APPLETON
FUNDS

INDIVIDUAL RETIREMENT ACCOUNT

- *Application*
- *Transfer Form*
- *Disclosure Statements*
- *Custodial Agreements*

For use with: Traditional, Roth, Rollover & SEP IRA's

INSTRUCTIONS

1) If you are establishing a Traditional, Rollover or SEP IRA read Sections One, Two and Three of this packet before completing the Application. If you are establishing a Roth IRA read Sections Four, Five and Six of this packet before completing the Application.

2) If you would like to transfer assets from a current IRA, or have the Trustee of your Qualified Retirement Plan, 403(b) Annuity, or Municipal 457 Plan make a Direct Rollover for you, please complete this IRA Application and the IRA Transfer or Direct Rollover Request, and send them to Appleton Funds. An IRA will be established and then direct the current Trustee or Custodian to send the check for deposit in the newly established IRA.

3) Mailing Instructions: The completed Appleton Funds IRA Application, check for your contribution payable to Appleton Funds IRA, and the IRA Transfer or Direct Rollover Request (if applicable) should be mailed to:

Retirement Plans Department
P.O. Box 5354
Cincinnati, Ohio 45201-5354
1-877-71-APPLE

APPLETON *FUNDS*

Application for Traditional, Roth and SEP IRAs

Return completed form to:
Retirement Plans Department, P.O. Box 5354, Cincinnati, Ohio 45201-5354

Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, residential address, date of birth, government identification number and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents. If we do not receive these required pieces of information, there may be a delay in processing your investment request, which could subject your investment to market risk. If we are unable to immediately verify your identity, the Fund may restrict further investment until your identity is verified. However, if we are unable to verify your identity, the Fund reserves the right to close your account without notice and return your investment to you at the price determined as of 4:00 p.m. Eastern time on the day in which your account is closed. If we close your account because we are unable to verify your identity, your investment will be subject to market fluctuation, which could result in a loss of a portion of your principal investment.

1 IRA OWNER INFORMATION (*This information must be provided to open an account.)

Please type or print clearly.

Name* ______ Telephone Number ______

Street Address (required)* ______ City* ______ State* ______ Zip* ______

Mailing Address (if different from Street Address) ______ Social Security Number* ☐☐☐ ☐☐ ☐☐☐☐

City ______ State ______ Zip ______ Date of Birth* ☐☐ mo. ☐☐ day ☐☐ yr.

Occupation and Employer Name/Address ______

Are you an associated person of an NASD member? Yes_____ No_____ Citizen or permanent resident of USA? Yes_____ No_____ If no, country of residence:_________

Please make check payable to: **Appleton Funds**.

2 TYPE OF IRA

Please check one box. (Fill out a separate Application for each type of account.) ❑ **Total investment of $_________________**

❑ Traditional IRA Contributory (Tax year of contribution ___________)

❑ Traditional IRA Transfer or Rollover(1)(3)

❑ Traditional IRA Rollover from SIMPLE IRA(4)

❑ SEP IRA(2) — complete information below

Employer Name:______________________

Employer Address: ______________________

Employer Phone: ______________________

❑ Roth IRA Contributory (For________tax year)

❑ Roth IRA Transfer or Rollover(1)

❑ Roth IRA Conversion from Traditional IRA*

* Please complete Section 5 of the Direct Transfer form.

1 If you are establishing this account in order to transfer assets from another IRA, please complete the IRA Transfer or Direct Rollover Request and send it along with this Application.

2 Participant salary reduction permitted only if "Salary Reduction" feature was in effect on, or before, December 31, 1996.

3 If you are establishing this account to receive a "Direct Rollover" from your employer's qualified retirement plan, 403(b) annuity, or Municipal 457 plan, please complete the IRA Transfer or Direct Rollover Request and send it to Appleton Funds along with this Application.

4 SIMPLE IRA funds cannot be combined with regular IRA funds during the first two years of the initial participation in the SIMPLE IRA.

3 AUTO INVESTMENT PLAN - APPLETON EQUITY GROWTH FUND

This plan provides for regular subsequent investments to be made electronically through Automated Clearing House (ACH) from your bank account into the Fund. There is no charge at the Appleton Funds, and you may cancel at any time with no obligation or penalty. You are responsible for assuring that your account does not exceed the maximum annual IRA contribution limit. All or some of these contributions may not be tax-deductible in accordance with your specific filing status and income level.

Please withdraw from my bank account $__________(minimum $50) on ❑ Monthly ❑ Quarterly ❑ Semi-Annual ❑ Annual-Basis,

beginning ____/____/____ (date) to be invested in the Fund - available any day from the 1st to the 25th. If no date is selected, your automatic investment will occur on the 15th of the month. If the date falls on a non-business day, your automatic investment will occur on the following business day.

❑ Checking Account (please attach a voided check) ❑ Savings Account (please attach a preprinted deposit slip)

Bank Account Registration ______ Bank Name ______

Street ______

City ______ State ______ Zip ______

Bank Routing Number ______ Bank Account Number ______

PLEASE COMPLETE THE REVERSE SIDE

4 BENEFICIARY DESIGNATION

Note: If no designation is in effect at the time of your death, or if no Beneficiary survives you, your Account will be paid immediately to your estate. You may change your Beneficiary at any time by filing a new form with the Custodian. I hereby revoke all my prior designations and designate the following person or persons to receive any interest remaining in the IRA upon my death. **If you are married and you are designating a primary beneficiary other than your spouse, spousal consent may be required. See Section 5 below.**

PRIMARY BENEFICIARY(IES)

Name	Relationship	Date of Birth	Social Security Number	Share of Proceeds (as a percentage)

CONTINGENT BENEFICIARY(IES)

(IN THE EVENT THERE ARE NO SURVIVING PRIMARY BENEFICIARIES)

Name	Relationship	Date of Birth	Social Security Number	Share of Proceeds (as a percentage)

5 YOUR SIGNATURE

This Application establishes an Individual Retirement Account as indicated in Section 2 for investment in Appleton Funds:

1) I have read, accept and specifically incorporate into this Application all the provisions of the applicable Custodial Account Agreement.
2) I certify under the penalty of perjury that I am of legal age in my state of residence and I agree that the designation of the tax year for my contribution and my election to treat a contribution as a rollover (if applicable) are irrevocable.
3) I appoint Integrated Fund Services, Inc. as Custodian of the Account.
4) I acknowledge that I have received and read the applicable Appleton Funds IRA or Roth IRA Custodial Account Agreement and Disclosure Statement. I am aware of the fees and expenses as shown on the fee schedule included with the Disclosure Statement. In addition, I certify that I received a copy of the current prospectus of the Appleton Funds and that I have full authority and legal capacity to make the investment applied for pursuant to this Application.
5) **I acknowledge that Mutual Fund Shares are not deposits or obligations of, or guaranteed or endorsed by any bank, credit union or insurance company and are not federally insured by the FDIC, the Federal Reserve, or any other agency. Mutual Fund shares involve certain risks, including the possible loss of principal.**
6) I appoint Integrated Fund Services, Inc. or its successor as my agent to enter orders for shares whether by direct purchase or exchange, to direct dividends and distributions for automatic reinvestment in additional shares of the applicable Fund(s) and to authorize for redemption of shares held in my account in accordance with the prospectus and the procedures elected above.
7) I hereby ratify any instructions given pursuant to this Application and for myself and successors and assigns do hereby release Appleton Funds, its advisors and subadvisors or the distributors, Integrated Fund Services, Inc. and their successors and assigns and their respective officers, employees, agents and affiliates from any and all liability in the performance of the acts instructed herein. I further agree that Integrated Fund Services, Inc. or its successor as agent can cease to act as such agent upon 30 days' notice in writing to me at the address contained in this Application.
8) Under penalty of perjury, I/we also certify that:
   a. The number shown on this application is my/our correct taxpayer identification number(s) (or I am/we are waiting for a number(s) to be issued to me/us); and
   b. I am/we are not subject to backup withholding because:
      (i) I am/we are exempt from backup withholding, or (ii) I/we have not been notified by the IRS that I am/we are subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the IRS has notified me/us that I am/we are no longer subject to backup withholding, and
   c. I am/we are a U.S. person(s) (including a U.S. resident alien).
   Note: Mark through item "b" if you have been notified by the IRS that you are subject to backup withholding because of underreporting interest or dividends on your tax return. The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.
9) I further acknowledge that I am responsible for determining the deductibility of any contributions to my account.
10) I have designated the Beneficiary(ies) on this Application to receive my account upon my death.

X ____

IRA Owner's Signature Date

Complete only if required by state law. (AZ, CA, ID, LA, NV, NM, TX, WA, WI)

Spousal Consent: I am the spouse of the IRA Owner and I approve and consent to the naming of a beneficiary other than myself. I transmute (transfer) any community property interest I have in this IRA into the separate property of my spouse.

X ____

Signature of Spouse Date

6 BROKER DEALER INFORMATION

Firm Name: ____________________ Rep. Name: ____________________

Firm Number: ____________________ Rep. Number: ____________________

Home Office Address: ____________________ Rep. Telephone Number: ____________________

Branch Address: ____________________ Rep. Signature: ____________________

APPLETON *FUNDS*

Transfer or Direct Rollover Request

Return completed form to:
Retirement Plans Department, P.O. Box 5354, Cincinnati, Ohio 45201-5354

1 IRA OWNER INFORMATION

Please type or print clearly.

Name ______ Telephone Number ______

Address ______ Social Security Number ☐☐☐ ☐☐ ☐☐☐☐

City ______ State ______ Zip ______ Date of Birth ☐☐ mo. ☐☐ day ☐☐ yr.

Type of IRA established at Appleton: ❑ Traditional/Rollover ❑ SEP ❑ Roth

2 FROM WHOM ARE YOU TRANSFERRING YOUR IRA?

I authorize my present Custodian/Trustee of my IRA, or my present employer of my retirement plan, to send the assets indicated in Part 3 below directly to my IRA with Appleton Funds.

Name of present Custodian, Trustee or Employer ______

Street Address ______ City ______ State ______ Zip ______

Phone Number *(very important)* ______ Current Account Number(s) ______

Type of account being transferred: ❑ Traditional/Rollover IRA ❑ SEP IRA ❑ Roth IRA ❑ SIMPLE IRA* ❑ 403(b) ❑ Qualified Plan ❑ Municipal 457 Plan

*SIMPLE IRA must be eligible for rollover to Traditional IRA.

3 PAYMENT INFORMATION

Please attach a copy of your most recent statement from the account you wish to transfer or roll over.
I authorize and direct my present Custodian/Trustee to send my assets as follows:

(1) ❑ Immediately **liquidate** all assets and send the cash proceeds.

(2) ❑ Send cash proceeds of all investments at **maturity**.

(3) ❑ Send the assets received at maturity for each of the investments listed below.

Investment	Maturity Date (if applicable)
______	______
______	______

(4) ❑ Immediately send or transfer all assets **"in kind."**

(5) ❑ Partial distribution of $____________(amount to be transferred or converted)

(6) ❑ Other____
____
____
____

4 WHERE TO INVEST YOUR IRA

❑ I am opening a new account and have attached an Application with investment instructions.

❑ Please deposit proceeds into my existing Appleton Funds IRA (account number ___________________________)

PLEASE COMPLETE THE REVERSE SIDE

5 ROTH CONVERSION

May be used only if your AGI is less than $100,000 during the year of the conversion.

The amount I wish the Custodian to convert from the transfer of IRA assets is:

❑ Full Amount

❑ Partial Amount $______________ (A new Roth IRA application must be submitted with this form)

I acknowledge that I will owe taxes on any pre-tax and deducted contributions as well as any earnings or gains converted from my Traditional IRA to a Roth IRA and that the resigning custodian trustee is to withhold zero percent (0%) of the amount converted to Appleton.

Signature X ______________________________ Date ____/____/____

6 SIGNATURE AND CERTIFICATION

I certify that I have established an IRA with Appleton Funds, for which Integrated Fund Services, Inc. is the Custodian. I agree to contact my present Custodian/Trustee from whom I am transferring my retirement money to determine if specific documentation or a Signature Guarantee is required. I understand that I am responsible for determining my eligibility for all transfers or conversions. I agree to hold the Custodian harmless against any and all situations arising from an ineligible transfer or direct rollover. I acknowledge that the Custodian cannot provide legal advice, and I agree to consult with my own tax professional for advice. If I am age 70½ or older, I acknowledge that no part of my required distribution is eligible for transfer or rollover. I further understand that there may be significant tax penalties if I do transfer or roll over any part of my required distribution.

X ______________________________

IRA Owner's Signature Date

Check with the present Custodian/Trustee of your IRA or retirement plan to determine whether or not a Signature Guarantee is required. You may have your signature guaranteed by any eligible guarantor institution (including banks, brokers and dealers, municipal securities brokers and dealers, government securities brokers and dealers, credit unions, national securities exchanges, registered securities associations, clearing agencies and savings associations).

FOR INTEGRATED FUND SERVICES, INC. USE ONLY

Integrated Fund Services, Inc. as the successor Custodian agrees to accept the rollover or transfer of the above referred account. The transfer of assets is to be executed from Trustee/Custodian to Custodian and will not place the participant in actual receipt of the plan assets. No federal income taxes are to be withheld from the transfer of assets. This acceptance refers to cash or "in kind."

Accepted: Integrated Fund Services, Inc.

By: ___________________________________Date: __________

7 TRANSFER/DIRECT ROLLOVER INSTRUCTIONS

(To be completed by IRA Owner) Check one:

❑ **Mail proceeds to:** Appleton Funds IRA
P.O. Box 5354
Cincinnati, Ohio 45201-5354

Please make check payable to: Appleton Funds and reference the account holder's name on the check.

❑ **By Wire:** Call 1-877-71-APPLE for Delivery Instructions*

* If you choose to wire transfer your funds, contact the financial organization from which the funds are to be transferred for information regarding any outgoing wire transfer fees.

Appleton Funds IRA

The Appleton Funds IRA

What is an IRA?

An Individual Retirement Account (IRA) is a special kind of account that will enable you to accumulate money for retirement. The key benefits of an IRA are that all earnings (from dividends, interest and gains) accumulate tax-deferred and, in many cases, contributions are tax deductible. Taxes are paid when you withdraw funds from your IRA. Even if you already participate in an employer-sponsored retirement plan, you are still eligible to establish and contribute to an IRA. Plan participation, however, may affect the deductibility of your contributions.

How much can I put into an IRA?

Assuming that you are under age 70½, you may contribute up to the lesser of your earned compensation or the maximum annual contribution limit found in the table below.

Tax Years	Annual Contribution Limit*	Annual Catch-Up Contribution for Owners Age 50 or Older	Maximum Annual Contribution Limit* for Owner Age 50 or Older (Including Catch-Up Contribution)
2002-2004	$3,000	$500	$3,500
2005	$4,000	$500	$4,500
2006-2007	$4,000	$1,000	$5,000
2008 and thereafter	$5,000	$1,000	$6,000

*Contributions to Roth and Traditional IRAs are aggregated in determining annual contribution limits.

Note: A separate contribution may also be made on behalf of a non-working spouse, subject to the same contribution limits described above, assuming that you file your taxes jointly.

When should I contribute to my IRA?

Individual contributions may be made at any time during the calendar year, but no later than your tax filing due date excluding extensions. For most people this is April 15th. Employer contributions to a SEP IRA can be made up to the employer's tax filing deadline including extensions.

May I also contribute to a Roth IRA?

Assuming that you meet the eligibility requirements for a Roth IRA, you may split your contribution between Traditional and Roth IRAs. Remember that your total combined IRA contributions may not exceed the maximum annual contribution limit described above.

When can I take money out of my IRA?

You can start withdrawing funds from your IRA at any time, but you must start taking funds out by April 1 of the year following the year that you reach 70½. Withdrawals prior to age 59½ may be subject to an additional 10% early distribution penalty tax. Exemptions include death, disability, a distribution that is part of a series of substantially equal payments, payment of unreimbursed medical expenses which exceed 7½% of your adjusted gross income, higher education expenses for yourself or a dependent and certain expenses for qualified first time home buyers.

Please refer to the accompanying Disclosure Statement and Custodial Agreement for more information. The laws and regulations are complex and subject to change. For specific tax information, consult your attorney or accountant and obtain Publication 590, "Individual Retirement Arrangements," from the IRS by calling 1.800.TAX.FORM or visit www.irs.gov.

Benefits of a Appleton Funds IRA

Professional Management

Investments are actively managed by experienced investment professionals.

Low Minimum Investment

See the fund prospectus for details.

Automatic Investment

To establish an automatic investment program, simply determine the amount you want to invest each month. It can be automatically withdrawn from your checking or saving account for deposit into your IRA.

Rollovers/Transfers

IRAs provide a continuing tax-deferral for rollovers and direct transfers from other IRAs and employer-sponsored retirement plans including 401(k), 403(b) and municipal 457 plans.

Convenience

All safekeeping of securities, collection of interest and recordkeeping is performed by the Custodian. You will receive easy-to-read statements.

Benefits of an IRA

The following chart demonstrates the potential advantage of using an IRA to accumulate a retirement fund.

HOW AN INDIVIDUAL RETIREMENT ACCOUNT MAY GROW
Compounded monthly at assumed rates of interest*

		8%		10%		12%	
Starting Age	Total deposits at age 65	Value at age 65	Approx. monthly payment at age 65	Value at age 65	Approx. monthly payment at age 65	Value at age 65	Approx. monthly payment at age 65
20	$180,000	$1,669,700	$12,730	$3,163,200	$28,500	$6,084,900	$63,710
25	160,000	1,119,100	8,530	1,947,400	17,550	3,436,600	35,980
30	140,000	744,400	5,680	1,192,500	10,740	1,933,900	20,250
35	120,000	489,400	3,730	723,800	6,520	1,081,200	11,320
40	100,000	315,800	2,410	432,700	3,900	597,300	6,250
45	80,000	197,700	1,510	252,000	2,270	322,800	3,380
50	60,000	117,300	890	139,800	1,260	167,000	1,750
55	40,000	62,600	480	70,100	630	78,600	820
60	20,000	25,300	190	26,900	240	28,500	300

*Assumes annual deposits of $4,000 are made to the account on January 1 of each year until age 65. Interest rates are used for illustrative purposes only and are not intended to represent the return of any particular type of investment. Interest is compounded at the effective annual rates shown above the columns. The value at age 65 has been rounded to the nearest $100. The lump sum value at age 65 is amortized over a 26-year life expectancy, the approximate joint life expectancy of two 65 year olds according to the IRS life expectancy tables, utilizing the interest rates shown above to determine the approximate monthly payment one could draw from the IRA account. Please note that this illustration assumes tax-deferred growth within the IRA but does not address the tax consequences of either contributions or withdrawals from the account.

Appleton Funds
Disclosure Statement For Traditional IRA and SEP Retirement Plans

Information and Tax Rules Affecting Individual Retirement Accounts or Simplified Employee Pension Plans

The Appleton Funds (the "Fund") furnishes you with the following information in accordance with the requirements of the Internal Revenue Code (the "Code"). You should review this Disclosure Statement along with the accompanying Traditional IRA Custodial Agreement, in addition to the Fund's prospectus for the Appleton Funds.

Right to Revoke the Account

You may revoke your account without obligation if you notify the Fund in writing of your decision to revoke the account. You must send your signed written revocation notice to:

Appleton Funds IRA
P.O. Box 5354
Cincinnati, OH 45201-5354

Your notice of revocation must be mailed within seven (7) days of your completion of the Application.

The written notice must include: (1) your full name and address; (2) your social security number, or account number if known; (3) the date on which your account was established; (4) the amount of your initial contribution.

The date of the postmark, or if certified or registered mail is used, the date of certification or registration will be used to validate the seven-day revocation period. Upon revocation, you will receive a complete refund of your initial contribution, without increase or decrease for any reason.

SEP and SARSEP IRA Contributions

Employers may contribute to IRAs that are used as part of a Simplified Employee Pension plan ("SEP") under Code Section 408(k). A SEP is a retirement plan that an employer establishes for the benefit of his or her employees. All employees who are eligible to be covered under the SEP must establish an IRA to receive the benefits. The SEP rules in the Code allow an employer to contribute each year for each participating employee's SEP-IRA the smaller of up to 25% of compensation or $45,000 for tax year 2007. The contribution limit is indexed for cost of living. If your employer makes a contribution to your SEP-IRA, you are considered an "active" participant in an employer sponsored retirement plan for the tax year the contribution is made. Therefore, you may not be eligible for a deductible contribution into a Traditional IRA. See Section A of this Disclosure Statement for details.

For SARSEPs established prior to 1997, employees of an employer can choose to contribute part of their pay (elective deferrals) to SEP IRAs rather than receive it in cash. For 2007, an employee can choose to defer the smaller of up to 25% of compensation or $15,500. Participants who are age 50 or over at the end of the calendar year can also make catch-up contributions of $5,000 for 2007. The contribution limit is indexed for cost of living.

Traditional IRA Contribution Eligibility and Deductibility

To be eligible to contribute to a Traditional IRA you must be under age 70½ and you must have "compensation". You can contribute to an IRA if you are covered under another tax-qualified retirement plan, however your "active" status in the qualified plan may reduce or eliminate the deductibility of your IRA contribution.

A non-working spouse or a spouse who has elected to be treated as not having received taxable compensation during the tax year may still make an IRA contribution, assuming that you file your taxes jointly. Your spouse may contribute up to the maximum annual contribution limit for a separate Traditional IRA so long as your combined compensation is at least equal to the total amount contributed to all types of IRAs (Traditional and Roth) for yourself and your spouse.

"Compensation" means the wages, tips, salaries, professional fees, bonuses, and other amounts you receive for personal services actually rendered. For a self-employed individual, compensation means the net earnings from your trade or business (provided your personal services are a material income-producing factor), reduced by the deduction for contributions made on your behalf. All taxable alimony or separate maintenance you receive under a divorce or separate maintenance decree is also treated as compensation. If applicable, compensation can also include contributions you made to qualified retirement plans. Compensation does not include earnings from property such as interest, rents and dividends. If compensation is not included in your gross income (such as income earned from sources outside of the United States), it is not treated as compensation.

The annual contribution limit to any IRA is the smaller of your taxable compensation for the year or the maximum annual contribution amount set forth below. Rollover and transfer contributions can be made in addition to the annual contribution. If you are age 50 or older by the end of the tax year and you meet certain requirements, you may make an additional "catch-up" contribution to your IRA as set forth below.

Tax Years	Annual Contribution Limit*	Annual Catch-Up Contribution for Owners Age 50 or Older	Maximum Annual Contribution Limit* for Owner Age 50 or Older (Including Catch-Up Contribution)
2002-2004	$3,000	$500	$3,500
2005	$4,000	$500	$4,500
2006-2007	$4,000	$1,000	$5,000
2008 and thereafter	$5,000	$1,000	$6,000

* Contributions to Roth and Traditional IRAs are aggregated in determining annual contribution limits.

For tax years 2007, 2008 and 2009, individuals affected by an employer's bankruptcy are permitted to make additional catch-up contributions of up to $3,000 per year.

A. Deductible Contributions

1. If both you and your spouse are not covered by any type of qualified retirement plan at work, you can each contribute and deduct your contribution up to the limits specified above. If you file a separate return and are not covered by any type of qualified retirement plan at work, you can contribute and deduct up to the amounts listed above.

2. If you or your spouse is covered by any type of qualified retirement plan, the amount you contribute remains the same and you may take a full deduction if:

a) Your Adjusted Gross Income (AGI) is equal to or is less than the applicable dollar amount listed in the following table and you file as a single taxpayer:

In the case of a single taxpayer:

For taxable years beginning in:	The applicable dollar amount is:
2001	$33,000
2002	$34,000
2003	$40,000
2004	$45,000
2005	$50,000
2006	$50,000
2007 and thereafter*	$52,000

b) You and your spouse's AGI is equal to or less than the applicable dollar amount listed in the table below and you file a joint return.

In the case of a taxpayer filing a joint return:

For taxable years beginning in:	The applicable dollar amount is:
2001	$53,000
2002	$54,000
2003	$60,000
2004	$65,000
2005	$70,000
2006	$75,000
2007 and thereafter*	$83,000

* The MAGI limits will be adjusted for inflation starting with the 2007 tax year. Any inflation adjustments will be rounded to the nearest $1,000 increment.

3. If your AGI exceeds the limits indicated above by less than $10,000 ($20,000 for joint tax returns filed for tax years after 12/31/2006), you can take a partial deduction.

4. If your AGI exceeds the limits indicated above by more than $10,000, ($20,000 for joint tax returns filed for tax years after 12/31/2006), you may make an IRA contribution but you will not be able to take a tax deduction for the contribution.

5. If you and your spouse file separate returns and your AGI is $0.01 - $9,999 you can take a partial tax deduction. If your AGI equals or exceeds $10,000, then no tax deduction for the contribution is allowed.

B. Nondeductible Contributions

If you are excluded from eligibility for a tax-deductible contribution, you may make nondeductible contributions to your Traditional IRA. Any earnings on the nondeductible contribution will not be taxable until the income is actually distributed to you. Your maximum allowable nondeductible contribution is computed as though you were not an active participant in a qualified employer retirement plan (section A 1 above). Or, if you are eligible for a partial deductible contribution, you can contribute the difference (up to the maximum permitted contribution) as a non-deductible contribution.

You must designate on your federal tax return that a contribution is nondeductible. If you make nondeductible contributions, you may first want to consider your eligibility for contributions to a Roth IRA.

Note: A contribution to an IRA, whether deductible or not, above your permissible contribution limit is considered an "excess contribution". If the excess contribution remains in your Traditional IRA beyond your tax-filing deadline (including extensions) for the year in which the excess contribution was made, the amount of the excess is subject to a 6% IRS penalty tax, which can be charged in each year the excess contribution remains in your account.

C. Recharacterizing Traditional and Roth IRA Contributions

You may elect to recharacterize a Traditional IRA contribution to a Roth IRA contribution by directly transferring the amount of the contribution (as well as the contribution's net attributable income) to a Roth IRA no later than your tax return due date (including extensions) for the contribution's designated tax year. Likewise, Roth IRA contributions (as well as the net attributable income) may be recharacterized as Traditional IRA contributions.

D. Transfers, Rollovers and Conversions

1. **Direct Transfers.** If you maintain an IRA with another institution, you may request the custodian or trustee of that IRA to directly transfer all or part of that IRA directly into a Fund IRA. Since there is no distribution to you, this transfer is free of current tax liability and no IRS reporting is generated. A direct transfer may be made at any time and is not subject to limits on the number of times a transfer can take place during a 12-month period.
2. **IRA-to-IRA Rollovers.** If you maintain another IRA and you withdraw all or part of the IRA assets, you have 60 days from the date of receipt to rollover the amount into a Fund IRA. Any amount not rolled over within 60 days generally will be taxable and subject to a possible 10% penalty tax for early withdrawals. Rollover contributions from one IRA to another may occur only once during a 12-month period.
3. **Rollovers from Qualified Retirement Plans.** A rollover can also occur when you transfer jobs or retire and you are entitled to receive funds from your employer's qualified retirement plan. If a distribution is payable to you and is eligible for rollover, the plan administrator must withhold a mandatory federal 20% tax. You may still rollover the full amount to an IRA within 60 days of the receipt of funds, but you will need to contribute from other sources to make up for the 20% withheld for taxes.

   To avoid paying this 20% withholding tax and any additional federal tax on an early distribution, you may request that the qualified plan administrator make a direct rollover to Appleton Funds IRA. The plan administrator will either send the assets directly to a Fund, or they may deliver a check to you, made payable to the fund. You should consult your personal tax advisor regarding rollovers to and from your IRA.

   If you receive a distribution from a qualified retirement plan because of a divorce, it may be transferred to an IRA if it is paid by means of a court order called a qualified domestic relations order (QDRO). In a divorce the Code allows for the transfer of an IRA from one spouse to a former spouse. Also, any distribution you receive from your spouse's plan after his or her death may be rolled over subject to the above listed rules. Hardship distributions from a qualified retirement plan cannot be rolled over into an IRA.

For distributions after December 31, 2006, non-spouse beneficiaries may make a direct transfer to a Beneficiary IRA from a qualified employer-sponsored retirement plan, a 457(b) plan, or a 403(b) plan. The Beneficiary IRA will be subject to the same required minimum distribution rules that would apply to the non-spouse beneficiary of an IRA. A non-spouse beneficiary may not later roll over a Beneficiary IRA to his or her own IRA or to another employer-sponsored retirement plan.

4. **Conversions.** You may be eligible to convert some or all of your Traditional IRA into a Roth IRA if your modified adjusted gross income (MAGI) for the year you convert is $100,000 or less (for purposes of the $100,000 MAGI limit, the converted amount is not included in your MAGI). A married taxpayer filing a separate return may not convert a Traditional IRA to a Roth IRA. When a Traditional IRA is converted into a Roth IRA, the converted amount (except any nondeductible contributions) is taxable and reportable in the year of the conversion. The 10% IRS early penalty tax is not applied to converted amounts. You may re-convert the converted amount plus its net income attributable from the Roth IRA back to the Traditional IRA up until your tax-filing due date, including extensions for the year the conversion was transacted.

The income limitations on converting to a Roth IRA will be eliminated after 2009. For the 2010 tax year and beyond, any taxpayer (including married taxpayers filing separately) will be eligible to convert to a Roth IRA regardless of filing status or income level. There is a special provision that will allow taxpayers to pay taxes on amounts converted in 2010 in equal installments in 2011 and 2012. However, income inclusion would be accelerated if any converted amounts are distributed before 2012. Taxpayers who convert their IRAs to a Roth IRA after 2010 must pay the resulting taxes in that tax year.

Distributions

An IRA is intended to be used for retirement income purposes. Income tax on IRA contributions and earnings is generally deferred until you receive payment. Amounts paid out of your Appleton Funds IRA to you or your beneficiaries are called distributions. You can begin to take retirement distributions from your IRA without an additional federal tax penalty beginning at age 59½. Distributions prior to age 59½ are permitted, however may be subject to a 10% penalty tax for early withdrawals. There are exceptions that allow you to take a early distribution without paying this additional federal tax. These exceptions are described below. You must begin to take distributions from your IRA no later than April 1 following the year in which you reach age 70½. The amount you receive as a distribution will be taxed as ordinary income regardless of the original source of the contribution.

A. Payment before Retirement

If you withdraw all or part of your IRA before age 59½ and do not meet any of the exceptions as permitted by law, a 10% penalty tax for early withdrawals will be imposed upon the taxable amount you receive as a distribution. This 10% penalty tax is in addition to your regular income tax.

This additional 10% penalty tax for early withdrawals does not apply for the following exceptions:

1. You are age 59½ or older and distributions are made to you in the form of a partial or total withdrawal of your IRA
2. You are disabled as defined by Code Section 72(m)(7);
3. If the distribution is a part of a series of substantially equal periodic payments made for your life (or life expectancy) or for the joint lives (or life expectancies) of you and your beneficiary;
4. Your death;
5. Distributions required to pay for unreimbursed medical expenses to the extent they do not exceed the amount allowable as a medical expense deduction to you for amounts paid during the taxable year for medical care regardless of whether you itemize deductions for the taxable year (under current law) of your AGI;
6. Distributions required to pay for medical insurance for yourself, your spouse or dependents if you lost your job and you have received unemployment compensation for at least 12 consecutive weeks. There are additional timing rules that apply to this distribution;
7. Distributions up to a lifetime limit of $10,000 to be used by a first time homebuyer to pay for certain costs to acquire, build or finance a principal residence. This type of distribution must be used within 120 days from the date of receipt of distribution; and
8. Distributions used to pay for college tuition, fees, and room and board. This distribution is not available if you are eligible to receive a penalty free pre-retirement distribution, as explained above, because of a disability, periodic payment method, or the distribution is used to pay for medical expenses.

Amounts received from your IRA because of these events will be considered ordinary income for federal income tax purposes. If you elect payments described in paragraph 3 above and you change the form of payments before you reach age 59½ or before you have received payments for 5 years, whichever is later, the 10% penalty tax for early withdrawals will be imposed. This additional federal tax is imposed on all distributions you previously received during the taxable year and on all distributions you receive before reaching age 59½.

Certain "qualified military reservists" (as described in the Internal Revenue Code) who are called up for more than 179 days and take a distribution from their IRA may be exempt from the early distribution penalty and may be able to make nondeductible IRA contributions equal to such distributions without regard to the normal IRA contribution limits. This provision is effective for distributions after September 11, 2001, but before December 31, 2007. You should check with your tax advisor to determine if this provision applies to your situation.

B. Payments after age 59½

After you reach age 59½ and until the time you reach age 70½, you can withdraw the amount you need as income from your IRA. The amounts you receive are included in your gross income and are subject to ordinary income tax. The Code does not impose an additional tax on the payments you receive. Once you reach age 70½, the Code requires calculation of the minimum amount that must be paid to you each calendar year.

C. Required Distributions

The Code requires distribution of IRA proceeds to begin when you reach age 70½. The entire interest in the IRA must be distributed or begin to be distributed, no later than April 1 of the year after the year you become age 70½. This date is called the "required beginning date". If you do not withdraw the entire balance in your IRA, the amount you withdraw must not be less than the required minimum distribution (RMD) amount each year (determined by actuarial tables in the Code). These RMD payments are intended to exhaust the value of your IRA over the required distribution period. Generally, this distribution period is based on your life expectancy or the joint life expectancy of you and an individual you have designated as your beneficiary.

If you do not take the required minimum distribution (RMD) when you reach age 70½, or if you should die after age 70½ and the RMD is not taken from your IRA, a 50% excise tax will be imposed upon the difference between what should have been paid to you by law and what was actually paid out. The tax is to be paid by the individual to whom the minimum payments should have been made.

D. Distributions to Qualified Charities

Effective for distributions during 2006 and 2007 only, IRA owners who have attained age 70½ may exclude IRA distributions from income if the distribution is made directly to a qualified charitable organization and it would otherwise be tax deductible. This special rule applies to distributions from Traditional IRAs and Roth IRAs, but not from "ongoing" SEP-IRAs or SIMPLE IRAs. An "ongoing" SEP or SIMPLE IRA is defined as one maintained under an employer arrangement under which an employer contribution is made for the plan year ending with or within the IRA owner's taxable year in which the charitable contributions would be made. The income tax exemption is limited to $100,000 per year. For married individuals filing jointly, the limit is $100,000 per individual IRA owner. Such distributions can count toward satisfying required minimum distributions. Certain charitable organizations are not eligible, including donor-advised funds and certain private foundations. The tax-payer is responsible for substantiating any qualified charitable distribution to the IRS.

E. Distributions After Your Death

The assets that remain in your IRA after your death will be distributed to the beneficiary(ies) named by you.

1. If you die after the RMD has begun but before your entire interest is distributed, the remaining portion of your interest must continue to be distributed, at least as rapidly, as the method being used before your death.
2. If you die before your RMD payments begin, distributions must be made over the lifetime (or life expectancy) of your designated beneficiary (spouse or non-spouse). Payments must begin on or before December 31 of the calendar year that contains the one-year anniversary of your death.

The following items are exceptions to this rule:

a) Your designated beneficiary may elect to receive distributions over a period certain not greater than the life expectancy of the designated beneficiary. Payments must begin on or before December 31 of the calendar year immediately following the calendar year of your death. The designated beneficiary may elect at any time to receive greater payments.

b) Your designated beneficiary may elect to have the entire balance distributed by the end of the calendar year containing the fifth anniversary of your death.

c) If your surviving spouse is the designated beneficiary, he/she may elect to receive equal payments over his/her life expectancy. Payments to the surviving spouse may begin at any date before the later of (1) December 31 of the calendar year immediately following the calendar year of your death, or (2) December 31 of the calendar year you would have reached age 70½. Your surviving spouse may increase the frequency or amount of these payments at anytime.

d) If your surviving spouse is the designated beneficiary, your spouse may treat the IRA as his/her own IRA. This election will be deemed to have been made if your surviving spouse makes regular IRA contributions to this IRA, makes a rollover to or from this IRA, or fails to elect any of the above provisions.

3. Life expectancy is determined by use of tables set forth in the Code. A special rule applies if your spouse is your sole beneficiary.
4. Generally, the designated beneficiary is determined by September 30 of the calendar year following the year of your death.

Account Growth

Investments are made at your direction. Neither the Custodian, the Distributor nor the Service Company has any responsibility for any loss or decrease in value occasioned by your exercise of investment control. Earnings and capital appreciation on investments chosen by you will depend upon overall economic conditions and the success of that particular investment. Earnings on mutual fund investments are not guaranteed and may not be reasonably projected.

Prohibited Transactions

The Code specifies certain "prohibited transactions" that can affect your IRA. If during a tax year you or your beneficiary engages in a "prohibited transaction", this is considered a distribution to you. A "prohibited transaction" causes the tax-exempt status of your IRA to be lost. You will be obligated to include the total value of the IRA in your gross income for that year. The following are examples of "prohibited transactions": you borrow from the IRA; you transfer, sell or assign the IRA; you pledge your IRA for a loan; you use your IRA as security for the performance of an obligation to certain "disqualified persons" including you, your beneficiary, members of your family or businesses controlled by you.

Tax Credit for IRA Contributions and Elective Deferrals in Employer Plans

If you are at least age 18 by tax year-end and are not a full-time student or dependent and earn $52,000 or less, you may be eligible for a tax credit if you contribute to a retirement plan. Beginning in 2007, this limit will be adjusted for inflation. Eligible individuals will be allowed a contribution tax credit equaling a percentage of their qualified retirement savings contributions not exceeding $2,000. This credit will be allowed in addition to any tax deduction that may apply, and may not exceed $1,000 in a given year. Based upon income, the tax credit will range from 0 to 50 percent of eligible contributions. The amount of the qualifying contribution may be reduced by certain distributions that may have been made from the IRA.

Gift and Estate Taxes

If you die while your IRA is in force, the present value of the IRA to be paid to your beneficiary may be included in your estate for federal estate and gift tax purposes. The excess retirement accumulation tax is repealed for estates of decedents dying after December 31, 1996. If you live in a community property state amounts you direct to be paid after your death to a beneficiary other than your spouse will not be treated as a gift by your spouse for gift tax purposes.

Fees

The cost to maintain your Appleton Funds IRA is a $10 annual fee. This fee will be charged automatically in December, or upon liquidation if earlier. You can pre-pay this fee prior to December 1st to avoid the automatic deduction. The Custodian shall also have the right to charge any other fees for maintaining the IRA including, without limitation, a transfer, rollover or termination fee. Any brokerage commissions attributable to the assets in the IRA will be charged to the assets of the IRA. The Depositor cannot reimburse the IRA for those commissions.

IRS Model Agreement

The Custodial Agreement used to establish this IRA is the IRS Model Custodial Agreement (Form 5305-A) language, and it includes additional language permitted by that form. Contributions made under this model custodial account will be deductible within the prescribed limits, provided the terms and conditions of the custodial account are followed. The use of Form 5305-A does not represent an endorsement of the investment instruments used by the Custodian.

Annual Statements

Each year, the Custodian is required to report any contributions, rollovers, recharacterizations and your IRA's Fair Market Value (as of the end of the previous calendar year) to you and to the IRS on Form 5498. Distributions taken during the year will be reported to you and the IRS on IRS Form 1099-R.

When to File IRS Form 5329

You must file IRS Form 5329 with your federal income tax for any tax year when you are subject to penalties. These penalties include the 6% penalty for an excess contribution; the 10% penalty for a premature distribution; and the 50% penalty for failure to take the required minimum distribution after you reach age 70½.

When to File IRS Form 8606

You must file IRS Form 8606 for each taxable year you make nondeductible contributions or receive nontaxable distributions.

IRS Publications for Additional Information

For more information about IRAs, obtain a copy of IRS Publication 590, "Individual Retirement Arrangements (IRAs)".

For more information on SEP IRAs and SARSEP IRAs, see IRS Publication 560 "Retirement Plans for Small Business".

Appleton Funds Traditional Individual Retirement Custodial Account Agreement

(Form 5305-A Under section 408(a) of the Internal revenue Code) Rev. March 2002

General Instructions

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

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 Application is fully executed by both the Individual (Depositor) and the Custodian and must be completed no later than the due date of the Individual's income tax return for the tax year (excluding extensions). 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 Internal Revenue Service. 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).

The Depositor whose name appears 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 in this Custodial Agreement 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 dated 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 1 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 1 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

Definitions. For the purposes of the Custodial Agreement and the Disclosure Statement, the following words shall be defined as follows:

1. **"Custodian"** means Integrated Fund Services, Inc. whose principal office is located in **Cincinnati,Ohio.**
2. **"Designated Beneficiary"** means the individual who is designated as the beneficiary under this IRA and is the designated beneficiary under section 401(a)(9) and section 1.401(a)(9)-1, of the Treasury Regulations.
3. **"Fund(s)"** means Appleton Funds.
4. **"Code"** means the Internal Revenue Code of 1986, as amended from time to time.
5. **"Custodial Account"** means the Traditional IRA (within the meaning of Section 408(a) of the Code) established by this Agreement.
6. **"Depositor"** is the person who established the custodial account.
7. **"IRA"** means Individual Retirement Account within the meaning of Section 408(a) of the Code.
8. **"IRS"** means the Internal Revenue Service

Article IX

Investment Instructions

1. The Custodian will invest all contributions to the IRA in shares of any Fund according to the investment instructions from the Depositor. If the Custodian, in its sole discretion, deems the instructions unclear, or if any contribution exceeds the permitted amount (see Article I) and is not identified as a rollover contribution, the Custodian may hold (either uninvested or in a money market mutual fund, if available) or return all or a portion of the contribution without liability for loss of income or depreciation and without liability for interest, pending receipt of proper instructions or clarification.

2. The Depositor has the authority to direct the Custodian to maintain the IRA in such Fund(s) as may be offered by the Custodian, subject to any restriction(s) imposed by the Custodian. The Depositor must provide the Custodian with specific instructions in a manner acceptable to the Custodian regarding purchases, sales, exchanges and other transactions involving the IRA. All transactions must comply with the Custodial Agreement, the current prospectus(es), and all applicable Federal and State laws and regulations. By delivering investment instructions to the Custodian, the Depositor is deemed to have acknowledged receipt of the current prospectus(es).

Article X

IRA Administration

1. The Custodian will act as agent for this IRA and receive contributions and invest them at the direction of the Depositor. The assets of this IRA will be registered in the name of the Custodian for the benefit of the Depositor. The Custodian will deliver to the Depositor all notices, prospectuses, financial statements, proxies and proxy solicitation materials relating to the investment options held within this IRA. The Custodian will exercise voting rights and other shareholder rights with respect to securities held in this IRA, but only in accordance with the Depositor's written instructions.

2. The Depositor acknowledges that the Custodian shall have no discretion to direct any investment in the IRA, that the Custodian does not provide investment advice and that the Custodian is not responsible for any loss, depreciation, or tax effect that results from the Depositor's exercise of investment control of the IRA.

3. The Custodian will retain records of contributions, distributions and other transactions relating to this IRA. The Custodian will submit to the IRS and to the Depositor reports that contain information required by the IRS. The Custodian will furnish annual calendar-year reports to the Depositor concerning the status of the IRA and such information concerning required minimum distributions as is prescribed by the Commissioner of Internal Revenue. If the Depositor does not object in writing to any specific item within 60 days of receiving such report, the report will be deemed final and the Custodian will be relieved from all liability to the Depositor to the extent permitted by applicable law.

4. The Custodian may delegate to any other person or entity the authority to carry out any of the Custodian responsibilities described in Sections 1 and 3 of this Article.

5. The Custodian has the right to charge an annual custodial fee for maintaining and administering the IRA. The Custodian has the right to be reimbursed for all reasonable expenses incurred in connection with the administration of this IRA. The Custodian may deduct the amount of any fees or expenses from the assets in the IRA at its discretion if not paid in advance by the Depositor. The Custodian may change its fee at any time upon 30 days' written notice to the Depositor. The Custodian shall also have the right to charge any other fees for maintaining the IRA including, without limitation, a transfer, rollover or termination fee.

Any brokerage commissions attributable to the assets in the IRA will be charged to the assets of the IRA. The Depositor cannot reimburse the IRA for those commissions.

6. The Depositor is bound by the terms of the Agreement and has the sole responsibility for determining whether any contribution to or distribution from the IRA shall be permitted, and the tax effect of any contribution to or distribution from the IRA.

Article XI

Amendments

The Custodian reserves the right to amend the Application or this Agreement at any time to comply with necessary laws and regulations in any manner that will not cause the IRA to fail to satisfy the requirements of the Code. The Depositor shall be considered to have consented (written or verbal consent is not required to amend) to the amendment 30 days after communication in writing from the Custodian, unless the Depositor gives the Custodian written instruction for a total distribution, or for a transfer of the IRA to a successor Custodian within that 30 day period.

Article XII

Resignation or Removal of Custodian

The Custodian may resign and a successor Custodian may be appointed at any time upon at least 30 days' prior written notice to the Depositor. The Depositor may remove the Custodian and appoint a successor Custodian at any time upon 30 days' prior written notice to the Custodian. Upon the Custodian's resignation or removal, and upon receipt by the Custodian of written acceptance of its appointment by the successor custodian, the Custodian will transfer the IRA and all records (or copies of said records) necessary to maintain the IRA to the successor Custodian. The Custodian is authorized to reserve such funds they deem advisable for payment for all its fees and expenses or any other liabilities constituting a charge on or against the IRA or on or against the Custodian.

Article XIII

Termination of the IRA

The Depositor may terminate the IRA at any time upon prior written notice to the Custodian. The Custodian will terminate the IRA if, within the time specified in Article XII after the Custodian's resignation or removal, neither the Depositor nor the Custodian has appointed a successor Custodian that accepted such appointment. If the Depositor has not transferred the assets of the IRA within 30 days from the date the Custodian mails the written notice, as set forth in Article XII above, the Custodian in its sole discretion has the right to transfer the IRA assets to a successor Custodian of the Custodian's choice or may pay the account balance to the Depositor in a lump sum.

Article XIV

Miscellaneous

1. **Assignment.** The Depositor shall have no right to assign, pledge, borrow against, or in any way create a lien upon the assets of the IRA.

2. **Payment.** All requests for payments, withdrawals or distributions shall be in writing on a form prescribed by the Custodian. Any payments, withdrawals or distributions shall be subject to all applicable laws and regulations, including, but not limited to, any early withdrawal penalties and withholding requirements.

3. **Governing Laws.** This Agreement shall be subject to all applicable federal and state laws and regulations and shall be governed by the laws of the State of Ohio.

4. **Notices.** Any notice, report, accounting or other communication that the Custodian may give to the Depositor at the address of record shall be deemed delivered. All notices that the Depositor is required pursuant to this Agreement to give to the Custodian shall be deemed given when received in writing by the Custodian at its principle office.

5. **Titles and Headings.** The titles and headings to the Sections/Articles in this Agreement are placed for convenience of reference only, and in the event of conflict, the Agreement text, rather than heading will control.

6. **Disqualifying Provision.** If any provision of this Agreement should be held invalid for any reason, such invalidity will not affect the remaining parts of the Agreement and the Agreement will still be construed and enforced as an IRA as if the invalid provision had never been inserted.

7. **IRS Approval.** This form is the IRS model form and is approved by the IRS.

Appleton Funds
Roth IRA

The Appleton Funds Roth IRA

What is a Roth IRA?

A Roth Individual Retirement Account (Roth IRA) is a nondeductible retirement savings account that features tax-free withdrawals for "qualified distributions." Even if you already participate in an employer-sponsored retirement plan, you may still be eligible to establish a Roth IRA.

Am I eligible to contribute to a Roth IRA?

The amount of your annual income and your tax filing status affects how much you can contribute to a Roth IRA. If you have Modified Adjusted Gross Income (MAGI) within certain ranges, the maximum contribution to your Roth IRA (as described in the table below) is phased out to zero. The MAGI limits will be adjusted for inflation starting with the 2007 tax year as follows:

– Single tax filers with MAGI less than $99,000 may contribute up to the annual contribution limit.
– Single tax filers with MAGI between $99,000 and $114,000 may make a partial contribution.
– Joint tax filers with MAGI less than $156,000 may contribute up to the annual contribution limit.
– Joint tax filers with MAGI between $156,000 and $166,000 may make a partial contribution.
– Married tax filers filing separately with MAGI between $0 and $10,000 may make a partial contribution.

Tax Years	Annual Contribution Limit*	Annual Catch-Up Contribution for Owners Age 50 or Older	Maximum Annual Contribution Limit* for Owner Age 50 or Older (Including Catch-Up Contribution)
2002-2004	$3,000	$500	$3,500
2005	$4,000	$500	$4,500
2006-2007	$4,000	$1,000	$5,000
2008 and thereafter	$5,000	$1,000	$6,000

*Contributions to Roth and Traditional IRAs are aggregated in determining annual contribution limits.

Note: A separate contribution may also be made on behalf of a non-working spouse, subject to the same contribution limits described above, assuming that you file your taxes jointly.

What is a "qualified distribution?"

Distributions are considered "qualified" if the assets have been held in the Roth IRA for at least five years and the distribution is made for one of the following reasons: attainment of age 59½, disability, the purchase of a first home or death.

What about other distributions?

Because your contributions are made from income that has already been taxed, your contributions may generally be distributed to you at any time without taxes or penalties. To the extent that a withdrawal exceeds your contributions and is non-qualified, it may be subject to income tax and/or a 10% early distribution penalty.

May I convert my existing Traditional IRA into a Roth IRA?

Yes, if you have a modified adjusted gross income (excluding the amount to be converted) of $100,000 or less in the year of conversion (applicable to both single filers and married couples filing a joint return). The amount converted into a Roth IRA from your Traditional IRA will be taxed as ordinary income. The 10% early distribution penalty will not apply to conversions.

Please refer to the accompanying Disclosure Statement and Custodial Agreement for more information. The laws and regulations are complex and subject to change. For specific tax information, consult your attorney or accountant and obtain Publication 590, "Individual Retirement Arrangements," from the IRS by calling 1.800.TAX.FORM or visit www.irs.gov.

Benefits of the Appleton Funds Roth IRA

Professional Management

Investments are actively managed by experienced investment professionals.

Low Minimum Investment

See the fund prospectus for details.

Automatic Investment

To establish an automatic investment program, simply determine the amount you want to invest each month. It can be automatically withdrawn from your checking or saving account for deposit into your Roth IRA.

Rollovers/Conversions

You may be eligible to convert your Traditional IRA into a Roth IRA. You may also directly transfer an existing Roth IRA to a Appleton Funds Roth IRA.

Convenience

All safekeeping of securities, collection of interest and recordkeeping is performed by the Custodian. You will receive easy-to-read statements.

Benefits of a Roth IRA

The following chart demonstrates the potential advantage of using an IRA to accumulate a retirement fund.

HOW AN INDIVIDUAL RETIREMENT ACCOUNT MAY GROW
Compounded monthly at assumed rates of interest*

		8%		10%		12%	
Starting Age	Total deposits at age 65	Value at age 65	Approx. monthly payment at age 65	Value at age 65	Approx. monthly payment at age 65	Value at age 65	Approx. monthly payment at age 65
20	$180,000	$1,669,700	$12,730	$3,163,200	$28,500	$6,084,900	$63,710
25	160,000	1,119,100	8,530	1,947,400	17,550	3,436,600	35,980
30	140,000	744,400	5,680	1,192,500	10,740	1,933,900	20,250
35	120,000	489,400	3,730	723,800	6,520	1,081,200	11,320
40	100,000	315,800	2,410	432,700	3,900	597,300	6,250
45	80,000	197,700	1,510	252,000	2,270	322,800	3,380
50	60,000	117,300	890	139,800	1,260	167,000	1,750
55	40,000	62,600	480	70,100	630	78,600	820
60	20,000	25,300	190	26,900	240	28,500	300

*Assumes annual deposits of $4,000 are made to the account on January 1 of each year until age 65. Interest rates are used for illustrative purposes only and are not intended to represent the return of any particular type of investment. Interest is compounded at the effective annual rates shown above the columns. The value at age 65 has been rounded to the nearest $100. The lump sum value at age 65 is amortized over a 26-year life expectancy, the approximate joint life expectancy of two 65 year olds according to the IRS life expectancy tables, utilizing the interest rates shown above to determine the approximate monthly payment one could draw from the IRA account. Please note that this illustration assumes tax-deferred growth within the IRA but does not address the tax consequences of either contributions or withdrawals from the account.

Appleton Funds Roth IRA Disclosure Statement For Roth IRA Retirement Plans

Information and Tax Rules Affecting Your Roth Individual Retirement Account

The Appleton Funds (the "Fund") furnishes you with the following information in accordance with the requirements of the Internal Revenue Code (the "Code"). You should review this Disclosure Statement along with the accompanying Roth IRA Custodial Agreement, in addition to the prospectus for the Appleton Funds.

Right to Revoke

You may revoke your account without obligation if you notify the Fund in writing of your decision to revoke the account. You must send your signed written revocation notice to: Appleton Funds IRA, P.O. Box 5354, Cincinnati, OH 45201-5354. Your notice of revocation must be mailed within seven (7) days of your completion of the Application.

The written notice must include: (1) your full name and address; (2) your social security number, or account number if known; (3) the date on which your account was established; (4) the amount of your initial contribution.

The date of the postmark, or if certified or registered mail is used, the date of certification or registration will be used to validate the seven-day revocation period. Upon revocation, you will receive a complete refund of your initial contribution, without increase or decrease for any reason.

Roth IRA Contribution and Eligibility

A. Annual Contributions

The amount of your annual income and your tax filing status affects how much you can contribute to a Roth IRA. If you have a Modified Adjusted Gross Income (MAGI) within certain ranges, the maximum contribution to your Roth IRA (as set forth below) is phased out to zero. For instance, if you are a single taxpayer, the 2006 income phase out range for your MAGI is $95,000 to $110,000 per year. If you are a married taxpayer the income phase out range for your MAGI is $150,000 to $160,000 per year; and for a married taxpayer who files separately, between $0 and $10,000. The MAGI limits will be adjusted for inflation starting with the 2007 tax year. For the 2007 tax year, if you are a single taxpayer the income phase out range for your MAGI is $99,000 to $114,000 per year. If you are a married taxpayer the income phase out range for your MAGI is $156,000 to $166,000 per year. The income phase out range for married taxpayers who file separately is unchanged, between $0 and $10,000. Any inflation adjustments will be rounded to the nearest $1,000 increment. Once you reach the maximum MAGI range you cannot make a contribution to a Roth IRA.

Annual contributions to a Roth IRA are nondeductible for income tax purposes. The maximum annual contribution limits for all of your Roth IRAs is set forth below. In calculating this annual contribution limit, the amount you may contribute to your Roth IRA is reduced by any amount you contribute to your Traditional IRAs for that year.

If your are age 50 or older by the end of the tax year and you meet certain requirements, you may make an additional "catch-up" contribution to your Roth IRA as set forth below.

Tax Years	Annual Contribution Limit*	Annual Catch-Up Contribution for Owners Age 50 or Older	Maximum Annual Contribution Limit* for Owner Age 50 or Older (Including Catch-Up Contribution)
2002-2004	$3,000	$500	$3,500
2005	$4,000	$500	$4,500
2006-2007	$4,000	$1,000	$5,000
2008 & thereafter	$5,000	$1,000	$6,000

*Contributions to Roth and Traditional IRAs are aggregated in determing annual contribution limits.

For tax years 2007, 2008 and 2009, individuals affected by an employer's bankruptcy are permitted to make additional catch-up contributions of up to $3,000 per year.

Your spouse may contribute up to the maximum annual contribution limit (as set forth above) for a separate Roth IRA so long as your combined compensation is at least equal to the contributed amount and within the AGI phase out range. You can contribute to a Roth IRA even if you are covered under another tax-qualified retirement plan. Contributions to your Roth IRA are permitted even after you have attained the age of 70½.

"Compensation" means the wages, tips, salaries or professional fees or other amounts you receive for personal services actually rendered. If you are self-employed, compensation means the earned income you receive for your services. All taxable alimony or separate maintenance you receive under a divorce or separate maintenance decree is also treated as compensation. If applicable, compensation can also include contributions you made to qualified retirement plans. Compensation does not include earnings from property such as interest, rents and dividends. If compensation is not included in your gross income (such as income earned from sources outside of the United States), it is not treated as compensation in determining the above maximum limits.

Any annual contribution you make to your Roth IRA that is above the permissible limit (as set forth above) is subject to an annual 6% excise tax. This 6% excise tax applies until the excess contribution is corrected. This contribution limitation will not apply to a Roth IRA purchased by a conversion or qualified rollover from a Traditional IRA, unless you exceed the income requirements permitted for such a conversion or qualified rollover.

B. Rollovers, Transfers and Conversions

The Code allows other ways to acquire a Roth IRA. Your Roth IRA may 1) be rolled over to another Roth IRA you own, 2) be transferred directly between your Roth IRAs, 3) receive rollover contributions and 4) receive conversion contributions. The rollover, transfer and conversion rules are summarized below.

1. Qualified Rollover. Generally, no rollover may be made to a Roth IRA unless it is a qualified rollover contribution, which meets the requirements of Code Section 408(d)(3). Rollover is a term used to describe a tax-free movement of assets between retirement plans. Amounts rolled over to a Roth IRA are not counted towards the annual Roth IRA contribution limit.

a. A Roth IRA to Roth IRA Rollover. A rollover is completed if funds distributed from your Roth IRA are rolled over into another Roth IRA you own no later than 60 days after the distribution is received. If you roll over part of the distribution, the amount you keep may be subject to income tax and the 10% additional tax on early distributions. You may rollover the same assets only once every 12 months. Roth IRA assets may not be rolled over to Traditional IRAs, SEP IRAs, SIMPLE IRAs or to an employer retirement plan.

b. Rollover from Qualified Retirement Plans. Beginning in 2006, employers had the option of allowing participants in 401(k) and 403(b) retirement plans to make designated Roth Contributions. When you leave an employer and are eligible for a distribution from its 401(k) or 403(b) plan, you may be able to roll over the Roth account in the plan to a Roth IRA. Once those assets are rolled over to a Roth IRA, you cannot roll them back into a 401(k) or 403(b) plan, or any other employer-sponsored retirement plan. If you roll over a Roth account from a 401(k) or 403(b) plan into a Roth IRA, you become responsible for keeping track of the basis in the Roth account and determining if the five-year requirement for taking a qualified distribution has been satisfied.

2. Roth IRA to Roth IRA Transfers. Unlike a rollover where you take receipt of the assets for up to 60 days, a direct Trustee-to-Trustee transfer moves your Roth IRA money directly between financial institutions. A direct transfer is tax-free and there are no frequency restrictions.

3. Conversion. Direct or indirect conversions to a Roth IRA can come from Traditional IRAs, SEPs and SIMPLE IRAs and beginning in 2008, directly from qualified retirement plans. Conversions are generally a taxable event. You are eligible for a conversion if your MAGI is not more than $100,000 and you are not married filing a separate return. Any amount converted into a Roth IRA is not counted towards the annual contribution limit.

a. Traditional IRA to Roth IRA Indirect Conversion. You can withdraw all or part of your Traditional IRA and reinvest such amounts (within 60 days) in a Roth IRA. If properly (and timely) rolled over, the amount of any rollover from your Traditional IRA to your Roth IRA will be treated as a distribution for income tax purposes and is includible in your gross income (except nondeductible contributions), however the 10% additional tax on early distributions will not apply. You can roll over part of the withdrawal into a Roth IRA and keep the rest of it. The amount you keep will generally be includible in your gross income (except nondeductible contributions) and may be subject to the 10% additional tax on early distributions. If you have started taking substantially equal payments from a Traditional IRA, you can convert the Traditional IRA to a Roth IRA and then continue the periodic payments. The 10% early distribution tax will not apply even if the distributions are not qualified distributions (as long as they are part of a series of substantially equal periodic payments). If you are age 70½ or older, you must remove your required minimum distribution prior to the rollover to the Roth IRA.

b. Traditional IRA to Roth IRA Direct Conversion. You can convert your Traditional IRA directly into a Roth IRA. The Code treats the conversion of the amount transferred as a distribution to you for income tax purposes and is includible in your gross income (except for nondeductible contributions), however the 10% additional tax on early distributions will not apply. If you convert excess contributions from a Traditional IRA to a Roth IRA before April 15 of the tax year for filing the return, the amount of the excess contribution to the Roth IRA will not be included in your gross income to the extent that no deduction is taken for the amount contributed. If you are age 70½ or older, you must remove your required minimum distribution prior to the conversion to the Roth IRA.

c. SEP and SIMPLE IRA to Roth IRA Conversion. You can indirectly or directly convert an amount in your SEP or SIMPLE IRA to a Roth IRA under the same rules applicable to a Traditional IRA. However, you cannot convert any amount distributed from the SIMPLE IRA during the 2-year period beginning on the date you first participated in a SIMPLE IRA plan maintained by your employer.

d. Conversions from Qualified Retirement Plans. Prior to 2008, distributions of employer-sponsored retirement plan assets that are not held in a Roth account can be rolled over only to another qualified employer-sponsored retirement plan or a Traditional IRA. A participant who wishes to move from an employer-sponsored retirement plan to a Roth IRA is required to first roll over to a Traditional IRA and then convert those assets to a Roth IRA. Effective for distributions after 2007, participants may roll over directly from an employer-sponsored retirement plan account to a Roth IRA. These rollovers are subject to the rules for conversions from Traditional IRAs to Roth IRAs. The taxpayer must include the taxable portion of the distribution in income, but the conversion is not subject to the 10% early distribution penalty. For tax years 2008 and 2009, only taxpayers with a MAGI of less than $100,000 are eligible to roll over directly from a employer-sponsored retirement plan to a Roth IRA.

The income limitations on converting to a Roth IRA will be eliminated after 2009. For the 2010 tax year and beyond, any taxpayer (including married taxpayers filing separately) will be eligible to convert to a Roth IRA regardless of filing status or income level. There is a special provision that will allow taxpayers to pay taxes on amounts converted in 2010 in equal installments in 2011 and 2012. However, income inclusion would be accelerated if any converted amounts are distributed before 2012. Taxpayers who convert their IRAs to a Roth IRA after 2010 must pay the resulting taxes in that tax year.

C. Recharacterization

You may be able to treat a contribution to one type of IRA as having been made to a different type of IRA. This is called recharacterizing the contribution. To recharacterize a contribution, you generally must have the contribution transferred from the first IRA (the one to which it was made) to the second IRA in a trustee-to-trustee transfer. If the transfer is made by the due date (including extensions) for your tax return for the year during which the contribution was made or a later date as authorized by the IRS, you can elect to treat the contribution as having been originally made to the second IRA instead of to the first IRA. It will be treated as having been made to the second IRA on the same date that it was actually made to the first IRA. You must report the recharacterization, and must treat the contribution as having been made to the second IRA, instead of the first IRA, on your tax return for the year during which the contribution was made. The election to recharacterize any contribution and the trustee-to-trustee transfer must generally be completed by the due date (including extensions) of your tax return.

A reconversion of an amount that has been converted and recharacterized within the prohibited period (prior to January 1 of the taxable year following the taxable year in which the conversion was made, or later, the end of the 30-day period beginning on the date the recharacterization occurs) will be treated as a failed conversion and you may be subject to IRS penalties.

You are strongly advised to consult a competent tax professional for assistance before initiating any reconversion or recharacterization.

Distributions

The Roth IRA is intended to encourage savings to be used for retirement. Money you contribute and the earnings you gain and receive from a Roth IRA are not subject to income tax if certain conditions are met. A distribution is the receipt of a payment from your Roth IRA. The Code describes two types of distributions from the Roth IRA. The first is a "qualified distribution" which allows you to take retirement distributions from your Roth IRA and not be subject to income tax or to the additional 10% federal tax penalty for an early distribution. The second method is a distribution that does not meet the requirements of a "qualified distribution". This type of distribution may subject the distributed amount to the additional 10% federal tax penalty. Unlike Traditional IRAs, Roth IRA owners are not required to take a minimum distribution each year after reaching age 70½.

A. Qualified Distributions

The amounts distributed to you are not subject to income tax liability or the additional 10% tax if the distribution is received at least five years after you have established your Roth IRA and you meet one of the following exceptions:

1. You are age 59½ or older at the time of distribution;
2. Payments are made to a beneficiary (or to your estate) as a result of your death;
3. You are disabled as defined by Code Section 72(m)(7);
4. You meet the requirements of certain "qualified special purpose distributions". At present the Code only allows a qualified special purpose distribution for the first-time homebuyer and it is limited to a lifetime limit of $10,000.

B. Non-Qualified Distributions

If you withdraw all or part of your money from your Roth IRA before the five-year period and before the age of 59½ or the exceptions described above, an additional 10% federal tax will be imposed upon the taxable amount you receive as a distribution. The distribution ordering rules for any non-qualified distribution you receive from your Roth IRA is treated as first coming from the regular contributions, then any converted amounts would be withdrawn, and then any earnings would be withdrawn last. No amount of a non-qualified distribution is included in your gross income until the total amount of your distributions from your Roth IRA exceed the total of contributions you made to your Roth IRA.

There are more exceptions (in addition to the ones listed above) to the 10% federal tax penalty regardless of whether or not you meet the five-year holding period:

1. Distributions required to pay for unreimbursed medical expenses to the extent they do not exceed the amount allowable as medical expense deduction to you for amounts paid during the taxable year for medical care regardless of whether you itemize deductions for the taxable year (under current law) of your AGI;
2. Distributions required to pay for medical insurance for yourself, your spouse or dependents if you lost your job and you have received unemployment compensation for at least 12 consecutive weeks. There are additional timing rules that apply to this distribution;
3. If the distribution is a part of a series of substantially equal periodic payments made for your life (or life expectancy) or for the joint lives (or life expectancies) of you and your beneficiary;
4. Distributions used to pay for qualified higher education expenses. This distribution is not available if you are eligible to receive a penalty free pre-retirement distribution, as explained above, because of a disability, periodic payment method, or the distribution is used to pay for medical expenses.
5. Certain "qualified military reservists" (as described in the Internal Revenue Code) who are called up for more than 179 days and take a distribution from their IRA may be exempt from the early distribution penalty and may be able to make nondeductible IRA contributions equal to such distributions without regard to the normal IRA contribution limits. This provision is effective for distributions after September 11, 2001, but before December 31, 2007. You should check with your tax advisor to determine if this provision applies to your situation.

You should consult your personal tax advisor for more information on distributions from your Roth IRA.

C. Distributions to Qualified Charities

Effective for distributions during 2006 and 2007 only, IRA owners who have attained age 70½ may exclude IRA distributions from income if the distribution is made directly to a qualified charitable organization and it would otherwise be tax deductible. This special rule applies to distributions from Traditional IRAs and Roth IRAs, but not from "ongoing" SEP-IRAs or SIMPLE IRAs. An "ongoing" SEP or SIMPLE IRA is defined as one maintained under an employer arrangement under which an employer contribution is made for the plan year ending with or within the IRA owner's taxable year in which the charitable contributions would be made. The income tax exemption is limited to $100,000 per year. For married individuals filing jointly, the limit is $100,000 per individual IRA owner. Such distributions can count toward satisfying required minimum distributions. Certain charitable organizations are not eligible, including donor-advised funds and certain private foundations. The tax-payer is responsible for substantiating any qualified charitable distribution to the IRS.

Account Growth

Investments are made at your direction. Neither the Custodian, the Distributor nor the Service Company has any responsibility for any loss or decrease in value occasioned by your exercise of investment control. Earnings and capital appreciation on investments chosen by you will depend upon overall economic conditions and the success of that particular investment. Earnings on mutual fund investments are not guaranteed and may not be reasonably projected.

Prohibited Transactions

The Code specifies certain "prohibited transactions" that can affect your Roth IRA. If during a tax year you or your beneficiary engages in a "prohibited transaction", this is considered a distribution to you. A "prohibited transaction" causes the tax-exempt status of your Roth IRA to be lost. You will be obligated to include the entire accumulated earnings in your Roth IRA in your gross income for that year. Also, if you are under age 59½, the earnings would be subject to the 10% additional federal tax on early distributions. The following are examples of "prohibited transactions": you borrow from the Roth IRA; you transfer, sell or assign the Roth IRA; you pledge your Roth IRA for a loan; you use your Roth IRA as security for the performance of an obligation to certain "disqualified persons", including yourself, your beneficiary, members of your family or businesses controlled by you.

Tax Credit for IRA Contributions and Elective Deferrals in Employer Plans

If you are at least 18 years old by tax year-end and are not a full-time student or dependent and earn $52,000 or less, you may be eligible for a tax credit if you contribute to a retirement plan. Beginning in 2007, this limit will be adjusted for inflation. Eligible individuals will be allowed a contribution tax credit equaling a percentage of their qualified retirement savings contributions not exceeding $2,000. This credit will be allowed in addition to any tax deduction that may apply, and may not exceed $1,000 in a given year. Based upon income, the tax credit will range from 0 to 50 percent of eligible contributions. The amount of qualifying contribution may be reduced by certain distributions that may have been made from the Roth IRA.

Gift and Tax Estates

If you die while your Roth IRA is in force, the present value of the Roth IRA to be paid to your beneficiary may be included in your estate for federal estate and gift tax purposes. If you live in a community property state, amounts you direct to be paid after your death to a beneficiary other than your spouse will not be treated as a gift by your spouse for gift tax purposes.

Fees

The cost to maintain your Appleton Funds Roth IRA is a $10 annual fee. This fee will be charged automatically in December, or upon liquidation if earlier. You can pre-pay this fee prior to December 1st to avoid the automatic deduction. The Custodian may change its fee at any time upon 30 days' written notice to the Depositor. The Custodian shall also have the right to charge any other fees for maintaining the Roth IRA including, without limitation, a transfer, rollover or termination fee. Any brokerage commissions attributable to the assets in the Roth IRA will be charged to the assets of the Roth IRA. The Depositor cannot reimburse the Roth IRA for those commissions.

IRS Model Agreement

The Custodial Agreement used to establish this Roth IRA is the IRS Model Custodial Agreement (Form 5305-RA) language, and it includes additional language permitted by that form. The use of Form 5305-RA does not represent an endorsement of the investment instruments used by the Custodian.

Annual Statements

Each year, the Custodian is required to report any contributions, conversions, recharacterizations and your Roth IRA's Fair Market Value (as of the end of the previous calendar year) to you and to the IRS on Form 5498. Distributions taken during the year will be reported to you and the IRS on IRS Form 1099-R.

When to File IRS Form 5329

You must file IRS Form 5329 with your federal income tax for any tax year when you are subject to penalties. These penalties include the 6% penalty for an excess contribution and the 10% penalty for a premature distribution.

When to File IRS Form 8606

You must file IRS Form 8606 for each taxable year you take a distribution from a Roth IRA.

IRS Publications for Additional Information

For more information about Roth IRAs, obtain a copy of IRS Publication 590, "Individual Retirement Arrangements (IRAs)".

Appleton Funds Roth Individual Retirement Custodial Account Agreement

(Form 5305-RA Under section 408A of the Internal Revenue Code) Rev. March 2002

General Instructions

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

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 Application 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.

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.

Do Not file Form 5305-RA with the Internal Revenue Service. 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).

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

The Custodian named in this Custodial Agreement 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

Definitions. For the purposes of the Custodial Agreement and the Disclosure Statement, the following words shall be defined as follows:

1. "**Custodian**" means Integrated Fund Services, Inc. whose principal office is located in Cincinnati, Ohio.
2. "**Fund(s)**" means Appleton Funds.
3. "**Code**" means the Internal Revenue Code of 1986, as amended from time to time.
4. "**Custodial Account**" means the Roth IRA (within the meaning of Section 408A of the Code) established by this Agreement.
5. "**Depositor**" is the person who established the custodial account.
6. "**Roth IRA**" means the Roth Individual Retirement Account within the meaning of Section 408A of the Code.
7. "**IRA Conversion Contributions**" are amounts rolled over, transferred, or considered transferred from a non-Roth IRA to a Roth IRA. A non-Roth IRA is an individual retirement account or annuity described in section 408(a) or 408(b), other than a Roth IRA.
8. "**IRS**" means the Internal Revenue Service

Article X

Investment instructions and options

1. The Custodian will invest all contributions to the Roth IRA in shares of any Fund according to the investment instructions from the Depositor. If the Custodian deems the instructions unclear, or if any contribution exceeds the permitted amount (see Article I) and is not identified as a rollover contribution or a IRA Conversion Contribution, the Custodian may hold or return all or a portion of the contribution without liability for loss of income or depreciation and without liability for interest, pending receipt of proper instructions or clarification.

2. The Depositor has the authority to direct the Custodian to maintain the Roth IRA in such Fund(s) as may be offered by the Custodian, subject to any restriction(s) imposed by the Custodian. The Depositor must provide the Custodian with specific instructions in a manner acceptable to the Custodian regarding purchases, sales, exchanges and other transactions involving the Roth IRA. All transactions must comply with the Custodial Agreement, the current prospectus(es), and all applicable Federal and State laws and regulations. By delivering investment instructions to the Custodian, the Depositor is deemed to have acknowledged receipt of the current prospectus(es).

Article XI

IRA Administration

1. The Custodian will act as agent for this Roth IRA and receive contributions and invest them at the direction of the Depositor. The assets of this Roth IRA will be registered in the name of the Custodian for the benefit of the Depositor. The Custodian will deliver to the Depositor all notices, prospectuses, financial statements, proxies and proxy solicitation materials relating to the investment options held within this Roth IRA. The Custodian will exercise voting rights and other shareholder rights with respect to securities held in this Roth IRA, but only in accordance with the Depositor's written instructions.

2. The Depositor acknowledges that the Custodian shall have no discretion to direct any investment in the Roth IRA, that the Custodian does not provide investment advice and that the Custodian is not responsible for any loss, depreciation, or tax effect that results from the Depositor's exercise of investment control of the Roth IRA.

3. The Custodian will retain records of contributions, distributions and other transactions relating to this Roth IRA. The Custodian will submit to the IRS and to the Depositor reports that contain information required by the IRS. The Custodian will furnish annual calendar-year reports to the Depositor concerning the status of the Roth IRA and such information concerning required minimum distributions as is prescribed by the Commissioner of Internal Revenue. If the Depositor does not object in writing to any specific item within 60 days of receiving such report, the report will be deemed final and the Custodian will be relieved from all liability to the Depositor to the extent permitted by applicable law.

4. The Custodian may delegate to any other person or entity the authority to carry out any of the Custodian responsibilities described in Sections 1 and 3 of this Article.

5. The Custodian has the right to charge an annual custodial fee for maintaining and administering the Roth IRA. The Custodian has the right to be reimbursed for all reasonable expenses incurred in connection with the administration of this Roth IRA. The Custodian may deduct the amount of any fees or expenses from the assets in the Roth IRA at its discretion if not paid in advance by the Depositor. The Custodian may change its fee at any time upon 30 days' written notice to the Depositor. The Custodian shall also have the right to charge any other fees for maintaining the Roth IRA including, without limitation, a transfer, rollover or termination fee.

Any brokerage commissions attributable to the assets in the Roth IRA will be charged to the assets of the Roth IRA. The Depositor cannot reimburse the Roth IRA for those commissions.

6. The Depositor is bound by the terms of the Agreement and has the sole responsibility for determining whether any contribution to or distribution from the Roth IRA shall be permitted, and the tax effect of any contribution to or distribution from the Roth IRA.

Article XII

Amendments

The Custodian reserves the right to amend the Application or this Agreement at any time to comply with necessary laws and regulations in any manner that will not cause the Roth IRA to fail to satisfy the requirements of the Code. The Depositor shall be considered to have consented (written or verbal consent is not required to amend) to the amendment 30 days after communication in writing from the Custodian, unless the Depositor gives the Custodian written instruction for a total distribution, or for a transfer of the Roth IRA to a successor Custodian within that 30 day period.

Article XIII

Resignation or Removal of Custodian

The Custodian may resign and a successor Custodian may be appointed at any time upon at least 30 days' prior written notice to the Depositor. The Depositor may remove the Custodian and appoint a successor Custodian at any time upon 30 days' prior written notice to the Custodian. Upon the Custodian's resignation or removal, and upon receipt by the Custodian of written acceptance of its appointment by the successor Custodian, the Custodian will transfer the Roth IRA and all records (or copies of said records) necessary to maintain the Roth IRA to the successor Custodian. The Custodian is authorized to reserve such funds they deem advisable for payment for all its fees and expenses or any other liabilities constituting a charge on or against the Roth IRA or on or against the Custodian.

Article XIV

Termination of the Roth IRA

The Depositor may terminate the Roth IRA at any time upon prior written notice to the Custodian. The Custodian will terminate the Roth IRA if, within the time specified in Article XIII after the Custodian's resignation or removal, neither the Depositor nor the Custodian has appointed a successor Custodian that accepted such appointment. If the Depositor has not transferred the assets of the Roth IRA within 30 days from the date the Custodian mails the written notice, as set forth in Article XIII above, the Custodian in its sole discretion has the right to transfer the Roth IRA assets to a successor Custodian of the Custodian's choice or may pay the account balance to the Depositor in a lump sum.

Article XV

Miscellaneous

1. Assignment. The Depositor shall have no right to assign, pledge, borrow against, or in any way create a lien upon the assets of the Roth IRA.

2. Payment. All requests for payments, withdrawals or distributions shall be in writing on a form prescribed by the Custodian. Any payments, withdrawals or distributions shall be subject to all applicable laws and regulations, including, but not limited to, any early withdrawal penalties and withholding requirements.

3. Governing Laws. This Agreement shall be subject to all applicable federal and state laws and regulations and shall be governed by the laws of the State of Ohio.

4. Notices. Any notice, report, accounting or other communication that the Custodian may give to the Depositor at the address of record shall be deemed delivered. All notices that the Depositor is required pursuant to this Agreement to give to the Custodian shall be deemed given when received in writing by the Custodian at its principle office.

5. Titles and Headings. The titles and headings to the Sections/Articles in this Agreement are placed for convenience of reference only, and in the event of conflict, the Agreement text, rather than heading will control.

6. Disqualifying Provision. If any provision of this Agreement should be held invalid for any reason, such invalidity will not affect the remaining parts of the Agreement and the Agreement will still be construed and enforced as a Roth IRA as if the invalid provision had never been inserted.

7. IRS Approval. This form is the IRS model form and is approved by the IRS

APPLETON *FUNDS*

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