash to:

- (i) the custodian of another custodial account maintained for his benefit in accordance with Code Section 403(b)(7); or
- (ii) the issuer of an annuity contract maintained for his benefit in accordance with Code Section 403(b)(1).

The Custodian will have the right to reduce from the amount to be transferred any amounts referred to in Section 7(d) below. Upon such transfer, the terms and conditions of this Account will have no further effect, and the terms and conditions of the account to which such transfer is made will govern.

A transfer from the Account pursuant to a plan-to-plan transfer that complies with the requirements of Treasury Regulation Section 1.403(b)-10(b)(3) will be permitted, provided the Plan and the receiving plan permit such a transfer and the Account Owner is an employee or former employee of the employer (or the business of the employer) of the receiving plan.

All or a portion of the Account may be exchanged prior to a distribution event specified in Section 5(c) to another Code Section 403(b) contract under the Plan provided that such exchange complies with the requirements of Treasury Regulation Section 1.403(b)-10(b)(2).

(c) **Limitation of Custodian's Responsibilities.** Notwithstanding any other provision herein, the Custodian has no duty or responsibility (i) to collect any transfer to the Account, (ii) to determine the correctness of any transfer to or from the Account, (iii) to determine whether any other account to or from which a transfer is made is a custodial account or annuity contract within the meaning of Code Section 403(b)(7) or 403(b)(1), respectively, maintained on behalf of the Account Owner (or a beneficiary as the case may be), or (iv) in the case of a transfer to an annuity within the meaning of Code Section 403(b)(1), to determine whether the transferred amount (and any earnings thereon) will be subject to the restrictions set forth in Code Section 403(b)(11) under the annuity. The Custodian likewise has no duty or responsibility to determine whether the

requirements of Treasury Regulation Section 1.403(b)-10 regarding contract exchanges within the same plan or plan-to-plan transfers are met.

7. CUSTODIAN RIGHTS AND RESPONSIBILITIES

- (a) **Record Keeping.** The Custodian will keep records showing the amount of the Account Owner's interest in the Account. Upon request, the Custodian will keep records showing the amount of each beneficiary's interest in the Account. The Custodian will also give access to its records with respect to the Account at reasonable times and upon reasonable notice to the Account Owner or beneficiary, as the case may be, or to the Administrator, or any person that the Custodian reasonably believes has been delegated authority by the Administrator to act on its behalf with respect to the Account or the Plan, or to any person required by law to have access to such records. The Custodian has no duty or responsibility to keep records of deductible contributions separately from nondeductible contributions.
- (b) **Accounting.** Within a reasonable period after the end of each calendar year and after the termination of the Account, the Custodian will render or make available to the Account Owner (or a beneficiary or a beneficiary of such beneficiary as the case may be) and to other persons as required by law ("Recipients"), an accounting of transactions under the Account during the preceding calendar year or interim period through termination. The following rules will apply to such accounting, to the extent permitted by applicable law. The accounting will be considered approved with the same effect as though it had been judicially allowed, except to the extent that, within 60 days after the accounting is rendered, a Recipient notifies the Custodian of an objection to a matter or transaction shown in, or omitted from, the accounting. If such notice is timely given and such objections cannot be amicably settled, the Recipient will have the right to have such objections settled by judicial proceedings, provided that such proceedings are commenced within 60 days from the filing of the objection to the accounting. Nothing herein will be construed as depriving the Custodian of the right to have a judicial settlement of accounting. In any proceeding for a judicial settlement, the only necessary parties will be the Custodian and all persons to whom the accounting was rendered, and any judgment or decree entered in any such proceeding will be binding and conclusive on all persons claiming to have any interest in the Account.
- (c) **Reporting.** The Custodian will make reports regarding the Account to the Commissioner of Internal Revenue or his delegate and individuals for whom the Account is maintained with respect to contributions, distributions, and such other matters as the Commissioner or his delegate may require. The Account Owner (and, following the Account Owner's death, a beneficiary or beneficiary of such beneficiary) will furnish such information as is necessary to prepare such reports. Such reports will be filed at such time and in such manner and furnished to such individuals at such time and in such manner as may be required by regulation.
- (d) **Compensation.** The Custodian will be entitled to reasonable compensation for services rendered, as determined from time to time on such basis as will be specified by the Custodian. Unless otherwise provided, the Custodian's compensation and all reasonable expenses incurred by it in the administration of the Account will be paid from the Account. The Account Owner expressly authorizes the Custodian to redeem Account investments for the purpose of paying such amounts.
- (e) **Limitation of Liability.** The Custodian will be responsible hereunder only with respect to amounts actually deposited in the Account and earnings thereon. The Custodian will not be liable for any acts or omissions, except its own negligence or bad faith in failing to carry out its obligations under this Putnam 403(b)(7) Custodial Account Agreement. The Custodian makes no representation and has no duty or responsibility with respect to the federal or state tax treatment of contributions to the Account, the earnings thereon or distributions from the Account.
- (f) **Reliance.** For all purposes hereunder, the Custodian may conclusively rely on any information provided by the Account Owner, or following the Account Owner's death, a beneficiary or beneficiary of such beneficiary, or the

Administrator or any person that the Custodian reasonably believes has been delegated authority by the Administrator to act on its behalf with respect to the Account or the Plan.

- (g) **Successor.** Any corporation or other entity into which the Custodian may merge or with which it may consolidate or any corporation or other entity resulting from any such merger or consolidation will be the successor of the Custodian hereunder without the execution or filing of any additional instrument or the performance of any further act.
- (h) **Resignation.** The Custodian may resign at any time upon 30 days notice to the Account Owner (or, following receipt of notice of the Account Owner's death, a beneficiary). Resignation of the Custodian will not terminate the Account. The Account Owner (or a beneficiary or beneficiary of such beneficiary as the case may be) will take all reasonable steps necessary to appoint a successor custodian or, if the Account Owner (or beneficiary) fails or refuses to do so, the Custodian may appoint a successor custodian. Any successor custodian will be a "bank" within the meaning of Code Section 581 or another person found qualified to act as a custodian under a Code Section 403(b)(7) custodial account by the Secretary of the Treasury or his delegate. The appointment of a successor custodian will be effective upon receipt by the Custodian of its written acceptance of such appointment. Within 30 days of the effective date of a successor custodian's appointment, the Custodian will perform all acts necessary to transfer and deliver the assets and records of the Account to the successor custodian. Notwithstanding the foregoing, the Custodian may reserve such portion of the Account as it may reasonably determine to be necessary for payment of its compensation and any taxes and expenses and any balance of such reserve remaining after payment of such compensation, taxes, and expenses will be paid over to the successor custodian.
- (i) **Information Sharing.** Each person that is an Authorized Recipient may share any Sensitive Customer Information and any information concerning the Account and the Account Owner (and the beneficiary and beneficiary of such beneficiary) with each other Authorized Recipient to the extent reasonably necessary or desirable to implement the terms and conditions of the Plan, this agreement and any and all agreements contemplated hereby, including without limitation the provisions of this agreement relating to transfers and exchanges into and out of this Account, in compliance with Code Section 403(b) and regulations thereunder or as reasonably necessary to satisfy other tax requirements. The Account Owner (and each Account Owner's beneficiary and their respective beneficiaries) hereby acknowledge and agree that each Authorized Recipient is authorized to receive and share the Sensitive Customer Information and any information concerning the Account and the Account Owner (and the beneficiary and beneficiary of such beneficiary) with each such other Authorized Recipient to the extent reasonably necessary or desirable to implement the terms and conditions of the Plan and this agreement and any and all agreements contemplated hereby.

8. AMENDMENT AND TERMINATION OF ACCOUNT

- (a) **Amendment.** The Custodian may at any time and from time to time modify or amend this agreement as is necessary or desirable by delivering a copy of the amendment to the Account Owner, (or, following receipt of notice of the Account Owner's death, each beneficiary) and, as necessary, the Administrator, at the address then contained in the Custodian's records. Any amendment may apply retroactively, to the extent permitted under applicable law. The Account Owner (or a beneficiary as the case may be) will be deemed to have consented to and adopted any modification or amendment so made. No amendment of this Account may be inconsistent with applicable law or cause any part of the Account to be used for a purpose other than for the exclusive benefit of the Account Owner and his beneficiaries. No amendment will change the rights, duties, or responsibilities of the Custodian without its written consent. The Account Owner specifically acknowledges and agrees that the Account may require amendment as a result of changes in the laws governing Code Section 403(b)(7) custodial accounts or in response to guidance published by the Internal Revenue Service.

- (b) **Termination.** Upon complete distribution of the Account for any reason, the Account will terminate and will have no further force and effect, and the Custodian will have no further obligation or liability with respect to the Account except as required by applicable law. Following the Account Owner's death, this Section 8(b) will apply to a beneficiary's (or the beneficiary of such beneficiary's) portion of the Account as if the beneficiary were the Account Owner.

9. OTHER TERMS AND CONDITIONS

- (a) **Nonforfeitability.** The Account is established for the exclusive benefit of the Account Owner and his beneficiary or beneficiaries. The Account Owner's (or, following the Account Owner's death, a beneficiary's or the beneficiary of such beneficiary's) interest in the Account is nonforfeitable at all times.
- (b) **Spendthrift Provision.** To the extent permitted by applicable law and except as provided herein, a beneficial interest in the Account will not be assignable, transferable, subject to hypothecation, pledge or lien, nor subject to attachment or receivership, nor will it pass to any trustee in bankruptcy or be reached or applied by the legal process for the payment of any obligation of the beneficial owner hereunder. Notwithstanding the foregoing, all or a portion of the Account that is lawfully demanded under a valid levy issued by the Internal Revenue Service or under a judgment resulting from an unpaid tax assessment against the Account Owner (or a beneficiary or beneficiary of such beneficiary) that is sought to be collected by the United States may be paid if the Custodian deems such payment to be permissible.
- (c) **Directions and Designations.** Except as otherwise provided herein and subject to applicable law, any direction or designation hereunder may be made in writing or by or through another medium acceptable to the Custodian.
- (d) **Security.** The Account Owner (or, following the Account Owner's death, a beneficiary or the beneficiary of such beneficiary) authorizes, and acknowledges and assumes the risk inherent in, the use of a personal identification number and other identifying information as a security mechanism to ensure confidentiality of Account data and to ensure proper identification of the person directing, or otherwise communicating with, the Custodian through a telephone representative, a voice response unit, the Internet, or other electronic means. The Account Owner (or, following the Account Owner's death, a beneficiary or the beneficiary of such beneficiary) directs the Custodian to follow any direction it receives through a telephone representative, a voice response unit, the Internet, or other electronic means with respect to the Account, provided that the Custodian is given the appropriate personal identification number and other identifying information.
- (e) **Notices.** All notices from the Custodian will be deemed to have been given when mailed to the address of the Account Owner (or, following receipt of notice of the Account Owner's death, a beneficiary or the beneficiary of such beneficiary) then contained in the Custodian's records. All notices from the Account Owner (or a beneficiary or the beneficiary of such beneficiary as the case may be) will be deemed to have been given when received by the Custodian.
- (f) **Payment of Taxes.** Notwithstanding any other provision herein, in the event the Custodian is required to pay any tax with respect to the Account, the Account Owner expressly authorizes the Custodian to redeem Account investments for the purpose of paying such taxes.
- (g) **Incapacity of Account Owner.** In the event the Account Owner (or, following the Account Owner's death, a beneficiary or the beneficiary of such beneficiary) becomes legally incapacitated under applicable state law, the Custodian may follow the proper direction of his legal representative; provided, however, that such representative must furnish or cause to be furnished evidence of authority that the Custodian deems necessary or desirable. The Custodian will not be liable for acting based upon authority that appears on its face to be genuine, or for failing or refusing to act based upon authority that it is not satisfied is genuine, and the Custodian assumes no duty of further inquiry.
- (h) **Exclusive Benefit.** The assets and income of the Account shall be used for the exclusive benefit of the Account Owner and his beneficiary (or the beneficiary of such beneficiary).

- (i) **Governing Law.** This agreement and the Adoption Agreement will be construed, administered, and enforced according to the laws of The Commonwealth of Massachusetts (determined without regard to its choice of law rules) and according to the Code with the intention of maintaining the qualification of the Account for the tax benefits afforded by Code Section 403(b).

10. DEFINITIONS

- (a) **Account.** The Code Section 403(b)(7) custodial account set forth in this instrument, as it may be amended from time to time.
- (b) **Account Owner.** The individual who is shown as the owner of the Account in the Adoption Agreement with respect to the Account.
- (c) **Administrator.** The administrator of the Plan, as specified in the Plan document, or if none, the employer (or former employer as applicable) of the Account Owner. In no event shall the Custodian or any of its affiliates be considered to be the Administrator.
- (d) **Adoption Agreement.** The agreement through which the Account Owner adopts the Account and agrees to its terms and conditions, as it may be amended from time to time.
- (e) **Authorized Recipient.** The Administrator, the Account Owner's employer or former employer, the Custodian and any person that the Custodian reasonably believes has been delegated authority by the Administrator, the Account Owner's employer or former employer or the Account Owner to act on behalf of the Administrator with respect to the Account, any beneficiary of the Account Owner, any beneficiary of a beneficiary of the Account Owner, the Custodian and the Custodian's employees, officers, agents, and affiliates.
- (f) **Code.** The Internal Revenue Code of 1986, as it may be amended from time to time.
- (g) **Compensation.** An Account Owner's actual wages as reported in Box 1 of Form W-2 for a year for services to the employer, but subject to a maximum of \$230,000 (for 2008 or such other amount as may apply under Code Section 401(a)(17)) and increased (up to the dollar maximum) by any compensation reduction election under Code Section 125, 132(f), 401(k), 403(b) or 457(b) (including any Elective Deferral Contribution to the Account). The amount of Compensation is determined without regard to any community property laws.
- (h) **Custodian.** Putnam Fiduciary Trust Company, LLC.
- (i) **Disabled.** Unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or to be of long continued and indefinite duration.
- (j) **Elective Deferral Contributions.** The employer contributions made to the Account pursuant to the Plan at the election of the Account Owner in lieu of receiving cash Compensation. Elective Deferral Contributions are limited to pre-tax salary reduction contributions.
- (k) **Plan.** The plan under which the Account is established or maintained by the Account Owner's employer (or former employer) that is intended to satisfy the requirements of final regulations issued under Code Section 403(b) scheduled to become effective as of January 1, 2009.
- (l) **Putnam Funds.** Shares issued by any regulated investment company for which Putnam Investment Management, LLC, or its successor or affiliate, serves as investment advisor, or for which Putnam Retail Management Limited Partnership, or its successor or affiliate, serves as principal underwriter; provided, however, that in the case of any open-end investment company, the then current prospectus provides that such investment company offers its shares for purchase under the Account.

- (m) **Qualified Organization.** A qualified organization within the meaning of Code Section 402(g)(7)(B), including but not limited to an educational organization, hospital, home health service agency, health and welfare service agency, church, or convention or association of churches.
- (n) **Rollover Contribution.** A rollover contribution described in Code Section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16). No after tax contributions may be rolled over to the Account.
- (o) **Sensitive Customer Information.** Sensitive Customer Information as defined in the Interagency Guidance on Response Programs for Unauthorized Access to Customer Information and Customer Notice issued by the Office of the Comptroller of the Currency, Treasury, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation and the Office of Thrift Supervision, Treasury and which shall include, without limitation, the Account Owner's (and the Account Owner's beneficiaries' and their respective beneficiaries') name, address, or telephone number in conjunction with the Account Owner's (or the Account Owner's beneficiaries' and their respective beneficiaries') Social Security number, date of birth, driver's license number, account number or a personal identification number or password that would permit access to the Account Owner's account, or any combination of components of the Account Owner's personal information that would allow someone to log on to or access the customer's account, such as user name and password or password and account number.