



Traditional & Roth IRA Kit

Disclosure Statement and Plan Agreements
for Individual Retirement Accounts

Adoption Agreement

• For additional information, please call **(800) 539-FUND** Send completed Adoption Agreement with check made payable to: **Victory Funds**, P.O. Box 182593, Columbus, OH 43218-2593.
Key Employees: Send Adoption Agreement and Payroll Authorization Form to: **Employee Campaign**, OH-01 -27-1419.

Part 1. Depositor Information

PRINT FULL NAME _____

DATE OF BIRTH _____ SOCIAL SECURITY NO. _____

RESIDENCE ADDRESS _____

CITY _____ STATE _____ ZIP _____

DAYTIME PHONE _____ EVENING PHONE _____

FOREIGN COUNTRY OF PERMANENT RESIDENCE (IF APPLICABLE) _____

Would you like to receive your mail at some other address?

No Yes, please indicate:

MAILING ADDRESS _____

CITY _____ STATE _____ ZIP _____

- I am a U.S. Citizen (including a resident alien)
- I am a non-resident alien and have attached IRS Form W-8BEN
- I am/was a participant in a qualified retirement plan that had investments in Victory Funds. As such, my rollover dollars are entitled to Victory Fund A shares at net asset value.

Part 1a. Employment Information

- Retired Employed I am a current or retired employee of KeyCorp or a Key affiliate or a family member of an employee.

EMPLOYER NAME _____

EMPLOYER ADDRESS _____

CITY _____ STATE _____ ZIP _____

- I am an associated person of a FINRA member firm.

Part 2. IRA Election

Instructions: Indicate type of IRA

- A. By checking this box, I designate my Account as a Traditional IRA under Code Section 408(a).
- B. By checking this box, I designate my Account as a Roth IRA under Code Section 408A.
- C. By checking this box, I designate my Account as a SEP IRA.

3. Investments* (Please check the appropriate box(es) below indicating type of contribution.)

	SHARE CLASS	CONTRIBUTION FOR TAX YEAR	TRANSFER	ROLLOVER	CONVERSION	PERCENT
_____	_____	20 _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ %
FUND NAME _____	_____	20 _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ %
FUND NAME _____	_____	20 _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ %
FUND NAME _____	_____	20 _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ %
FUND NAME _____	_____	20 _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ %
FUND NAME _____	_____	20 _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ %
Total						100%

*Generally if share class is not specified, A Shares will be purchased.

Part 3a. Telephone Authorization

I will automatically receive telephone authorization privileges unless I check the appropriate box below. By accepting the telephone authorization privilege, I agree that neither the Fund, the Custodian, nor any of their agents will be liable for any loss, injury, damage or expense as a result of acting upon, and will not be responsible for the authenticity of, any telephone instructions. I agree to hold the Fund, Custodian and their agents harmless from any loss, claims or liability arising from its or their compliance with these instructions. I understand that this option is subject to the terms and conditions set forth in the prospectus, and that all telephone calls may be tape recorded.

- No, I do not want Telephone Authorization privileges

Part 3b. Dividend Reinvestment

Each Fund's distribution will automatically be reinvested into the same Fund. If you would like other options, please call 1-800-539-FUND.

Part 3c. Systematic Investment Plan

Yes, I authorize my bank to accept withdrawals initiated by the Fund's servicing agent to my account for the amount I have designated, without responsibility for the correctness of the agreement or for the existence of any further authorization relating to this contract. I agree to indemnify and hold harmless my bank, the Victory Funds and its agents for any loss, liability or expense incurred from action of these instructions.

I would like to invest the following amounts (minimum \$25 per fund) on the day indicated (any day, 1st through 28th) into the following fund(s). Please circle frequency per Fund; **M**onthly, **Q**uarterly, **A**nnually. Please note: your contributions will be recorded as current year.

_____	_____	_____	M	Q	A
FUND NAME	\$ AMOUNT	DAY			
_____	_____	_____	M	Q	A
FUND NAME	\$ AMOUNT	DAY			
_____	_____	_____	M	Q	A
FUND NAME	\$ AMOUNT	DAY			

Subsequent Investments (for online investing)

NAME(S) ON BANK ACCOUNT _____

BANK ACCOUNT NUMBER _____

BANK NAME _____ BANK ABA CODE (9 DIGITS) _____

Note: Attach a voided check to establish either the Systematic Investment Plan or for Subsequent Investments.

Part 3d. Letter of Intent

Complete if you qualify for reduced sales charges. See the prospectus for qualifications.

I agree to the terms of the Letter of Intent set forth in the prospectus. Although I am not obligated to do so, it is my intention to invest over a 13-month period in shares of one or more of the funds (except for money market funds) an aggregate amount at least equal to that which is checked below:

- \$50,000 - \$99,999
- \$100,000-\$249,999
- \$250,000 - \$499,999
- \$500,000 - \$999,999
- \$1,000,000 and above

Part 3e. Rights of Accumulation

To qualify for reduced sales charges, please list the account numbers below of all shares of Victory (except for money market) funds that you or your immediate family (spouse and children under age 21) already own:

ACCOUNT NAME _____

ACCOUNT # _____

ACCOUNT NAME _____

ACCOUNT # _____

In order for this cumulative quantity discount to be made available, the shareholder or his or her securities advisor must notify the Fund of the total holdings in Victory each time an order is placed.

Part 4. Beneficiaries

I hereby designate the following person(s) named below as my primary and secondary Beneficiary(ies) to receive the balance of my Traditional IRA, Roth IRA or SEP IRA Account(s) upon my death. If I have designated more than one person, the amount distributed is to be divided equally among designated persons unless otherwise indicated by a "percentage of distribution." I understand that if I do not designate a beneficiary, my Traditional IRA, Roth IRA or SEP IRA will go to my estate. If I designate a beneficiary which is a trust, I have indicated the name of the trust, trustee's name, address and date of the trust. If any primary or secondary Beneficiary dies before me, the interest of his or her heirs shall terminate completely, and any remaining Beneficiary share shall be increased on a pro rata basis.

Beneficiaries:

NAME _____	<input type="checkbox"/> PRIMARY	<input type="checkbox"/> SECONDARY
RELATIONSHIP _____	% OF DISTRIBUTION _____	
DATE OF BIRTH _____	SS#/TAX ID NUMBER _____	
NAME _____	<input type="checkbox"/> PRIMARY	<input type="checkbox"/> SECONDARY
RELATIONSHIP _____	% OF DISTRIBUTION _____	
DATE OF BIRTH _____	SS#/TAX ID NUMBER _____	
NAME _____	<input type="checkbox"/> PRIMARY	<input type="checkbox"/> SECONDARY
RELATIONSHIP _____	% OF DISTRIBUTION _____	
DATE OF BIRTH _____	SS#/TAX ID NUMBER _____	

Spousal Consent

(This section should be reviewed if the Depositor is married, lives in a community or marital property state and designates a beneficiary other than the spouse. It is the Depositor's responsibility to determine if this section applies. The Depositor may need to consult with legal counsel. Neither the Custodian nor the Sponsor are liable for any consequences resulting from a failure of the Depositor to provide proper spousal consent.)

I am the spouse of the above-named Depositor. I acknowledge that I have received a full and reasonable disclosure of my spouse's property and financial obligations. Due to any possible consequences of giving up my community or marital property interest in this IRA, I have been advised to see a tax professional or legal advisor.

I hereby consent to the beneficiary designation(s) indicated above. I assume full responsibility for any adverse consequence that may result. No tax or legal advice was given to me by the Custodian or Sponsor.

SIGNATURE OF SPOUSE _____ DATE _____

SIGNATURE OF WITNESS FOR SPOUSE _____ DATE _____

Part 5. Certifications and Signatures

I hereby consent to the terms of the Victory Funds Traditional IRA or Roth IRA described herein and on the accompanying Customer Agreement on this page, and Disclosure Statement and Plan Agreement and to the beneficiaries I have designated in this adoption agreement. If the Depositor is a minor under the laws of the Depositor's state of residence, a parent or guardian must also sign this Adoption Agreement.

SIGNATURE OF DEPOSITOR DATE

SIGNATURE OF PARENT OR GUARDIAN DATE

Custodian Acceptance

KeyBank National Association will accept appointment as Custodian of the Depositor's Account. However, this Agreement is not binding upon the Custodian until the Depositor has received a statement confirming the initial transaction for the Account. Receipt by the Depositor of a confirmation of the purchase of the Fund shares indicated above will serve as notification of KeyBank National Association's acceptance of appointment as Custodian of the Depositor's Account.

KeyBank National Association, Custodian

BY

DATE

Part 6. Customer Agreement

By signing this application, I understand and certify that:

- I, the person signing this Adoption Agreement (hereinafter called the "Depositor"), establish an Individual Retirement Account (IRA), which is either a Traditional IRA, Roth IRA or a SEP IRA, as indicated on Page 1 of this agreement, (the "Account") with Victory Funds, KeyBank National Association as Custodian ("Bank"). A Traditional IRA operates under Internal Revenue Code Section 408(a). A Roth IRA operates under Internal Revenue Code Section 408A. I agree to the terms of my Account, which are contained in the applicable provisions of the document entitled "Victory Funds IRA Plan Agreement" and this Adoption Agreement. I certify the accuracy of the information in the Adoption Agreement. My Account will be effective upon acceptance by Bank.

- I acknowledge receipt of the Victory Funds Traditional and/or Roth IRA Plan Agreement and Traditional and/or Roth IRA Disclosure Statement at least 7 days before the date inscribed on this page and acknowledge that I have no further right of revocation.
- Depositor acknowledges that it is his/her sole responsibility to report all contributions to or withdrawals from the Account correctly on his/her tax returns, and to keep necessary records of all the Depositor's IRAs (including any that may be held by another custodian or trustee) for tax purposes. All forms must be acceptable to the Custodian and dated and signed by the Depositor.
- I have received and read the prospectus for the fund(s) in which I am investing, which contains more complete information about the fund(s), including charges and expenses. I have the authority and legal capacity to purchase mutual funds, am of legal age and believe each investment is suitable for me. It is my responsibility to read the prospectus of any fund into which I exchange.
- I understand that shares of the Victory Funds are not insured by the FDIC; not deposits or other obligations of, or guaranteed by, any KeyCorp bank, its affiliates or any other bank; subject to investment risks, including possible loss of the principal amount invested.**
- The Victory Funds are distributed by Victory Capital Advisers, Inc. ("VCA"), member FINRA and SIPC. VCA is a wholly owned subsidiary of KeyCorp. Victory Capital Management, Inc., an affiliate of VCA, is the investment advisor to the Funds and receives a fee from the Funds for its services.
- I understand that all information provided in Sections 1, 2, 4 and 5 will apply to any new fund into which my shares may be exchanged.
- Until the Depositor reaches the age of majority the parent or guardian will exercise the powers and duties of the Depositor.
- If I am a U.S. citizen or resident alien, I certify under penalties of perjury that the Social Security or taxpayer identification number provided is correct.

Important Information about Procedures for Opening a New Account. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. When you open an account, we will ask you for your name, address, and identification number, and in the case of an individual, your date of birth. In all cases, Victory Funds is committed to protecting the privacy and identity of each of its customers.

RETAIN A PHOTOCOPY OF THE COMPLETED ADOPTION AGREEMENT FOR YOUR RECORDS.

Office Use Only. We hereby submit this application for the purchase of shares of the Fund(s) indicated in accordance with the terms of our selling agreement with the prospectus for the Fund.

Securities Dealer Name Dealer No.

Representative Name Representative No.

Representative Branch Address Dealer No.

Principal Approval Date

Transfer of Assets Form

Use this form to transfer your existing IRA to a Victory Funds Retirement Account with KeyBank National Association as Custodian.

Part 1. Please Tell Us About Yourself

NAME _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

SOCIAL SECURITY NO. _____

DAYTIME PHONE _____

Part 2. Type of Account You Would Like To Transfer

- Choose one:** Traditional IRA Rollover IRA Qualified Plan**
 SEP IRA Roth IRA* SIMPLE IRA***

*Transfers from a Roth IRA into a Traditional IRA, a Rollover IRA or a Simplified Employee Pension (SEP) IRA are not allowed.

** Qualified Plans are 401(k), 403b and 457 Plans.

*** Transfers from a SIMPLE IRA may be made only to another SIMPLE IRA. After two years, transfers may be made from a SIMPLE IRA to a Traditional IRA or Roth IRA.

Tax Withholding Election (complete only for transfer from another type of IRA to a Roth IRA). Under IRS rules, a transfer of a Traditional IRA, SEP IRA or SIMPLE IRA to a Roth IRA is treated for income tax purposes as a distribution of taxable amounts in the other IRA. IRS rules also require the custodian to withhold 10% of the amount transferred for federal income taxes unless no withholding has been elected. See IRS Publication 505, "Tax Withholding and Estimated Tax" for more information. State tax withholding may also apply if federal income tax is withheld. **Caution:** Withholding income taxes from the amount transferred (instead of paying applicable income taxes from another source) may adversely impact the expected financial benefits of transferring from another IRA to a Roth IRA (consult your financial advisor if you have a question). Because of this impact, by electing to convert to a Roth IRA, you are deemed to elect no withholding unless you check the box below. In so doing, by signing this form, you acknowledge that you may be required to pay estimated tax and that insufficient payments of estimated tax may result in penalties.

- Withhold 10% for federal income taxes
 (if you want a greater percentage, put it here: _____%.)

Part 3. Investment Into an Existing IRA Account

If you are transferring into an existing Victory Funds Traditional IRA, SEP IRA or Roth IRA, indicate the Account Numbers and Fund Names:

ACCOUNT NUMBER _____	FUND NAME _____
ACCOUNT NUMBER _____	FUND NAME _____

Part 4. New Victory Funds Investment Instructions

Depositor: check one box and complete if necessary.

- Invest* the transferred amount in accordance with the attached investment instructions in the Adoption Agreement for my Victory Funds Individual Retirement Account.

Invest* the transferred amount as follows: AMOUNT _____

\$ _____

FUND NAME _____

\$ _____

FUND NAME _____

*Generally, if share class is not specified, A shares will be purchased.

Part 5. Instructions to Present IRA Custodian or Trustee - Completed by Depositor

NAME OF CUSTODIAN/TRUSTEE _____

ATTN: MR./MS. _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

Please transfer assets to the Victory Funds in cash according to the following instructions.

- Transfer my entire Account # _____
OR
 Transfer \$ _____ and retain the balance.

Indicate which funds should be liquidated:	AMOUNT
_____	\$ _____
FUND NAME _____	
_____	\$ _____
FUND NAME _____	
Total \$ _____	

Make check payable to:
 The Victory Funds
 P.O. Box 182593
 Columbus, OH 43218-2593

For overnight delivery
 The Victory Funds
 c/o Citi TA Operations
 3435 Stelzer Rd.
 Columbus, OH 43219

Part 6. Signature of Depositor

The undersigned certifies to the present IRA custodian or trustee that the undersigned has established a successor Victory Funds Individual Retirement Account meeting the requirements of Internal Revenue Code Section 408(a) or 408A (as the case may be) to which assets will be transferred, and certifies to the Victory Funds and KeyBank National Association that the IRA from which assets are being transferred meets the requirements of Internal Revenue Code Section 408(a), 408(p) or 408A (as the case may be).

I understand that the requirements for a valid transfer to a Traditional IRA, SEP IRA or Roth IRA are complex and that I have the responsibility for complying with all requirements and for the tax results of any such transfer.

SIGNATURE OF DEPOSITOR _____ DATE _____

SIGNATURE GUARANTEED BY: NAME OF BANK OR DEALER FIRM _____

SIGNATURE OF OFFICER AND TITLE _____

Part 7. Acceptance by New Custodian

Citi, as agent for KeyBank National Association, agrees to accept transfer of the above amount for deposit to the Depositor's Victory Funds Individual Retirement Account, and requests the liquidation and transfer of assets as indicated above.

BY _____

DATE _____

Social Security Number: _____

Account Holder Information

NAME _____

MAILING ADDRESS _____

CITY _____ STATE _____ ZIP _____

HOME PHONE _____ BUSINESS PHONE _____

Former Employer

COMPANY NAME _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

PLAN ACCOUNT NUMBER _____

CONTACT PERSON _____ PHONE NUMBER _____

Rollover Instructions

Please liquidate:

all, or

part (\$ _____)

of my retirement assets and make check payable to:

Victory Funds, FBO: _____ IRA

and send to:

Victory Funds
P.O. Box 182593
Columbus, OH 43218-2593

Description of asset to be liquidated:

Required Minimum Distribution Restriction

Age 70½ Restrictions - If this rollover is being made during or after the year in which you turn age 70½, you cannot roll over any distribution which would constitute a required minimum distribution. Please check with your Plan Administrator or former Custodian for more information.

I understand the rules and conditions applicable to rollovers and certify that I qualify for a rollover of the funds to be accepted by KeyBank as Custodian. Due to the important tax consequences of rolling funds over to an IRA or other qualified plan, I have been advised to see a tax advisor.

I hereby irrevocably designate this contribution of the funds indicated above as a rollover contribution.

ACCOUNT HOLDER _____ DATE _____

Direct Rollover Request

I hereby request payment from the plan designated above in the form of a direct rollover. I assume full responsibility for this direct rollover transaction and will not hold the Plan Administrator, Trustee, Custodian or Issuer of either the distributing or receiving plans liable for any adverse consequences that may result.

ACCOUNT HOLDER _____ DATE _____

Acceptance by KeyBank

Citi, as agent for KeyBank agrees to serve as the new Custodian for the account of the above-named individual, and as Custodian, we agree to accept the assets as specified on this form.

AUTHORIZED KEYBANK SIGNATURE _____ DATE _____

Based on IRS Form 5305-A, the Victory Funds Traditional Individual Retirement Account Plan Agreement under Section 408(a) of the Internal Revenue Code.

Article I. Contributions

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 \$5,000 per year for tax years 2009 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$6,000 for 2009 and thereafter. The above limits will be increased to reflect a cost-of-living adjustment, if any.

Article II. Non-forfeitable

The Depositor's interest in the balance in the Custodial Account is non-forfeitable.

Article III. Investment of Account Assets

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. Distribution

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) single sum or
 - (b) Payments over a period not longer than the life of the depositor or the joint lives of the depositor and his or her designated beneficiary.
3. If the depositor dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:
 - a. If the depositor dies on or after the required beginning date and:
 - (i) the designated beneficiary is the Depositor's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the

year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph (a)(iii) below, over such period.

- (ii) the designated beneficiary is not the depositor's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the death of the depositor and reduced by 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. Reports

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. Controlling Law

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. Amendments

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 Adoption Agreement.

Article VIII. Definitions

1. The term "Agreement" shall mean this Victory Funds Traditional IRA Plan Agreement, as the same may be amended from time to time.
2. The term "Code" shall mean the Internal Revenue Code of 1986, as amended.
3. The term "Custodial Account" shall mean the individual retirement custodial account established pursuant to this Agreement.
4. The term "Custodian" shall mean the custodian with whom the Custodial Account is initially opened or any successor custodian by merger, by designation of the current Custodian, or as otherwise permitted under this Agreement.
5. The term "Depositor" shall mean the individual in whose name the Custodial Account is maintained.
6. The term "Distributor" shall mean the entity which has a contract with the Fund(s) to serve as distributor of the shares of such Fund(s). In any case where there is no Distributor, the duties

assigned hereunder to the Distributor may be performed by the Fund(s) or by an entity that has a contract to perform management or investment advisory services for the Fund(s).

7. The term "Fund" shall mean any registered investment company which is advised, sponsored or distributed by Sponsor; provided, however, that such a mutual fund or registered investment company must be legally offered for sale in the state of the Depositor's residence.
8. The term "Service Company" shall mean any entity employed by the Custodian or the Distributor, including the transfer agent for the Fund(s), to perform various administrative duties of either the Custodian or the Distributor. In any case where there is no Service Company, the duties assigned hereunder to the Service Company will be performed by the Distributor (if any) or by an entity specified in paragraph 6 above.
9. The term "Sponsor" shall mean Victory Funds.

Article IX. Investments

1. All contributions shall be invested, without distinction between principal and income, in one or more Funds to be selected by Depositor, which are offered through the Custodian. Fee or other income may accordingly be received by the Custodian or an affiliate in connection with any service provided to such a fund. Shares in these Funds are not endorsed or guaranteed by and do not constitute obligations of the Custodian or their affiliates.
2. All shares in the Fund(s) will be held in book entry form. Contributions to each Fund shall be made in such proportions as the Depositor may direct in either the Adoption Agreement or in other instructions acceptable to the Service Company.
3. Investments of account funds (including contributions, dividends, distributions, earned interest and other income of the account) shall be made upon instructions to the Service Company from the Depositor. The Service Company shall transmit such instructions to the transfer agent for the respective Fund(s). When no clear instructions have been received from the Depositor as to the investment of funds, the Depositor hereby instructs the Service Company to hold account funds uninvested or invest the funds in a money market account. The Service Company shall not be responsible for any lost income or other earnings (including capital appreciation) during any period when it receives unclear instructions. All investment directions by Depositor will be subject to any minimum initial or additional investment or minimum balance rules applicable to a Fund as described in its prospectus.
4. All purchases, redemptions and sales shall be effected at the public offering price or net asset value of such Fund(s). Such price or value shall be the next one determined after transmission of the Depositor's instructions to the transfer agent of the Fund(s). The sales, redemption or other charges set forth in the prospectus shall apply to any such transactions.
5. The Depositor may shift sums between any Fund(s) within the Custodial Account. Such transfers shall be subject to the applicable minimum amount requirements and payment of transfer charges and related fees.
6. The Depositor shall direct the Service Company with respect to the investment of all contributions to and earnings on the Custodial Account. All investment decisions shall be the sole responsibility of the Depositor or, if the Depositor should die, of his/her beneficiary(ies). Neither the Service Company nor the Custodian shall be under any duty to question any instructions of the Depositor or of his/her beneficiary(ies). Neither the Service Company nor the Custodian need act on instructions

purportedly from the Depositor, his or her beneficiary(ies), or a person otherwise purportedly authorized to make any investment or other disposition of assets in the Custodial Account unless the Service Company or Custodian is satisfied in its discretion that the instructions are genuine and authorized. The Custodian may in its discretion, but is not required to, act upon the instructions of an agent (or one believed in good faith by Custodian to be an agent) for the Depositor or beneficiary, and shall be indemnified and held harmless by the Depositor or beneficiary with respect to any damage, claim, or loss by or to same in so doing. All dividends and capital gains or other distributions received on the shares of any Fund(s) held in the Custodial Account shall be (unless received in additional shares) reinvested in full and fractional shares of such Fund(s) (or any other Fund(s) offered by the Sponsor, if so directed).

7. Neither the Service Company nor the Custodian shall be responsible for the purpose or propriety of any distribution, action, or non-action taken in accordance with the instructions of the Depositor or of his/her beneficiary(ies). Neither the Service Company nor the Custodian shall be required to take any action, other than as expressly required under this Agreement, unless Depositor furnishes instructions in a manner acceptable to the Custodian. Neither the Service Company nor the Custodian shall be liable for losses of any kind which may result from action taken in accordance with the instructions of the Depositor or his/her beneficiary(ies) or from any failure to act because of the absence of such instructions. Neither the Service Company nor the Custodian shall be deemed to be in a fiduciary relationship with or owe a fiduciary obligation to the Depositor or any beneficiary in carrying out the terms of this Agreement and/or in acting upon the instructions of the Depositor or any beneficiary.
8. Voting rights: The Custodian shall forward to the Depositor any notices, prospectuses, reports to shareholders, financial statements, proxies and proxy soliciting materials, relating to the fund shares in the Depositor's account. The Custodian shall vote any such shares held in the account in accordance with the timely written instructions if received. If no timely written instructions are received from the Depositor, the Trustee may vote such shares in such a manner as it deems appropriate (including "present" or in accordance with the recommendations of the Fund's Board of Trustees).
9. The Service Company shall maintain records of all purchases, sales or redemptions of any Fund(s). The Custodian shall maintain such records as are necessary for reflecting transactions in the Custodial Account.

Article X. Distribution Documentation

While the Service Company and the Custodian may without liability rely on a representation of the Depositor that a distribution from the Custodial Account qualifies for exemption from the imposition of tax or a tax penalty, Depositor shall nevertheless provide to either the Service Company or Custodian such documentation supporting such exemption as either may request. In the absence of the provision of such documentation, either the Service Company or the Custodian may without liability refuse to code a distribution as exempt from tax or penalty in its report to the IRS or other taxing authority.

Article XI. Rollover Contributions

1. If the Depositor desires to make a rollover contribution, he or she shall provide such documents as the Service Company or the Custodian may require in connection with such rollover contribution.
2. The Service Company or the Custodian has no obligation to determine whether a rollover to the Custodial Account is an eligible rollover distribution under the Code.
3. It is the obligation of the Depositor to decide whether any rollover is to be held in a separate individual custodial account to preserve any tax advantages which might thereby be available to the Depositor, and to so instruct the Service Company or Custodian in writing upon making the rollover by executing an appropriate form provided by either for such purpose.

Article XII. Tax Issues

Neither the Service Company nor the Custodian makes any representations or warranties whatsoever regarding tax issues, including but not limited to warranties or representations regarding the deductibility or non-deductibility under the Code or any other tax law or regulation of any transfer, contribution, rollover, or distribution to or from any account established pursuant to this Agreement, or the imposition of any tax or penalty thereon. The Depositor or applicable beneficiary(ies) has the obligation of determining the amount of any required minimum distribution that the Depositor or beneficiary(ies) must take. It is the obligation of the Depositor or beneficiary(ies) to consult a tax advisor or attorney with respect to the tax implications of any transaction relating to the Custodial Account. Either the Service Company or Custodian may without liability withhold any amount from any distribution that the Service Company or Custodian, in either's sole discretion, believes may be required to be withheld under any good faith interpretation by the Service Company or Custodian of applicable federal or state tax laws, including any tax treaty, and forward such amount to the relevant taxing authority. Either the Service Company or Custodian may withhold the minimum amount provided for by law where Depositor fails to provide documentation satisfactory to the Service Company or Custodian in either's sole discretion evidencing Depositor's entitlement to no withholding or a reduced rate of withholding.

Article XIII. Account Instructions and Elections

The Service Company and the Custodian shall be entitled to rely upon any oral or written instructions, direction, designation, election, representation, or other document signed in the name of the Depositor, and the Service Company and the Custodian shall be fully protected in relying thereon. Where the Depositor has died, the Service Company and the Custodian may take instructions from a beneficiary with respect to the beneficiary's share of the Custodial Account. If joint beneficiaries of any portion of the Custodial Account are designated, the Service Company and the Custodian may, without liability, release or invest assets on the instructions of any one or more of the joint beneficiaries, but may also choose, without liability, to refuse to accept instructions or release assets without the consent of all of the joint beneficiaries, in either the Service Company or Custodian's sole discretion. The Service Company and the Custodian may in their sole discretion refuse to distribute assets held in the Custodial Account or take any action relating to the Custodial Account if they are not satisfied that making such distribution or taking such action will not subject either of them to liability and that the person requesting the distribution or other action is authorized to so request, or may require additional evidence of authority, a court order, a release, and/or an indemnification agreement in form and substance satisfactory to either of them before complying with any such request. The Service Company and the Custodian shall have no obligation whatsoever to the Depositor, beneficiary, or any other person to make any distribution from the Custodial Account under Article IV without express instructions from the Depositor, or the beneficiary where the Depositor has died, or to notify the Depositor or beneficiary that any required distribution date is approaching, although the Service Company and the Custodian may in the absence of instructions, in their sole discretion and without having any liability for doing so, begin making distributions under a single sum or life expectancy payout method specified under Article IV. Accordingly, it is the sole obligation of the Depositor to keep track of the approach of his or her required beginning date and to instruct the Service Company and the Custodian before his or her required beginning date to begin making distributions from the Custodial Account under a distribution procedure elected by the Depositor. It is also the sole obligation of the beneficiary, where the Depositor has died, to notify the Service Company and the Custodian of the Depositor's death, to present evidence acceptable to the Service Company and the Custodian of that fact, and to instruct the Service Company or Custodian to make distributions from the Custodial Account under the distribution method elected by the beneficiary.

Article XIV. Beneficiary(ies)

1. The Depositor shall designate the beneficiary(ies) to receive benefits hereunder after the death of the Depositor by filing with the Custodian prior to death a written designation of beneficiary form provided by, or acceptable to, the Custodian. A Depositor may at anytime and from time to time change the beneficiary(ies) by filing a new designation on the form provided by, or acceptable to, the Custodian. Such change of beneficiary(ies) shall not otherwise affect the terms and conditions of this Agreement. If no designation of beneficiary is made by the Depositor, then the beneficiary shall be the estate of the Depositor. This Article is subject to paragraph 6 of Article XIX.
2. If the Depositor's spouse is the Depositor's sole beneficiary, he or she may designate a beneficiary(ies), and may change such beneficiary(ies), by filing a designation or subsequent designation on a form provided by or acceptable to the Custodian. If the Depositor's spouse elects to treat this account as his or her own, the Depositor's spouse's beneficiary designations will override any which the Depositor may have made to the contrary.
3. Any beneficiary who is not the Depositor's spouse may designate a beneficiary(ies) to receive benefits upon the beneficiary's death, and may change such designation from time to time, by filing a designation or subsequent designation on a form provided by or acceptable to the Custodian.
4. Despite anything to the contrary in paragraphs 2 and 3 of this Article, no beneficiary may at any time after the Depositor's death change any beneficiary which the Depositor has designated. This shall not apply to a change due to a qualified disclaimer, due to a court order or where a surviving spouse treats the account as his/her own.
5. Despite anything to the contrary in paragraphs 2 and 3 of this Article, no beneficiary may by designation of another beneficiary extend the period for required minimum distribution beyond that allowed by section 401(a)(9) of the Code and regulations promulgated under it.
6. Except, as provided in paragraphs 4 and 5 of this Article or except as the Depositor may limit in the Depositor's designation of beneficiary, any beneficiary designated under this Agreement shall have all rights, duties and responsibilities apart from Article IV as if the beneficiary were the Depositor, except where the Code or regulations would expressly require otherwise, including, but not limited to, the right to direct investments, the right to withdraw any and all funds from this account, and the right to transfer this account in a direct trustee to trustee transfer to another institution qualified to be an IRA custodian. By accepting benefits under this account, each such beneficiary agrees to indemnify the Custodian for any loss or damages that may result to the Custodian from so treating each such beneficiary.
7. The Depositor understands that the ability of any of the Depositor's beneficiaries to appoint beneficiaries may be limited by applicable state law. The Depositor understands that the Custodian has not given the Depositor any advice concerning this matter and the Depositor should consult with the Depositor's attorney regarding this matter.
8. The Custodian may rely conclusively upon its own retirement account records in ascertaining the beneficiary(ies) of the Custodial Account. If the Depositor has died and the retirement account records of the Custodian regarding the beneficiary(ies) of the Custodial Account, as determined by the Custodian, are incomplete, ambiguous, subject to interpretation, conflicting, lost, stolen, destroyed, or unavailable (in so determining, the Custodian may, but is not required to, rely on documents, statements of individuals, or other evidence apart from the records), the

Custodian may make such determination of Depositor's intention as Custodian determines reasonable under the circumstances. The Custodian shall not be liable to any person with respect to any such determination made in good faith. The Custodian shall not be liable for any claim that the Depositor intended to name a beneficiary other than the one named on the beneficiary designation form provided by the Depositor, that the beneficiary designation form is incomplete, ambiguous, subject to interpretation, or has been lost, stolen, or destroyed, or is unavailable, or that the Depositor gave oral instructions to the Custodian regarding his or her beneficiary not actually reflected in the beneficiary form. It is the Depositor's obligation to read the beneficiary form for accuracy and completeness before signing it.

9. Upon the death of the Depositor, before releasing any assets to the estate of the Depositor as beneficiary of the Custodial Account, Custodian may require the person claiming to represent the estate to present evidence acceptable to the Custodian in its sole discretion that such person is the legal representative of the estate of the Depositor. If no estate is opened, the Custodian may, in its sole discretion and without liability to any person, rely on evidence presented to it by a person claiming assets that the assets are appropriately distributable to such person. For its own protection, Custodian may require a tax waiver or tax release to be provided by a person before assets are released to such person whether or not such tax release or waiver would actually be required under applicable law.

Article XV. Prohibited Transactions

The Depositor, his or her spouse, or beneficiaries shall not engage in a transaction prohibited by section 4975 of the Code with respect to the Custodial Account established hereunder.

Article XVI. Amendments

The Depositor shall be deemed to have consented to any amendment or restatement of this Agreement which has been mailed to the Depositor's last known address as reflected in the Custodian's records, or where the Custodian has been notified of the Depositor's death, to the last such known address of the Depositor's beneficiary(ies), whether or not such notice is actually received by the Depositor or any beneficiary(ies). The Depositor or beneficiary(ies) shall not be deemed to have consented to such amendment or restatement if the Depositor or beneficiary(ies) sends notice in writing to the Custodian objecting to same, which notice is received by the Custodian within 30 days of the date of the mailing of the amendment or restatement ("Mailing Date"). Either the Depositor, or if the Depositor has died, the beneficiary(ies), or the Custodian may terminate this Agreement upon such objection. If the Depositor or beneficiary does not terminate this Agreement and transfer the assets in the Custodial Account within 45 days of the Mailing Date, the amendment or restatement shall become effective despite such objection.

Article XVII. Termination and Succession

The Custodial Account established by this Agreement shall remain in effect until such time as the Custodian receives written notice from the Depositor, in such form as the Custodian may in its discretion require, to distribute all of the assets or to transfer all of the assets held in the Custodial Account to the Depositor or to the trustee, custodian, or plan administrator of another retirement account, plan, or trust and such transfer of assets is completed, or until all of the assets have been distributed pursuant to the terms of this Agreement, whichever first occurs. The Custodian may also in its discretion terminate this Agreement and resign, in which case the Custodian shall return the Custodial Account assets to the Depositor less any fees owing to the Custodian, or where the Custodian has been notified of the Depositor's death, to the beneficiary(ies). The Custodian may also appoint any bank, or other entity authorized by the IRS at the time to be a trustee or custodian of individual retirement accounts, as a successor custodian for all or part of the assets held in

the Custodial Account. Upon such transfer, the successor custodian shall have the obligations of the Custodian hereunder with respect to the assets transferred. The Custodian shall give at least 30 days written notice of any such termination or transfer mailed to the Depositor's last known address as reflected in the Custodian's records or, where the Custodian has been notified of the Depositor's death, to the last known address of the Depositor's beneficiary(ies), whether or not such notice is actually received. The Custodian shall have no further obligation to the Depositor, any beneficiary(ies), or any other person under this Agreement or with respect to the assets held in any transferred account or any transactions in connection therewith, subsequent to the transfer thereof. Any successor in interest to the Custodian shall automatically become Custodian hereunder. Unclaimed funds shall be transferred as required by applicable law.

Article XVIII. Fees

1. The Custodian may charge fees of such types and in such amounts as it may in its discretion determine from time to time to assess in connection with the investments available for the Custodial Account. Such fees may include, without limitation, an annual account maintenance fee, an account transfer fee and an account withdrawal fee, which fees may be increased from time to time. Information on applicable fees and charges shall be furnished to the Depositor upon request. Fees may vary with the type of transaction.
2. Any transfer taxes incurred in connection with the investment or reinvestment of assets in the Custodial Account, or any income taxes or other taxes of any kind whatsoever that may be levied or assessed upon or in respect to the Custodial Account, shall be paid from the assets of the Custodial Account and shall not be the obligation of the Custodian. All administrative and other expenses incurred in activity on behalf of the Custodial Account, including fees for legal services, shall be paid from or set off against the assets of the Custodial Account and shall not be the obligation of the Custodian. The Depositor, or the beneficiary if the Depositor has died, is solely responsible for any taxes and/or penalties incurred in connection with the Custodial Account, including, without limitation, taxes and penalties for excess contributions, premature withdrawals, or failure to make mandatory withdrawals. The Custodian shall have the right to liquidate assets in the Custodial Account, which assets the Custodian may without liability choose in its sole discretion, and apply the proceeds to payment of its fees and charges or to any administrative or other expenses incurred on behalf of the Custodial Account.

Article XIX. Miscellaneous

1. All contributions, instructions, notices, and communications pertaining to the Custodial Account from the Depositor to the Service Company or Custodian shall be considered to have been made only upon receipt by the Service Company or Custodian. All written instructions, notices and communications to the Service Company or the Custodian shall be addressed to the Service Company designated by the Custodian. All notices or notifications required to be mailed under this Agreement by the Service Company or Custodian and all letters, statements, confirmations, agreements, amendments and/or restatements, and other written communications from the Service Company or the Custodian to the Depositor or beneficiary(ies), shall be considered sufficient and shall be deemed to have been received by the Depositor, whether or not actually received and read, if sent by U.S. mail, courier or commercial mail delivery service, or by facsimile or other electronic means to the Depositor's last known address or facsimile number as reflected in the Service Company or Custodian's records. It is the obligation of the Depositor, or the beneficiary(ies) if the Depositor is deceased, to promptly advise the Service Company or Custodian in writing of any change in address. Wherever under this Agreement notice may or must be given by the Service Company or Custodian by mail, such notice may also be given by any other

means permitted under applicable rules, and regulations of the Service Company or Custodian, including by meeting the minimum requirements for notice required by any applicable law or regulation. Where the Depositor or beneficiary(ies) has actual knowledge of any fact, the giving of notice of any such fact by the Service Company or Custodian is waived.

2. The Depositor shall be deemed to have knowledge of the contents of any notice, statement, letter, confirmation, or other written communication (each referred to hereinafter as a "Notification") sent by the Service Company or Custodian by U.S. mail, courier or other commercial mail delivery service or by facsimile or other electronic means to the address or facsimile number of the Depositor reflected in the Service Company or Custodian's records. If any error or mistake appears in any Notification or if the Depositor has any objection or claim of any kind to assert against the Service Company or the Custodian with respect to any transaction or conduct with is reflected or described in any Notification or of which the Depositor has actual knowledge or would, upon the exercise of reasonable prudence as an investor, have knowledge, the Depositor shall notify the Service Company or the Custodian in writing of any such error, mistake, objection, or claim within 14 days (or such lesser period as may be reasonable under the circumstances) of the date of the mailing of the Notification or the date on which such other communication was received or fact discovered or, upon the exercise of reasonable prudence by the Depositor, would have been received or discovered by the Depositor, or the Depositor shall be deemed to have waived any such error, mistake, objection, or claim, and be forever barred from asserting the same against the Service Company or Custodian.
3. Any suit or proceeding setting forth a claim, action, or cause of action arising under or in connection with this Agreement, the Custodial Account, or any transaction of the Depositor in connection therewith must be filed within one year of the occurrence of the transaction upon which said claim, action, or cause of action is based or be forever barred.
4. Except to the extent superseded by federal law, Ohio law shall govern the construction, validity, and administration of this Agreement and of the Custodial Account.
5. Where any distribution check is returned to the Service Company or the Custodian uncashed, the Depositor hereby authorizes the Service Company or the Custodian to either discontinue making payments from the IRA or place additional scheduled payments in an escrow account, as the Service Company or Custodian in their sole discretion may, in the absence of instructions from Depositor, so decide.
6. The Service Company or Custodian may, without liability to any person, distribute assets in the Custodial Account to the Depositor or, if the Depositor should die, his/her beneficiary(ies), notwithstanding any actual or claimed community property, marital, or other right or interest of the Depositor's spouse or beneficiary's spouse, or any other person. The Service Company or Custodian may also in their sole discretion and without liability to any person recognize any claimed community property or other right or interest in or to assets of the Custodial Account that Custodian in good faith believes may be valid.
7. Where distributions, deductions, or offsets are to be taken from or against the Custodial Account, and no instructions have been receded from the Depositor, any Custodial Account assets may be liquidated for such purpose.
8. Custodian may, in its sole discretion, agree to the opening of a Custodial Account in the name of a minor. In this event, Custodian may require a parent, guardian, or other person (each a "guarantor"), to execute the appropriate form accepting the terms

of this Agreement. By so doing, the guarantor shall indemnify Custodian for any loss or liability which may arise because of, or in connection with, the opening or maintaining of, the Custodial Account, or the Custodian's reliance upon instructions of the guarantor or minor in connection with the Custodial Account including instructions regarding investing assets of or making withdrawals from the Custodial Account.

Article XX. Investment Management

Where the Depositor designates a third party ("Investment Manager") to direct investment of, or to otherwise give instructions to the Service Company for the investment of Custodial Account assets, the Service Company and the Custodian may rely on the instructions and other communications and acquiesce in the decisions regarding investment of Custodial Account assets given or taken by such third party as if such third party were the Depositor.

Article XXI. Restrictions on the Custodial Account

Neither Depositor nor any beneficiary may sell, transfer or pledge any interest in the Custodial Account in any manner whatsoever, except as provided by law or this Agreement.

Based on IRS Form 5305-RA, the Victory Funds Roth Individual Retirement Account Plan Agreement under Section 408(a) of the Internal Revenue Code.

Article I. Contributions

Except in the case of a rollover contribution described in section 408(e), a recharacterized contribution described in section 408A(d)(6), or an IRA Conversion Contribution, the custodian will accept only cash contributions up to \$5,000 per year for tax years 2009 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$6,000 for 2009 and thereafter. The above limits will be increased to reflect a cost-of-living adjustment, if any.

Article II. Adjustments

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 \$105,000 and \$120,000; for a married depositor filing jointly, between AGI of \$166,000 and \$176,000; 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. Nonforfeitable

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

Article IV. Investment of Account Assets

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. Distribution

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 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. Reports

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. Controlling Law

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. Amendments

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 Adoption Agreement.

Article IX. Definitions

1. The term "Agreement" shall mean this Victory Funds Plan Agreement, as the same may be amended from time to time.
2. The term "Code" shall mean the Internal Revenue Code of 1986, as amended.
3. The term "Custodial Account" shall mean the individual retirement custodial account established pursuant to this Agreement.
4. The term "Custodian" shall mean the custodian with whom the Custodial Account is initially opened or any successor custodian by merger, by designation of the current Custodian, or as otherwise permitted under this Agreement.
5. The term "Depositor" shall mean the individual in whose name the Custodial Account is maintained.
6. The term "Distributor" shall mean the entity which has a contract with the Fund(s) to serve as distributor of the shares of such Fund(s). In any case where there is no Distributor, the duties assigned hereunder to the Distributor may be performed by the Fund(s) or by an entity that has a contract to perform management or investment advisory services for the Fund(s).
7. The term "Fund" shall mean any registered investment company which is advised, sponsored or distributed by Sponsor; provided, however, that such a mutual fund or registered investment company must be legally offered for sale in the state of the Depositor's residence.

8. The term "Service Company" shall mean any entity employed by the Custodian or the Distributor, including the transfer agent for the Fund(s), to perform various administrative duties of either the Custodian or the Distributor. In any case where there is no Service Company, the duties assigned hereunder to the Service Company will be performed by the Distributor (if any) or by an entity specified in paragraph 6 above.
9. The term "Sponsor" shall mean Victory Funds.

Article X. Investments

1. All contributions shall be invested, without distinction between principal and income, in one or more Funds to be selected by Depositor, which are offered through the Custodian. Fee or other income may accordingly be received by the Custodian or an affiliate in connection with any service provided to such a fund. Shares in these Funds are not endorsed or guaranteed by and do not constitute obligations of the Custodian or their affiliates.
2. All shares in the Fund(s) will be held in book entry form. Contributions to each Fund shall be made in such proportions as the Depositor may direct in either the Adoption Agreement or in other instructions acceptable to the Service Company.
3. Investments of account funds (including contributions, dividends, distributions, earned interest and other income of the account) shall be made upon instructions to the Service Company from the Depositor. The Service Company shall transmit such instructions to the transfer agent for the respective Fund(s). When no clear instructions have been received from the Depositor as to the investment of funds, the Depositor hereby instructs the Service Company to hold account funds uninvested or invest the funds in a money market account. The Service Company shall not be responsible for any lost Income or other earnings (including capital appreciation) during any period when it receives unclear instructions. All investment directions by Depositor will be subject to any minimum initial or additional investment or minimum balance rules applicable to a Fund as described in its prospectus.
4. All purchases, redemptions and sales shall be effected at the public offering price or net asset value of such Fund(s). Such price or value shall be the next one determined after transmission of the Depositor's instructions to the transfer agent of the Fund(s). The sales, redemption or other charges set forth in the prospectus shall apply to any such transactions.
5. The Depositor may shift sums between any Fund(s) within the Custodial Account. Such transfers shall be subject to the applicable minimum amount requirements and payment of transfer charges and related fees.
6. The Depositor shall direct the Service Company with respect to the investment of all contributions to and earnings on the Custodial Account. All investment decisions shall be the sole responsibility of the Depositor or, if the Depositor should die, of his/her beneficiary(ies). Neither the Service Company nor the Custodian shall be under any duty to question any instructions of the Depositor or of his/her beneficiary(ies). Neither the Service Company nor the Custodian need act on instructions purportedly from the Depositor, his or her beneficiary(ies), or a person otherwise purportedly authorized to make any investment or other disposition of assets in the Custodial Account unless the Service Company or Custodian is satisfied in its discretion that the instructions are genuine and authorized. The Custodian may in its discretion, but is not required to, act upon the instructions of an agent (or one believed in good faith by Custodian to be an agent) for the Depositor or beneficiary, and shall be indemnified and held harmless by the Depositor or beneficiary with respect to any damage, claim, or loss by or to same in so doing. All dividends and capital gains or other distributions received on the

shares of any Fund(s) held in the Custodial Account shall be (unless received in additional shares) reinvested in full and fractional shares of such Fund(s) (or any other Fund(s) offered by the Sponsor, if so directed).

7. Neither the Service Company nor the Custodian shall be responsible for the purpose or propriety of any distribution, action, or non-action taken in accordance with the instructions of the Depositor or of his/her beneficiary(ies). Neither the Service Company nor the Custodian shall be required to take any action, other than as expressly required under this Agreement, unless Depositor furnishes instructions in a manner acceptable to the Custodian. Neither the Service Company nor the Custodian shall be liable for losses of any kind which may result from action taken in accordance with the instructions of the Depositor or his/her beneficiary(ies) or from any failure to act because of the absence of such instructions. Neither the Service Company nor the Custodian shall be deemed to be in a fiduciary relationship with or owe a fiduciary obligation to the Depositor or any beneficiary in carrying out the terms of this Agreement and/or in acting upon the instructions of the Depositor or any beneficiary.
8. The Depositor shall receive all notices, prospectuses, financial statements, proxies and proxy solicitation material relating to the Fund(s), if any, in the Custodial Account. The Custodian shall not vote any shares in the Custodial Account except in accordance with the Depositor's instructions and with applicable laws and rulings.
9. The Service Company shall maintain records of all purchases, sales or redemptions of any Fund(s). The Custodian shall maintain such records as are necessary for reflecting transactions in the Custodial Account.

Article XI. Distribution Documentation

While the Service Company and the Custodian may without liability rely on a representation of the Depositor that a distribution from the Custodial Account qualifies for exemption from the imposition of tax or a tax penalty, Depositor shall nevertheless provide to either the Service Company or Custodian such documentation supporting such exemption as either may request. In the absence of the provision of such documentation, either the Service Company or the Custodian may without liability refuse to code a distribution as exempt from tax or penalty in its report to the IRS or other taxing authority.

Article XII. Rollover Contributions

1. If the Depositor desires to make a rollover contribution, he or she shall provide such documents as the Service Company or the Custodian may require in connection with such rollover contribution.
2. The Service Company or the Custodian has no obligation to determine whether a rollover to the Custodial Account is an eligible rollover distribution under the Code.

Article XIII. Tax Issues

Neither the Service Company nor the Custodian makes any representations or warranties whatsoever regarding tax issues, including but not limited to warranties or representations regarding the deductibility or non-deductibility under the Code or any other tax law or regulation of any transfer, contribution, rollover, or distribution to or from any account established pursuant to this Agreement, or the imposition of any tax or penalty thereon. The Depositor or applicable beneficiary(ies) has the obligation of determining the amount of any required minimum distribution that the Depositor or beneficiary(ies) must take. It is the obligation of the Depositor or beneficiary(ies) to consult a tax advisor or attorney with respect to the tax implications of any transaction relating to the Custodial Account. Either the Service

Company or Custodian may without liability withhold any amount from any distribution that the Service Company or Custodian, in either's sole discretion, believes may be required to be withheld under any good faith interpretation by the Service Company or Custodian of applicable federal or state tax laws, including any tax treaty, and forward such amount to the relevant taxing authority. Either the Service Company or Custodian may withhold the minimum amount provided for by law where Depositor fails to provide documentation satisfactory to the Service Company or Custodian in either's sole discretion evidencing Depositor's entitlement to no withholding or a reduced rate of withholding.

Article XIV. Account Instructions and Elections

The Service Company and the Custodian shall be entitled to rely upon any oral or written instructions, direction, designation, election, representation, or other document signed in the name of the Depositor, and the Service Company and the Custodian shall be fully protected in relying thereon. Where the Depositor has died, the Service Company and the Custodian may take instructions from a beneficiary with respect to the beneficiary's share of the Custodial Account. If joint beneficiaries of any portion of the Custodial Account are designated, the Service Company and the Custodian may, without liability, release or invest assets on the instructions of any one or more of the joint beneficiaries, but may also choose, without liability, to refuse to accept instructions or release assets without the consent of all of the joint beneficiaries, in either the Service Company or Custodian's sole discretion. The Service Company and the Custodian may in their sole discretion refuse to distribute assets held in the Custodial Account or take any action relating to the Custodial Account if they are not satisfied that making such distribution or taking such action will not subject either of them to liability and that the person requesting the distribution or other action is authorized to do so, or may require additional evidence of authority, a court order, a release, and/or an indemnification agreement in form and substance satisfactory to either of them before complying with any such request. The Service Company and the Custodian shall have no obligation whatsoever to the Depositor, beneficiary, or any other person to make any distribution from the Custodial Account under Article V without express instructions from the Depositor, or the beneficiary where the Depositor has died, or to notify the beneficiary that any required distribution date is approaching, although the Service Company and the Custodian may in the absence of instructions, in their sole discretion and without having any liability for doing so, begin making distributions under a lump sum or single life expectancy payout method specified under Article V. It is the sole obligation of the beneficiary, to notify the Service Company and the Custodian of the Depositor's death, to present evidence acceptable to the Service Company and the Custodian of that fact, and to instruct the Service Company or Custodian to make distributions from the Custodial Account under the distribution method elected by the beneficiary.

Article XV. Beneficiary(ies)

1. The Depositor shall designate the beneficiary(ies) to receive benefits hereunder after the death of the Depositor by filing with the Custodian prior to death a written designation of beneficiary form provided by, or acceptable to, the Custodian. A Depositor may at anytime and from time to time change the beneficiary(ies) by filing a new designation on the form provided by, or acceptable to, the Custodian. Such change of beneficiary(ies) shall not otherwise affect the terms and conditions of this Agreement. If no designation of beneficiary is made by the Depositor, then the beneficiary shall be the estate of the Depositor. This Article is subject to paragraph 6 of Article XX.
2. If the Depositor's spouse is the Depositor's sole Beneficiary, he or she may designate a beneficiary(ies), and may change such beneficiary(ies), by filing a designation or subsequent designation on a form provided by or acceptable to the Custodian.
3. Any beneficiary who is not the Depositor's spouse may designate a beneficiary(ies) to receive benefits upon the beneficiary's

death, and may change such designation from time to time, by filing a designation or subsequent designation on a form provided by or acceptable to the Custodian.

4. Despite anything to the contrary in paragraphs 2 and 3 of this Article, no beneficiary may at any time after the Depositor's death change any beneficiary which the Depositor has designated. This shall not apply to a change due to a qualified disclaimer, due to a court order or where a surviving spouse treats the account as his/her own.
5. Despite anything to the contrary in paragraphs 2 and 3 of this Article, no beneficiary may by designation of another beneficiary extend the period for required minimum distribution beyond that allowed by the Code and regulations promulgated under it.
6. Except as provided in paragraphs 4 and 5 of this Article or except as the Depositor may limit in the Depositor's designation of beneficiary, any beneficiary designated under this Agreement shall have all rights, duties and responsibilities apart from Article V as if the beneficiary were the Depositor, except where the Code or regulations would expressly require otherwise, including, but not limited to, the right to direct investments, the right to withdraw any and all funds from this account, and the right to transfer this account in a direct trustee to trustee transfer to another institution qualified to be an IRA custodian. By accepting benefits under this account, each such beneficiary agrees to indemnify the Custodian for any loss or damages that may result to the Custodian from so treating each such beneficiary.
7. The Depositor understands that the ability of any of the Depositor's beneficiaries to appoint beneficiaries may be limited by applicable state law. The Depositor understands that the Custodian has not given the Depositor any advice concerning this matter and the Depositor should consult with the Depositor's attorney regarding this matter.
8. The Custodian may rely conclusively upon its own retirement account records in ascertaining the beneficiary(ies) of the Custodial Account. If the Depositor has died and the retirement account records of the Custodian regarding the beneficiary(ies) of the Custodial Account, as determined by the Custodian, are incomplete, ambiguous, subject to interpretation, conflicting, lost, stolen, destroyed, or unavailable (in so determining, the Custodian may, but is not required to, rely on documents, statements of individuals, or other evidence apart from the records), the Custodian may make such determination of Depositor's intention as Custodian determines reasonable under the circumstances. The Custodian shall not be liable to any person with respect to any such determination made in good faith. The Custodian shall not be liable for any claim that the Depositor intended to name a beneficiary other than the one named on the beneficiary designation form provided by the Depositor, that the beneficiary designation form is incomplete, ambiguous, subject to interpretation, or has been lost, stolen, or destroyed, or is unavailable, or that the Depositor gave oral instructions to the Custodian regarding his or her beneficiary not actually reflected in the beneficiary form. It is the Depositor's obligation to read the beneficiary form for accuracy and completeness before signing it.
9. Upon the death of the Depositor, before releasing any assets to the estate of the Depositor as beneficiary of the Custodial Account, Custodian may require the person claiming to represent the estate to present evidence acceptable to the Custodian in its sole discretion that such person is the legal representative of the estate of the Depositor. If no estate is opened, the Custodian may, in its sole discretion and without liability to any person, rely on evidence presented to it by a person claiming assets that the assets are appropriately distributable to such person. For its own protection, Custodian may require a tax

waiver or tax release to be provided by a person before assets are released to such person whether or not such tax release or waiver would actually be required under applicable law.

Article XVI. Prohibited Transactions

The Depositor, his or her spouse, or beneficiaries shall not engage in a transaction prohibited by section 4975 of the Code with respect to the Custodial Account established hereunder.

Article XVII. Amendments

The Depositor shall be deemed to have consented to any amendment or restatement of this Agreement which has been mailed to the Depositor's last known address as reflected in the Custodian's records, or where the Custodian has been notified of the Depositor's death, to the last such known address of the Depositor's beneficiary(ies), whether or not such notice is actually received by the Depositor or any beneficiary(ies). The Depositor or beneficiary(ies) shall not be deemed to have consented to such amendment or restatement if the Depositor or beneficiary(ies) sends notice in writing to the Custodian objecting to same, which notice is received by the Custodian within 30 days of the date of the mailing of the amendment or restatement ("Mailing Date"). Either the Depositor, or if the Depositor has died, the beneficiary(ies), or the Custodian may terminate this Agreement upon such objection. If the Depositor or beneficiary does not terminate this Agreement and transfer the assets in the Custodial Account within 45 days of the Mailing Date, the amendment or restatement shall become effective despite such objection.

Article XVIII. Termination and Succession

The Custodial Account established by this Agreement shall remain in effect until such time as the Custodian receives written notice from the Depositor, in such form as the Custodian may in its discretion require, to distribute all of the assets or to transfer all of the assets held in the Custodial Account to the Depositor or to the trustee, custodian, or plan administrator of another retirement account, plan, or trust and such transfer of assets is completed, or until all of the assets have been distributed pursuant to the terms of this Agreement, whichever first occurs. The Custodian may also in its discretion terminate this Agreement and resign, in which case the Custodian shall return the Custodial Account assets to the Depositor less any fees owing to the Custodian, or where the Custodian has been notified of the Depositor's death, to the beneficiary(ies). The Custodian may also appoint any bank, or other entity authorized by the IRS at the time to be a trustee or custodian of individual retirement accounts, as a successor custodian for all or part of the assets held in the Custodial Account. Upon such transfer, the successor custodian shall have the obligations of the Custodian hereunder with respect to the assets transferred. The Custodian shall give at least 30 days written notice of any such termination or transfer mailed to the Depositor's last known address as reflected in the Custodian's records or, where the Custodian has been notified of the Depositor's death, to the last known address of the Depositor's beneficiary(ies), whether or not such notice is actually received. The Custodian shall have no further obligation to the Depositor, any beneficiary(ies), or any other person under this Agreement or with respect to the assets held in any transferred account or any transactions in connection therewith, subsequent to the transfer thereof. Any successor in interest to the Custodian shall automatically become Custodian hereunder. Unclaimed funds shall be transferred as required by applicable law.

Article XIX. Fees

1. The Custodian may charge fees of such types and in such amounts as it may in its discretion determine from time to time to assess in connection with the investments available for the Custodial Account. Such fees may include, without limitation, an annual account maintenance fee, an account transfer fee and an account withdrawal fee, which fees may be increased from time to time. Information on applicable fees and charges shall be furnished to the Depositor upon request. Fees may vary with the type of transaction.

2. Any transfer taxes incurred in connection with the investment or reinvestment of assets in the Custodial Account, or any income taxes or other taxes of any kind whatsoever that may be levied or assessed upon or in respect to the Custodial Account, shall be paid from the assets of the Custodial Account and shall not be the obligation of the Custodian. All administrative and other expenses incurred in activity on behalf of the Custodial Account, including fees for legal services, shall be paid from or set off against the assets of the Custodial Account and shall not be the obligation of the Custodian. The Depositor, or the beneficiary if the Depositor has died, is solely responsible for any taxes and/or penalties incurred in connection with the Custodial Account, including, without limitation, taxes and penalties for excess contributions, premature withdrawals, or failure to make mandatory withdrawals. The Custodian shall have the right to liquidate assets in the Custodial Account, which assets the Custodian may without liability choose in its sole discretion, and apply the proceeds to payment of its fees and charges or to any administrative or other expenses incurred on behalf of the Custodial Account.

Article XX. Miscellaneous

1. All contributions, instructions, notices, and communications pertaining to the Custodial Account from the Depositor to the Service Company or Custodian shall be considered to have been made only upon receipt by the Service Company or Custodian. All written instructions, notices and communications to the Service Company or the Custodian shall be addressed to the Service Company designated by the Custodian. All notices or notifications required to be mailed under this Agreement by the Service Company or Custodian and all letters, statements, confirmations, agreements, amendments and/or restatements, and other written communications from the Service Company or the Custodian to the Depositor or beneficiary(ies), shall be considered sufficient and shall be deemed to have been received by the Depositor, whether or not actually received and read, if sent by U.S. mail, courier or commercial mail delivery service, or by facsimile or other electronic means to the Depositor's last known address or facsimile number as reflected in the Service Company or Custodian's records. It is the obligation of the Depositor, or the beneficiary(ies) if the Depositor is deceased, to promptly advise the Service Company or Custodian in writing of any change in address. Wherever under this Agreement notice may or must be given by the Service Company or Custodian by mail, such notice may also be given by any other means permitted under applicable rules and regulations of the Service Company or Custodian, including by meeting the minimum requirements for notice required by any applicable law or regulation. Where the Depositor or beneficiary(ies) has actual knowledge of any fact, the giving of notice of any such fact by the Service Company or Custodian is waived.
2. The Depositor shall be deemed to have knowledge of the contents of any notice, statement, letter, confirmation, or other written communication (each referred to hereinafter as a "Notification") sent by the Service Company or Custodian by U.S. mail, courier or other commercial mail delivery service or by facsimile or other electronic means to the address or facsimile number of the Depositor reflected in the Service Company or Custodian's records. If any error or mistake appears in any Notification or if the Depositor has any objection or claim of any kind to assert against the Service Company or the Custodian with respect to any transaction or conduct with is reflected or described in any Notification or of which the Depositor has actual knowledge or would, upon the exercise of reasonable prudence as an investor, have knowledge, the Depositor shall notify the Service Company or the Custodian in writing of any such error, mistake, objection, or claim within 14 days (or such lesser period as may be reasonable under the circumstances) of the date of the mailing of the Notification or the date on which such other communication was received or fact discovered or, upon the

exercise of reasonable prudence by the Depositor, would have been received or discovered by the Depositor, or the Depositor shall be deemed to have waived any such error, mistake, objection, or claim, and be forever barred from asserting the same against the Service Company or Custodian.

3. Any suit or proceeding setting forth a claim, action, or cause of action arising under or in connection with this Agreement, the Custodial Account, or any transaction of the Depositor in connection therewith must be filed within one year of the occurrence of the transaction upon which said claim, action, or cause of action is based or be forever barred.
4. Except to the extent superseded by federal law, Ohio law shall govern the construction, validity, and administration of this Agreement and of the Custodial Account.
5. Where any distribution check is returned to the Service Company or the Custodian uncashed, the Depositor hereby authorizes the Service Company or the Custodian to either discontinue making payments from the IRA or place additional scheduled payments in an escrow account, as the Service Company or Custodian in their sole discretion may, in the absence of instructions from Depositor, so decide.
6. The Service Company or Custodian may, without liability to any person, distribute assets in the Custodial Account to the Depositor or, if the Depositor should die, his/her beneficiary(ies), notwithstanding any actual or claimed community property, marital, or other right or interest of the Depositor's spouse or beneficiary's spouse, or any other person. The Service Company or Custodian may also in their sole discretion and without liability to any person recognize any claimed community property or

other right or interest in or to assets of the Custodial Account that Custodian in good faith believes may be valid.

7. Where distributions, deductions, or offsets are to be taken from or against the Custodial Account, and no instructions have been received from the Depositor, any Custodial Account assets may be liquidated for such purpose.
8. Custodian may in its sole discretion, agree to the opening of a Custodial Account in the name of a minor. In this event, Custodian may require a parent, guardian, or other person (each a "guarantor"), to execute the appropriate form accepting the terms of this Agreement. By so doing, the guarantor shall indemnify Custodian for any loss or liability which may arise because of, or in connection with, the opening or maintaining of, the Custodial Account, or the Custodian's reliance upon instructions of the guarantor or minor in connection with the Custodial Account including instructions regarding investing assets of or making withdrawals from the Custodial Account.

Article XXI. Investment Management

Where the Depositor designates a third party ("Investment Manager") to direct investment of, or to otherwise give instructions to the Service Company for the investment of Custodial Account assets, the Service Company and the Custodian may rely on the instructions and other communications and acquiesce in the decisions regarding investment of Custodial Account assets given or taken by such third party as if such third party were the Depositor.

Article XXII. Restrictions on the Custodial Account

Neither Depositor nor any beneficiary may sell, transfer or pledge any interest in the Custodial Account in any manner whatsoever, except as provided by law or this Agreement.

Rules for all IRAs - Traditional and Roth

In this Disclosure Statement ("disclosure"), the words "we", "us", and "our" refer to Victory Funds. The words "you" and "your" refer to the IRA owner. This disclosure provides discussion about general points of interest about IRAs, both Traditional and Roth. They are not intended to replace either the Victory Funds Individual Retirement Account Custodial Plan Agreement or the Victory Funds Roth Individual Retirement Account Custodial Plan Agreement ("IRA Custodial Agreements"). The IRA Custodial Agreements, which are set forth earlier in this booklet, as amended from time to time, supersede this disclosure in the case of a conflict between the two.

Right of Revocation

If you change your mind, you have the right to revoke your IRA account, without incurring any costs, within seven days from the date you establish a new plan. If you mail your application to Victory Funds, you may assume, for purposes of this right to revoke, your IRA is opened three days after mailing.

To revoke the account, you must notify us in writing. Please include the following in your letter:

- The statement "I want to revoke my (specify Roth or Traditional) IRA plan."
- Your signature
- The date
- Your full name (please print)
- Your complete address
- Your IRA account number or Social Security number

Your letter must be postmarked no later than the seventh day after you opened your IRA plan. Mail your notice to:

Victory Funds
KeyBank National Association IRA Custodian
P.O. Box 182593
Columbus, OH 43218-2593

In the event of a revocation, all amounts deposited to your IRA will be returned to you without adjustments. The assets may remain uninvested until the revocation period expires.

Since the legal and tax consequences of adopting this plan can vary depending upon your individual circumstances, you should consult your own attorney or tax advisor if you have any questions.

The IRA Custodial Plan Agreements are based upon Form 5305-A and Form 5305-RA provided by the Internal Revenue Service ("IRS") with the addition of certain provisions. The use of these forms does not, however, represent a determination of the merits of your IRA by the IRS or any other governmental agency.

Further information on IRAs can be obtained from any district office of the IRS.

Overview

There are two basic types of IRAs described in this disclosure. One of these types is termed a "Roth IRA." The other type of IRA is popularly referred to as a traditional, ordinary, or regular IRA, to

contrast it to the newer Roth IRA. For purposes of this disclosure, it will be referred to as a "Traditional IRA." It is important to keep in mind as you read this disclosure that Roth IRAs and Traditional IRAs differ in many important respects. You can have both a Roth IRA and a Traditional IRA, but the annual contribution limit to all IRAs must not be exceeded.

Establishing Your IRA

You establish your IRA by signing a form accepting the appropriate IRA Plan Agreement. This will be either the Victory Funds Roth Individual Retirement Account Custodial Plan Agreement or the Victory Funds Individual Retirement Account Custodial Plan Agreement. These documents are set forth in the first section of this booklet. Once established you may contribute to your IRA as long as the contributions do not exceed the legal limits as explained later in this disclosure.

Custodial Accounts

A custodial account is an account in which someone else takes title to and holds funds for the benefit of another. By law, a bank, trust company, federally insured credit union, savings and loan association, or other legally eligible entity must act as trustee or custodian of an IRA account. In this case, KeyBank National Association is the custodian of your IRA.

Legal restrictions provide that the assets of your IRA must not be commingled with other assets except in a common trust fund or common investment fund. A custodial account therefore ensures that your IRA funds remain separate from your other assets for the benefit of your retirement.

General Rules Regarding IRAs

Regardless of whether the IRA is sponsored by us or some other type of financial institution, all IRAs must meet the following rules:

- a. Except for rollover or conversion contributions, only contributions by cash, check or money order will be accepted and, no more than your annual contribution limit or 100% of compensation, whichever is less, may be contributed in the aggregate to all IRAs, whether Roth IRAs or Traditional IRAs, for any given year.
- b. You are fully vested in your IRA assets at all times.
- c. No part of your IRA assets can be used to buy life insurance contracts or collectibles except for (i) coins issued under the laws of any state (ii) certain gold, silver, and platinum coins minted and issued by the U.S. Treasury and (iii) any gold, silver, platinum, or palladium bullion of a fineness equal to or exceeding the minimum fineness that a commodity exchange requires for metals which may be delivered in satisfaction of a regulated futures contract. While these coins and precious metals are legally permissible IRA investments, they are not available for investment in your Victory Funds IRA.
- d. Any money in your IRA at the time of your death must be paid to your beneficiaries in certain prescribed ways.

You may contribute to a Roth IRA and a Traditional IRA in the same year, but the annual contribution limit for combined contributions to all IRAs must not be exceeded.

Contributions

Contributions for a certain year may be made any time during that year and until the due date for filing your federal income tax return (usually April 15) for that year, not including extensions. If you do not tell us for which year the contribution is being made, we must assume that it is for the year in which it was received.

You are not required to make an IRA contribution every year. However, if you decide not to make a contribution for a year, you cannot make up the difference by contributing more in a later year. The annual contribution limit will change over the next few years. Your annual limit is also based on your age. This limit is increased for catch-up contributions.

A catch-up contribution is an additional deposit amount permitted for people who are age 50 or greater in the year the contribution is made. The increased dollar amounts are referenced in the table below.

Annual Contribution Limit

	Less than age 50	Age 50 and greater
2006	\$4,000	\$5,000
2007	\$4,000	\$5,000
2008	\$5,000	\$6,000
2009	\$5,000	\$6,000
2010	\$5,000	\$6,000

These amounts are referred to as the "Annual Contribution Limit" in this Disclosure Statement.

If your spouse qualifies under the rules described in this disclosure, he or she may also contribute to his or her own IRA.

Spousal IRAs

If you and your spouse file a joint return, your spouse may also establish and contribute to an IRA. The total maximum annual contribution you may make in any combination to both your IRA and a spousal IRA is the lesser of 100% of your and your spouse's combined compensation, or your combined annual contribution limits. Not more than each individual's annual contribution limit may be contributed to the owner's IRAs, whether Roth IRA, a Traditional IRA or a combination of both.

The annual contribution limit is applied separately to each IRA owner. For instance, if you are age 50 in 2010 and your spouse is younger, then your annual contribution limit is \$6,000 while your spouse's amount is \$5,000 for a total of \$11,000.

Compensation

Compensation which is eligible for contribution to an IRA includes wages, salaries, professional fees, tips, bonuses, commissions, or other amounts derived from or received for personal service actually rendered. Compensation also includes earned income, as defined in section 401(c)(2) of the Internal Revenue Code, for self-employed individuals (reduced by the deduction the self-employed individual takes for contributions made to a qualified plan). Compensation includes all taxable alimony and separate maintenance payments you receive under a decree of divorce or separate maintenance.

Compensation does not include amounts derived from or received as earnings or profits from property (including, but not limited to, rental income, interest and dividends) or amounts not includable in gross income. Compensation also does not include any amount received as a pension or annuity or as deferred compensation, or other amounts you exclude from income.

Prohibited Transactions

IRS regulations provide that you, and certain other "disqualified persons" such as members of your family and your beneficiaries, may not engage in any prohibited transactions (as that term is defined in Section 4975 of the Internal Revenue Code) with respect to your IRA. Some examples of prohibited transactions include borrowing money from your IRA, selling property to it, receiving unreasonable compensation for managing it, and pledging IRA assets as security for a loan. Prohibited transactions can result in your IRA losing its tax-free or tax-deferred status and the imposition of tax penalties. If you pledge any portion of your IRA as security for a loan, the amount pledged is treated as a distribution to you and the taxable portion must be included in your taxable income for the year in which the pledge is made. Moreover, if you have not reached age 59½, the portion of your IRA treated as a distribution may be subject to the 10% penalty tax on premature distributions.

If you are married, your spouse may have an interest, e.g. a community property interest, in your IRA. Also, some states permit a creditor to have access to all or part of your IRA funds where a judgment or other legal process has been entered against you or a bankruptcy proceeding has been initiated against you. Your IRA assets may also be taken under an IRS or state taxing authority levy for unpaid taxes. For details specific to your situation, please consult your financial, tax, or legal advisor.

Moving Funds

You may transfer assets from an IRA at another financial institution to an IRA, either Roth or Traditional. Please be advised that your transfer may be subject to withdrawal penalties from the resigning financial institution. To transfer funds, you must complete the Transfer of Assets Form and return it to us. We will forward your request to the transferor financial institution.

Additionally, you may take a distribution from an IRA and return it to another like IRA. You must make the rollover contribution by the 60th day from the day you receive the distribution from your IRA. Special rules apply to amounts which are rolled over after they have been distributed but not used under the first time home purchase exception where the purchase has not been completed.

Amounts not rolled over within the 60-day period do not qualify for tax-deferred rollover treatment and must be treated as a taxable distribution from your IRA. The amount not rolled over is income in the year distributed, not in the year the 60-day period expires. You may also have to pay the 10% premature distribution penalty tax on the amount not rolled over.

If an amount distributed to you from an IRA becomes a frozen deposit in a financial institution during the 60-day period allowed for a rollover, a special rule extends the period. The period during which the amount is a frozen deposit is not counted in the 60-day period, nor can the 60-day period end earlier than 10 days after the deposit is no longer frozen. To qualify under this rule, the deposit must be frozen at least one day during the 60-day rollover period.

A frozen deposit is any deposit that cannot be withdrawn because:

1. The financial institution is bankrupt or insolvent; or
2. The state where the institution is located restricts withdrawals because one or more financial institutions in the state are (or are about to become) bankrupt or insolvent.

Tax Reporting for your IRAs

Regular contributions, rollover contributions and distributions to and from your Traditional IRA are reported to the IRS by you on your

annual federal income tax return. Contributions and distributions of non-deductible contributions to and from your Traditional IRA are reported on Internal Revenue Service Form 8606 which is to be attached to your return. Conversions from Traditional IRAs to Roth IRAs, re-characterization of amounts converted, and distributions from Roth IRAs are also reported on Form 8606. You are required to file IRS Form 5329 if you owe one of the penalty taxes. The penalty taxes are a 6% tax on excess contributions and a 10% tax on premature distributions.

Fees and Earnings

A fee may be currently assessed or may later be assessed in connection with any IRA account. Additional fees may be assessed for such other services as may be required in connection with your IRA. Such fees will be set according to our standard schedule of fees in effect from time to time, and shall be a charge against the IRA until paid. Such fees must be paid by you within 30 days of the completion of the service.

Earnings on your IRA depend on returns you achieve on the specific investments you make. The value of your IRA assets may go up or down depending on market conditions and other factors. Because investments are made at your direction and are subject to fluctuation in value, growth in value of your IRA is neither guaranteed nor projected.

Excess Contributions

If you contribute more than the law allows, an excise tax will be imposed on your IRA. The tax is equal to the lesser of 6% of the excess contribution or 6% of the value of your IRA on the last day of the tax year for which the excess was contributed. This penalty tax must be paid each year the excess contribution remains in your IRA.

Obviously, the tax penalties on excess contributions can be quite substantial. It is, therefore, important for you to avoid making excess contributions and, if you do make them, to correct the excess.

You can avoid the 6% penalty tax by withdrawing the full amount of the excess contribution and the earnings on that excess no later than the applicable deadline.* The earnings on the excess contribution to your IRA may be subject to the 10% penalty tax for premature distribution and must be reported on your tax return in the year of the excess contribution. The 10% penalty tax will not apply if you are age 59½ or older or disabled or if certain other exceptions to the 10% penalty described below apply. If you do not withdraw an excess contribution before the due date for filing your tax return, you must pay the 6% penalty tax for the year the excess was contributed, and for every year the excess contribution remains uncorrected.

You may also treat a contribution to your Traditional or Roth IRA as an excess contribution. You may then withdraw it, prior to the applicable deadline, as long as you also withdraw any attributed earnings on those contributions. The earnings you withdraw from your IRA may be subject to the 10% penalty tax for premature distribution and are includable in your gross income for the year of the contribution. The 10% penalty tax will not apply if you are age 59½ or older, or disabled, or if certain other exceptions to the 10% penalty described below apply.

If your aggregate contributions to your Traditional IRA and your Roth IRA exceed your maximum regular contribution limit, the contributions are applied first to your Traditional IRA and then to your Roth IRA to determine which has an excess.

*The applicable deadline is generally your tax filing date, including extensions, and may be as late as October 15.

Exception to Penalty Tax on Premature Distributions

At any time after you reach age 59½, you may withdraw from your IRA in any amount without incurring a 10% penalty tax on premature

distribution. In situations described below, you can also make a withdrawal from your IRA prior to age 59½ without incurring the tax penalty.

These situations include payments made in the event of your death or your disability (as certified by a physician), certain life expectancy installment payments (described below), payments for medical expenses in excess of 7.5 percent of your adjusted gross income, payments for health insurance premiums after your separation from employment under qualifying circumstances, payments that qualify for the first-time home buyer exemption (up to \$10,000), certain withdrawals for higher education expenses, rollovers from one institution to another, transfers between custodians, and a transfer of IRA assets to your spouse pursuant to a divorce decree.

- 1. First Time Home Buyer Exemption:** An individual is considered a first-time home buyer if the individual (and if married, his or her spouse) has not owned a principal residence during the two-year period ending on the date such individual enters into a binding contract to acquire a principal residence, or the construction or reconstruction of a principal residence for such individual is commenced. The first-time home buyer may be you, your spouse, children, grandchildren or any ancestors of you or your spouse. Acquisition costs that qualify for withdrawal include the costs of acquiring, constructing, or reconstructing a principal residence of a qualified first-time home buyer, including any usual or reasonable settlement, financing, or other closing costs. A lifetime withdrawal cap of \$10,000 applies to this exemption. The distribution must be used to pay the acquisition costs of the residence by the close of the 120th day after you receive it. If this 120-day deadline is not met solely because of a delay or cancellation of the purchase or construction of the residence, the distribution may be rolled over to an IRA, provided the rollover is within the 120-day period. Such a rollover is not taken into account for purposes of the once-a-year rollover limitation rule.
- 2. Higher Education Expenses Exemption:** Higher education expenses for you or your spouse, or any child, or grandchild of you or your spouse qualify for the penalty tax exemption. Education provided by any eligible post-secondary educational institution is considered higher education. Qualified expenses include tuition, fees, books, supplies, and equipment required for enrollment or attendance at the institution (including graduate level courses). Room and board are also qualified expenses for at least a half-time student. The amount of expenses that may be taken into account must, however, be reduced by (i) certain veteran's benefit education assistance allowances and (ii) qualified scholarships and other payments which are excludable from gross income under Section 117 of the Internal Revenue Code or other federal laws (other than a gift, bequest, devise, or inheritance excludable from income under Section 102 of the Code).
- 3. Health Insurance:** To take a penalty-free distribution for health insurance premiums because of a separation from employment, you must receive unemployment compensation for 12 consecutive weeks under federal or state law (or, to the extent provided in IRA regulations, if you are self-employed, you would have received compensation except for the fact that you are self-employed) and your IRA distribution must be made either during the tax year in which unemployment compensation is paid or during the following tax year. However, a distribution made after you have been re-employed for 60 days or more after your separation from service does not qualify for penalty-free treatment.
- 4. Disability:** Disability, for the purposes of taking a penalty-free IRA

withdrawal, means the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death. The permanence and degree of such impairment must be supported by medical evidence.

- 5. Upon Death:** If you are a beneficiary, and are taking distributions due to the owner's death, those distributions may be made without incurring the 10% premature distribution penalty.
- 6. Installment Payments:** You can withdraw funds held in your IRA before you reach age 59½ without incurring the 10% penalty tax if you choose to receive installment payments in substantially equal amounts (not less frequently than annually) over a period of your life expectancy or the joint life expectancy of you and your designated beneficiary. You should be aware, however, that the 10% penalty tax, plus interest, will be imposed retroactively to all installment payments if you modify or discontinue the method of distribution before the later of the end of five years or attainment of age 59½, unless you die or become disabled.
- 7. Recent Tax Law Changes (as of October 2007):**

Qualified reservist distributions. If you were a member of a reserve component and you were ordered or called to active duty after September 11, 2001, you may not have to pay the 10% tax on early distributions you received on or after the day you were ordered or called to active duty. See Publication 590 for more information.

Qualified health savings account (HSA) funding distribution. Beginning in 2007, if you are covered by a high deductible health plan (HDHP), you may be able to make a nontaxable HSA funding distribution from your IRA (other than a SEP or SIMPLE IRA) that would otherwise be included in income. The distribution must be a direct trustee-to-trustee transfer to an HSA. The distribution will be nontaxable to the extent it is not more than the limit on your annual HSA contributions. Generally, you can make

only one nontaxable HSA funding distribution during your lifetime. However, if you change your HDHP coverage from self-only to family, you may be able to make an additional distribution during the same year. For more information, see Publication 553. For more information about HSAs, see Publication 969, Health Savings Accounts and Other Tax-Favored Health Plans.

Qualified charitable distributions. If you were at least age 70½ and you had a distribution made by the trustee of your IRA directly to a charitable organization, it may be nontaxable. See Publication 590 for more information.

Hurricane tax relief. Special rules apply to the use of retirement funds (including IRAs) by qualified individuals who suffered an economic loss as a result of Hurricane Katrina, Rita, or Wilma. See Publication 590 for information on these special rules.

Death Distributions

Except as indicated below, upon your death, we will distribute the balance remaining in your IRA to the beneficiary or beneficiaries you have appointed on the last designation of beneficiary form filed with us. If you do not appoint a beneficiary, the amount in your IRA will be paid to your estate. You can update your designation at any time by completing another designation of beneficiary form supplied by us and delivering it to us.

If you were married and lived in a community property state, and your spouse has not waived his or her community property rights, we may pay a portion of your IRA balance to him or her at your death based on our interpretation of community property laws or may decide to pay only your named beneficiary if we are not certain of your spouse's community property rights. If you want to be certain that we pay your IRA balance to your spouse, be sure to specify him or her as your beneficiary on the form provided.

A secondary beneficiary(ies) will receive payment of the value of your IRA upon your death if none of your primary beneficiaries survives you.

RULES FOR TRADITIONAL IRAs

A Traditional IRA offers you the ability to make deductible or nondeductible contributions to an IRA and to defer federal income tax on your deductible contributions and all accumulated earnings on both deductible and non-deductible contributions until distributions are taken from the IRA.

Traditional IRA Contributions

You may establish or contribute to a Traditional IRA if you have compensation in a calendar year and are not age 70½ or older in that year. Your ability to make deductible contributions to your Traditional IRA is further dependent on your (or your spouse's) participation in an employer-sponsored retirement plan and, if you (or your spouse) do participate, on your tax filing status and your modified adjusted gross income. You may also make a rollover contribution to a Traditional IRA from another of your Traditional IRAs or an employer-sponsored qualified retirement plan, regardless of age.

Traditional IRA Deduction Tables

Effect of Modified Adjusted Gross Income on Deduction if You are Covered by a Retirement Plan at Work.

If you are covered by a retirement plan at work, use this table to determine if your modified AGI affects the amount of your deduction.

IF your filing status is...	AND your modified adjusted gross income (modified AGI) is...	THEN you can take....
single or head of household	\$55,000 or less	a full deduction.
	more than \$55,000 but less than \$65,000	a partial deduction.
	\$65,000 or less	no deduction.
married filing jointly or qualifying widow(er)	\$89,000 or less	a full deduction.
	more than \$89,000 but less than \$109,000	a partial deduction.
	\$109,000 or more	No deduction.
married filing separately¹	less than \$10,000	a partial deduction.
	\$10,000 or more	No deduction.

¹If you did not live with your spouse at any time during the year, your filing status is considered Single for this purpose (therefore, your IRA deduction is determined under the "Single" filing status).

Traditional IRA Deduction Table

The chart below will assist you in calculating the amount of the contribution to your Traditional IRA, or the combined contribution to your Traditional IRA and your spouse's Traditional IRA (if you file a joint return) that is deductible. The chart assumes that you have sufficient compensation to permit a maximum deductible contribution and specifies whether or not you or your spouse is an active participant in an employer-sponsored retirement plan. If you are remarried, each individual must separately determine the deductibility of his or her own contribution.

Effect of Modified Adjusted Gross Income on Deduction if You are NOT Covered by a Retirement Plan at Work.

If you are not covered by a retirement plan at work, use this table to determine if your modified AGI affects the amount of your deduction.

IF your filing status is...	AND your modified adjusted gross income (modified AGI) is...	THEN you can take....
single, head of household, or qualifying widow(er)	any amount	a full deduction.
married filing jointly or separately with a spouse who is not covered by a plan at work	any amount	a full deduction.
married filing jointly with a spouse who is covered by a plan at work	\$166,000 or less	a full deduction.
	more than \$166,000 but less than \$176,000	a partial deduction.
	\$176,000 or less	no deduction.
married filing separately with a spouse who is covered by a plan at work²	less than \$10,000	a partial deduction.
	\$10,000 or more	no deduction.

²You are entitled to the full deduction if you did not live with your spouse at any time during the year.



For 2010, if you were not covered by a retirement plan at work and you are married filing jointly with a spouse who is covered by a plan at work, your deduction is phased out if your modified AGI is more than \$167,000 but less than \$177,000. If your AGI is \$177,000 or more, you cannot take a deduction for a contribution to a traditional IRA.

Age 70½

You must stop contributing to your Traditional IRA the year you reach age 70½. If you continue to have compensation after that year, you may contribute to an IRA for your spouse if that contribution does not exceed the annual contribution limit or 100% of your joint earned income, whichever is the lesser of the two. You must, however, discontinue contributions to your spouse's IRA in the year he or she reaches age 70½.

For all Traditional IRAs, you must start withdrawing money from your IRA by April 1 following the year in which you reach age 70½. You also must withdraw a certain minimum amount from your Traditional IRA for each successive year following your 70½ year.

Figuring MAGI

Your Traditional Modified AGI is your adjusted gross income shown on your tax return modified by adding back in the following deductions and exclusions:

- a. Traditional IRA deduction,
- b. Student loan interest deduction,
- c. Foreign earned income exclusion,
- d. Foreign housing exclusion or deduction,
- e. Exclusion of qualified bond interest shown on Form 8815, and
- f. Exclusion of employer-paid adoption expenses shown on Form 8839.

Qualified Plan Coverage

For purposes of determining deductible contribution limits to your Traditional IRA, an employer-sponsored retirement plan includes a qualified pension, 401(k), stock bonus, profit-sharing, or money purchase (pension) plan (including Keogh plans), a qualified annuity plan, a simplified employee pension plan (SEP), SIMPLE, and certain plans for governmental employees.

Special rules apply to determine whether you are considered to be covered by an employer-sponsored retirement plan. These rules differ depending on whether the plan is a defined contribution or defined benefit plan.

Your employer must tell you whether or not you have participated in an employer-sponsored retirement plan at any time during the year by indicating so on your W-2 statement.

Types of Qualified Plans

A defined contribution plan provides for a separate account for each person covered by the plan. Benefits will equal amounts contributed or allocated to each account plus earnings that accrue on these amounts over time. Types of defined contribution plans include stock bonus, 401(k), SIMPLE plans, profit-sharing, money purchase and simplified employee pension plans. You are considered covered by a defined contribution plan if amounts are contributed or allocated to your account for the plan year that ends within your tax year.

A defined benefit plan provides definite benefits to participants calculated under a formula. Contributions to a defined benefit plan are based on a computation of what contributions are necessary to fund the benefits to be provided to plan participants under the formula. If you are not specifically excluded from the eligibility provisions of an employer's defined benefit plan for the plan year that ends within your tax year, you are considered to be covered by the plan. This rule applies even if you decline to be covered by the plan, you did not make a required contribution, or you did not perform the minimum service required to accrue a benefit.

Coverage under social security or railroad retirement does not count

as coverage under an employer-sponsored retirement plan in calculating your Traditional IRA deduction.

Calculating Deductible Contributions

Your reduced deductible contribution is calculated by subtracting your Traditional Modified AGI from the maximum dollar amount in the applicable partial deduction phase-out range. Multiply the difference by 20%. If the result is not a multiple of \$10, round it to the next highest multiple of \$10 (for example, \$372 is rounded up to \$380).

The result is your reduced deductible contribution amount. If the amount is less than \$200, you are nevertheless permitted to deduct up to \$200 of your IRA contributions.

Nondeductible Contributions

Generally, you may make nondeductible contributions to a Traditional IRA to the extent that your deductible contribution limit is reduced or eliminated if either you or your spouse is an active participant in an employer-sponsored retirement plan (described above). You are permitted to make non-deductible contributions up to the annual contribution limit.

You may also elect to treat any contributions to your Traditional IRA that you could deduct as nondeductible instead. However, if you plan to make deductible contributions as well, the sum of your nondeductible and deductible contributions cannot exceed the legal limit: the lesser of your annual contribution limit or 100% of your compensation. For example, in 2009, if you are eligible to contribute \$5,000 to your IRA but elect to deduct only \$500, the remaining \$4,500 would be a non-deductible contribution. These amounts will change proportionately in future years and depending on your ability to make a catch-up contribution. Nondeductible contributions must be designated as such on Form 8606 filed with the Internal Revenue Service at the time you file your federal income tax return (or would otherwise be required to file it even if you are not required to file a return).

Traditional IRA Rollover

A rollover is a deposit into your Traditional IRA of all or part of an amount you receive as a distribution from your employer's qualified (i.e. meets Internal Revenue Code requirements) pension, profit-sharing, stock bonus, money purchase, or 401(k) plan, annuity plan, or tax-sheltered annuity plan (403(b) plan) ("qualified retirement plan"), from a Traditional IRA you established at another institution, or from your deceased spouse's IRA or qualified retirement plan.

Rolling over a distribution preserves its tax-deferred status. The distribution will generally be taxable later when distributed from your Traditional IRA to you or your beneficiary. All or part of a distribution may be eligible for rollover treatment.

In general, you can roll over all or any part of a distribution from a qualified retirement plan to an IRA or another eligible retirement plan (employer qualified plan that accepts rollovers) within 60 days of distribution.

You cannot roll over funds from:

1. Required minimum distributions
2. Long-term annuities or similar long-term substantially equal periodic distributions from a qualified retirement plan
3. The cost of life insurance coverage
4. Dividends on employer securities
5. Certain plan loans treated as distributions
6. Certain other distributions, such as hardship distributions from 401(k) plans and returns of excess contributions, excess deferrals and excess annual additions.

You must make the rollover contribution by the 60th day from the day you receive the distribution from your qualified retirement plan or IRA.

Indirect Rollover

If an eligible rollover distribution is paid to you, the full amount is treated as if it were distributed to you even though what you actually received has been reduced by any amount of tax withheld. The plan administrator must withhold 20% of the taxable part (even if you plan to roll over the distributions to an IRA or another eligible retirement plan) unless all of your distributions from the plan (or, at the employer's option, all of the employer's plans) for the tax year total less than \$200. You can no longer choose not to have tax withheld from these distributions. However, you can avoid this withholding requirement by choosing the direct rollover option discussed under the "Direct Rollover" section of this disclosure.

If any taxable part of the distribution you want to roll over exceeds the amount you actually received (due to tax withholding) and you want to roll over the entire taxable part, you will have to take funds from your savings (or from borrowed amounts) and add to the amount actually received an amount equal to the withheld amount.

Remember, if you want to roll over less than the taxable part of your distribution, you must include in income the taxable part of any amount (including an amount equal to the tax withheld) that you do not roll over.

If you are under age 59½ and keep an eligible rollover distribution, you may have to pay 10% tax, in addition to the regular income tax, on the taxable part of the distribution (including an amount equal to any tax withheld) that you do not roll over.

For example, on October 1, you receive an eligible rollover distribution of \$10,000 from your employer's qualified plan. Because you did not contribute to the plan, the distribution is fully taxable. The payer withholds \$2,000, so you actually receive \$8,000. If you want to roll over the entire \$10,000 to an IRA to postpone including that amount in your income, you will have to take \$2,000 from your savings (or borrow \$2,000) and add it to the \$8,000 you actually received. You must complete the rollover by November 30. If you roll over only \$8,000, you must include in income for that year, the \$2,000 not rolled over. You also may be subject to the 10% additional tax on the \$2,000 if it was distributed to you before you reached age 59½.

You cannot deduct a rollover contribution, but you must report it on your tax form. Any taxable part of an eligible rollover distribution that you do not roll over must be reported as income to you and is subject to income tax and, perhaps, penalty taxes. You would not include in your income any part of a distribution that represents non-deductible employee contributions you made to your employer's qualified plan. (These contributions do not include any you chose to have your employer take out of your pay as a contribution to the plan under a cash or deferred arrangement.) Your employer must tell you whether any part of the distribution includes nondeductible employee contributions.

You can sell assets distributed from an employer-sponsored retirement plan and roll over the proceeds to a Traditional IRA. You cannot, however, keep the assets and roll over the fair market value in cash. Special rules may apply to distributions of employer securities and rollovers of only part of the amount you received on sale of the assets.

Frequency of IRA Rollovers

You can take a distribution from one Traditional IRA and make a rollover contribution (of all or part of the amount received) to another Traditional IRA only once in any one-year period. The one-year period begins on the date you receive the IRA distribution, not on the date you roll it over into another IRA. This rule applies separately to each IRA plan you own.

Example: You have two Traditional IRA plans IRA-1 and IRA-2. You roll over assets of IRA-1 into a new plan, IRA-3. You may also make a rollover from IRA-2 into IRA-3, or into any other IRA plan, within one year after the rollover distribution from IRA-1. These are both permissible rollovers because you have not received more than one distribution from either IRA within one year. However, you cannot, within the one-year period, again roll over the assets you rolled over into IRA-3 into any other IRA. This once-per-year limit on IRA-to-IRA rollovers does not apply to rollovers of distributions from qualified retirement plans.

Assets being rolled over to a new IRA must be the same assets you received from your other IRA.

A distribution from a Traditional IRA that has already been rolled over within a one-year period will not qualify as a rollover. The taxable portion of such a distribution will be includable in income for that year and may be subject to the 10% tax on premature distributions.

If you withdraw assets from an IRA, you may roll over part of the withdrawal into another IRA and keep the rest of it. However, the amount you keep will generally be taxable and may be subject to the 10% tax on premature distributions.

If you inherited an IRA from your spouse, you can choose to treat it as your own or you may roll it over to your IRA. If you inherited an IRA from someone other than your spouse, these options are not available to you.

A rollover distribution from your SIMPLE IRA to your Traditional IRA or other qualified retirement plan of yours may be made only after the 2-year period beginning on the date you first participated in the SIMPLE Plan maintained by your employer.

You may roll over a distribution from one SIMPLE IRA to another SIMPLE IRA of yours, but you may not roll over a distribution to your SIMPLE IRA from any other Traditional IRA, from a Roth IRA, or from your qualified retirement plan.

Direct Rollover

A direct rollover is the payment of all or part of your eligible rollover distribution to a Traditional IRA or another eligible retirement plan that accepts rollovers. Death Distribution: As a result of the Pension Protection Act of 2006, starting on January 1, 2008, a non-spouse beneficiary can make a direct rollover to an IRA.

For eligible rollover distributions that are reasonably expected to total \$200 or more for a year, your employer's qualified plan must give you the option to have any part of the distribution paid directly to an eligible retirement plan. Under this option, all or part of the distribution can be paid directly to an IRA or another eligible retirement plan that accepts rollovers.

If you choose the direct rollover option, no tax is withheld from any part of the distribution that is directly paid to the other plan.

The administrator of a qualified employer plan must, at least 30 days before making an eligible rollover distribution, provide a written explanation to you of:

1. Your right to have the distribution paid on a tax-deferred basis directly to an IRA or another eligible retirement plan;
2. The requirement to withhold tax from the distribution if it is not paid directly to an IRA or another eligible retirement plan;
3. The non-taxability of any part of the distribution that you roll over to an IRA or eligible retirement plan within 60 days after you receive the distribution; and
4. Other qualified employer plan rules, including those for lump-sum distribution, alternate payees, and cash or deferred arrangements, if applicable.

Any amounts you roll over to an IRA which are later discovered to be ineligible for rollover treatment will be considered excess contributions. These may be subject to the 6% penalty tax on excess contributions and the 10% tax on premature distributions. If you are required to begin taking minimum distributions, only amounts in excess of your minimum distribution requirement for the year are eligible for rollover treatment.

Excess Contributions

You are not entitled to deduct the excess contribution to your Traditional IRA from your gross income on your federal income tax return.

You have the option of carrying forward the excess in your Traditional IRA to the current year and considering the excess as a current tax year contribution. Your current tax year contribution is then reduced by the amount you carry forward so that the total may not exceed your eligible contribution limits. If the excess is not corrected in the current year, you will owe 6% penalty tax on the excess still outstanding.

If the total contributions for the year are your annual contribution limit or less, and there are no employer (SEP-IRA) contributions to your IRA for the year, you can withdraw any excess contribution to your Traditional IRA after the applicable deadline, and not include the amount withdrawn in your gross income. This applies only to the part of the excess for which you did not take a deduction. If you took a deduction in a prior year, you may be able to file an amended return on Form 1040X and not deduct the excess contribution. Generally you may file an amended return within 3 years after you filed the original return or 2 years from the date the tax was paid, whichever was later. You are not required to withdraw any earnings on the excess at this time.

Traditional IRA Distributions

When you receive a distribution from your Traditional IRA, you will include it in your taxable income for the year you receive it and pay taxes on the distribution for that year.

No favorable tax treatment is available for Traditional IRA distributions. At the time you decide to begin making withdrawals, you should consult your lawyer or tax advisor for direction as to the best method of distribution for you and for information regarding the tax consequences of the distributions.

If you have been making nondeductible contributions to your Traditional IRA, your distribution will be considered to consist of both deductible and nondeductible contributions.

For example, assume that on December 31, the sum of the balances in all of your Traditional IRAs is \$12,000, consisting of \$2,000 in nondeductible contributions, \$9,000 of deductible contributions, and \$1,000 of earnings. Assume further that you take a distribution of \$1,500 from one of your IRAs on that date so that the sum of the IRA balances would be reduced to \$10,500, and this is the only distribution you have taken during the year. The amount of this distribution that would be considered nondeductible contributions would be calculated as follows:

Amount of distribution	X	$\frac{\text{Total nondeductible contributions in all IRAs}}{\text{Total balance in all IRAs at end of calendar year plus all distributions during the year.}}$	=	\$250	=	Nondeductible Contributions
\$1,500	X	$\frac{\$2,000}{(\$10,500 + \$1,500)}$				

When you file your federal income tax return for the year you receive the \$1,500 distribution, you will include \$1,250 of the \$1,500 distribution (\$1,500-\$250) in your taxable income.

Minimum Required Distributions for your Traditional IRA

A minimum required IRA distribution is an amount paid to you at least annually from your Traditional IRA, starting for the calendar year you attain age 70½. Failure to receive your minimum required distribution may result in a 50% excise tax on the required amount not distributed. You may choose to take out more than your minimum required distribution from your IRA at age 70½.

Your first minimum required distribution must commence to you no later than April 1 following the year in which you attain age 70½. This date is called your required beginning date. Distributions in following years must be taken by December 31 of each year.

Please note: If you postpone your first minimum required distribution until your required beginning date, you will receive two taxable distributions in the same year.

Generally, minimum required distributions are determined by dividing your Traditional IRA balance as of December 31 of the prior year by

$\frac{\$20,000 \text{ (IRA balance at end of prior year)}}{27.4 \text{ years (life expectancy)}}$	=	\$730 minimum required distribution
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the Uniform Lifetime Table life expectancy factor. For example: if your IRA balance on December 31 of the prior year was \$20,000, and the life expectancy factor is 27.4 years, your minimum required distribution is \$730.

The Uniform Lifetime Table is a chart of life expectancies determined by combining the life expectancy of one individual with another person exactly ten years younger. This table is generally used to calculate your required minimum distribution.

If your spouse is your sole beneficiary at the beginning of the year, and is more than 10 years younger than you, you may use joint life expectancies to calculate your required minimum distribution. This will result in a smaller distribution amount.

Both the Uniform Lifetime Table and the Joint Life Expectancy Table are printed in Publication 590. After determining whether or not you are eligible to use the Joint Life Expectancy or Uniform Lifetime Table, you look for your age after your birthday occurs in the year in question. In other words, in the year you reach age 70½, you will be either 70 or 71. Choose the appropriate age.

A portion of the Uniform Lifetime Table is printed below:

Your Age	Your Life Expectancy Factor
70	27.4
71	26.5
72	25.6
73	24.7
74	23.8
75	22.9

For example, if you turn age 70 on your birthday in your 70½ year, your life expectancy factor is 27.4 years. In following years, your life expectancy factor is recalculated according to the applicable table.

Minimum required distributions must be made from all of your IRAs, including any Traditional IRAs you may have at other financial institutions. You must calculate the minimum required distribution from each Traditional IRA you own. Then, you may take your minimum required

distribution from each IRA. Or, you may add your minimum required distributions and take the total amount from one IRA instead. If you decide to take your total minimum required distribution from another IRA, please provide us with your decision in writing.

If the payments made to you in any one year amount to less than the minimum distribution amounts required by IRS rules, the difference between the amount paid and the minimum amount which should have been paid to you is subject to a 50% penalty tax.

If you are age 70½ or older, you may roll over assets in your Traditional IRA to a Traditional IRA maintained by another trustee or custodian. You must, however, subtract and keep from the assets rolled over, your minimum required distribution for the year. As a result, by making a rollover after the beginning of the year in which you reach age 70½, but before April 1 of the following year, you may be required to take a distribution from your IRA earlier than otherwise required.

If you are age 70½ or older, you may transfer assets in your Traditional IRA to a Traditional IRA maintained by another trustee or custodian. If you have not yet taken your required minimum distribution for the year, that amount will be included in the transfer and must be then withdrawn from your new IRA.

Income Tax Withholding

Federal law requires us to withhold 10% of any taxable IRA distribution unless you elect in writing otherwise. You are liable for payment of federal income tax even if you choose not to have withholding applied to your distribution. If you do not have enough federal income tax withheld from your distribution, you may be responsible for payments of estimated tax. In addition, you may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not enough. You may change your withholding at any time. Certain state laws may require state income tax withholding.

Death Distributions

For a Traditional IRA, if your beneficiary is your spouse, upon your death, he or she may roll over the amount in your Traditional IRA to his or her own Traditional IRA. This rollover treatment is only available to your surviving spouse, and not to your children or any other beneficiaries.

If you die before your required beginning date, distribution of your entire interest in your Traditional IRA must be made over the life expectancy or over a period not greater than the life expectancy of the beneficiary, commencing on or before December 31 of the calendar year immediately following the calendar year of your death, unless an election is made to receive distributions in accordance with (a) or (b) as follows:

- (a) If any portion of your interest is payable to a beneficiary, distribution may be completed by the end of the fifth anniversary calendar year of your death.
- (b) If the beneficiary is your surviving spouse (and he or she did not choose to treat your Traditional IRA as his or her own), the date distributions are required to begin shall not be earlier than the later of (1) December 31 of the calendar year immediately following the calendar year of your death and (2) December 31 of the calendar year in which you would have attained age 70½.

If you die after your required beginning date (April 1 following the year you turn age 70½) there are certain minimum distributions that must be made by your beneficiary:

- (a) For a spouse beneficiary who chooses not to rollover the account to her own name, the assets must be distributed over his or her life expectancy, recalculated each year.

- (b) For a non-spouse beneficiary, the assets must be distributed over his or her life expectancy, determined in the year following death, and reduced by one each year.

- (c) If you have no designated beneficiary, the assets must be distributed over your remaining life expectancy reduced by one each year. This distribution information applies to your estate and certain trusts.

Of course, your beneficiary may choose to take the amount over a smaller period of time, or to take it in a lump sum. Death Distribution: As a result of the Pension Protection Act of 2006, starting on January 1, 2008, a non-spouse beneficiary can make a direct rollover to an IRA.

RULES FOR ROTH IRAs

A Roth IRA offers you the ability to make non-deductible contributions to an IRA and to withdraw accumulated earnings on these contributions free from federal income taxes if certain requirements are met. The nondeductible contributions may also be withdrawn without additional tax.

Unlike Traditional IRAs, you can contribute to a Roth IRA after age 70½ and no minimum distributions are required to be made to you from your Roth IRA upon reaching age 70½.

Roth IRA Contributions

Subject to the income limits for contributions to Roth IRAs described below, you may contribute up to 100% of your compensation or your annual contribution limit (your combined annual contribution limits on a joint return), whichever is less, (but no more than each individual's annual contribution limit may be contributed to either spouse's IRA) whether Roth IRAs or Traditional IRAs or both, for every calendar year in which you are eligible to make a contribution. You may roll over funds from one Roth IRA to another Roth IRA or convert funds from a Traditional IRA to a Roth IRA.

Contribution Income Limits

Generally, you can contribute to a Roth IRA if you have taxable compensation and your modified Adjusted Gross Income is less than:

- \$ 177,000 (\$176,000 for 2009) for married filing jointly or qualifying widow(er),
- \$ 10,000 for married filing separately and you lived with your spouse at any time during the year, and
- \$ 120,000 (\$120,000 for 2009) for single, head of household, or married filing separately and you did not live with your spouse at any time during the year.

You may be eligible to claim a credit for contributions to your Roth IRA. For more information, consult with your tax advisor.

Calculating Your Reduced Contributions

Please see your tax advisor or IRS Publication 590 to calculate your reduced contribution limit if your Roth Modified AGI is in a contribution phase-out range. Remember that contributions to a Roth IRA are also reduced if you make contributions to your Traditional IRA.

Figuring Roth Modified AGI

Your Roth Modified AGI is your adjusted gross income as shown on your tax return modified by (1) subtracting income resulting from a conversion of funds from a Traditional IRA to a Roth IRA (this may include refiguring income or loss items that are subject to adjusted gross income phaseouts, such as social security or passive activity losses, without taking conversion income into account), and (2) adding in the following deductions and exclusions:

- a. Traditional IRA deduction,
- b. Student loan interest deduction,
- c. Foreign earned income exclusion,
- d. Foreign housing exclusion or deduction,
- e. Exclusion of qualified bond interest shown on Form 8815, and
- f. Exclusion of employer-paid adoption expenses shown on Form 8839.

Roth IRA Conversions

A conversion is a deposit into your Roth IRA of all or part of the assets from your Traditional IRA.

A conversion can be accomplished with us by two methods: (a) by a rollover of assets distributed from your Traditional IRA into your Roth IRA executed by you within 60 days, or (b) by a direct transfer of assets from your Traditional IRA to your Roth IRA.

Assuming you meet the income limits specified below, you may convert as much of the funds in your Traditional IRA as you wish. Even if you are under the age of 59½, the 10% early withdrawal penalty will not apply to the funds converted.

Conversion Income Limits

If you are single and your Roth Modified AGI exceeds \$100,000 for the taxable year in which the funds to be converted are distributed from your Traditional IRA, you may not convert the funds to a Roth IRA. If you are married and file a joint return with your spouse, the combined Roth Modified AGI of you and your spouse cannot exceed \$100,000. If you are married and file a separate return, you cannot convert unless you have lived apart from your spouse for the entire taxable year, in which case you are subject to the \$100,000 Roth Modified AGI limit applicable to single taxpayers. Roth Modified AGI is defined under "Figuring Roth Modified AGI" above.

Conversion Taxes and Penalties

To the extent the amount converted represents previously untaxed amounts in your Traditional IRA, i.e. deductible contributions and earnings on deductible and nondeductible contributions, it is included in your income for tax purposes upon conversion.

If you withdraw assets from a Traditional IRA, you may convert part of the withdrawal into a Roth IRA and keep the rest of it. However, the amount you keep, to the extent allocable to deductible contributions and earnings, will be taxable and may be subject to the 10% tax on premature distributions.

You may remedy a failed conversion by re-characterizing the amount as a contribution to your Traditional IRA. If you do not, it will be treated as a regular contribution to your Roth IRA and subject to a 6% excise tax if it exceeds your regular contribution limit. The re-characterization must be completed by October 15 of the next year.

Conversion and Rollover Restrictions

Funds in a SEP IRA or SIMPLE IRA may be converted to a Roth IRA. However, funds in your SIMPLE IRA cannot be converted during the 2-year period beginning on the date you first participated in a SIMPLE Plan with your employer.

You cannot roll over pension or 401(k) money directly to a Roth IRA. However you may roll over your pension or 401(k) to a Traditional IRA and then convert that to a Roth IRA.

If you inherited a Traditional IRA from your spouse and you chose to treat it as your own, you may convert it to a Roth IRA. If you inherited a Traditional IRA from someone other than your spouse, the conversion option is not available to you.

Amounts distributed from a Traditional IRA under the minimum required distribution rules are not eligible for conversion.

A conversion contribution from your Traditional IRA to your Roth IRA may be made regardless of your age. However, any distributions you take from your Traditional IRA during a year in which you must make a minimum required distribution must be allocated first to the minimum distribution. Amounts above the minimum may be converted.

Excess Contributions

Aggregate excess contributions to your Roth IRA not distributed by your tax return date (with extensions) are reduced from and treated as deemed contributions to your Roth IRA for each year you do not make regular contributions for that year.

Roth IRA Distributions

You are taxed on regular contributions to your Roth IRA for the taxable year for which they were contributed to your Roth IRA. These contributions may be withdrawn at any time and are not subject to additional tax on withdrawal. Distributions of earnings on these contributions will not be subject to tax if they meet two requirements:

- a. they are made after a 5-taxable-year period, and
- b. they are made (i) after you have attained age 59½, (ii) after your death, (iii) after you become disabled, or (iv) for a purchase of a home that qualifies under the first-time home buyer exemption.

Distributions which meet these two requirements are referred to as "qualified distributions."

Your 5-taxable-year period for this purpose begins on the first day of the taxable year for which the first regular or conversion contribution is made to any of your Roth IRAs.

If you die and your surviving spouse elects to treat your IRA as his or her own, he or she may use his or her own 5-taxable-year period or your 5-taxable-year period, whichever ends earlier, for purposes of determining if the distribution is a qualified distribution.

Distributions from your Roth IRA are considered first to be a return of your regular contributions until all have been returned.

The 10% penalty tax discussed under "Exception to Penalty Tax on Premature Distributions" on page 19 does not apply to distributions representing a return of your regular contributions. Nor will it apply to earnings that are qualified distributions. However, distributions of earnings that are not qualified distributions (e.g. if they are distributed before the end of the 5-taxable-year period referred to above) must meet one of the exemptions from the imposition of the 10% penalty tax (i.e. distributions after age 59½, death, or disability, distributions in the form of qualifying periodic payments, distributions to pay certain medical expenses, insurance premiums during unemployment, post-secondary education expenses, and first-time home buyer expenses) discussed under "Exception to Penalty Tax on Premature Distributions" on page 19.

Distribution of Conversion Contributions

Conversion contributions that represent Traditional IRA assets not subject to tax on conversion (i.e. nondeductible contributions) are not taxable upon withdrawal. Conversion contributions that represent Traditional IRA assets which are taxed upon conversion (i.e. deductible contributions and earnings on deductible and nondeductible contributions) are subject to a 10% penalty tax if they are withdrawn within a 5-taxable year period. However, the penalty tax will not apply if the distribution meets one of the exemptions referred to in the prior paragraph.

The 5-taxable year period applicable to conversion contributions is separately determined for each conversion contribution beginning with the year for which such contribution was made. Please note

the difference between this definition of 5-taxable year period and the definition referred to above for purposes of determining whether a distribution from your Roth IRA is a qualified distribution.

Any amount distributed from your Roth IRA is treated as being made in the following order:

1. From regular contributions
2. From conversion contributions
3. From earnings

Subject to the aggregation rules described below, distributions from conversion contributions are considered to be made from the earliest conversion. From each such conversion, they are first considered to be made from any taxable portion of the conversion, then from each such non-taxed portion.

All regular contributions to all of your Roth IRAs are aggregated and added to the undistributed total regular contributions for prior taxable years. All conversion contributions received during the same taxable year by all of your Roth IRAs are also aggregated and treated as a single contribution.

Please note that you are not obligated to begin withdrawing from your Roth IRA at any time.

Death Distributions

For a Roth IRA, if your spouse is designated as your sole beneficiary, he or she will be treated as the owner of the Roth IRA, unless he or she elects otherwise.

If your surviving spouse elects not to be treated as the owner of your Roth IRA, he or she can delay distributions from your Roth IRA until December 31 of the calendar year you would have reached 70½. Non-spouse beneficiaries are required to receive life expectancy payments beginning no later than December 31 of the year following your death. If you have not designated an individual or certain trust as beneficiary, the payout must be done in a five year period following your death.

If you die before the end of the 5-taxable-year period applicable to qualified distributions, each type of contribution (regular or conversion) and earnings are allocated on a pro-rata basis to your beneficiary(ies). Beginning January 1, 2008, as a result of the Pension Protection Act of 2006, a non-spouse beneficiary can make a direct rollover to an IRA. See your tax advisor if you have any questions about these distributions or rollovers.

Victory Funds Privacy Policy

Protecting the Privacy of Information

The Victory Funds are a separate legal entity from KeyCorp. This is the Victory Fund privacy policy and should not be confused with the KeyCorp Privacy Policy.

The Victory Portfolios respects your right to privacy. We also know that you expect us to conduct and process your business in an accurate and efficient manner. To do so, we must collect and maintain certain personal information about you. This is the information we collect from you on applications or other forms, and from the transactions you make with us or third parties. It may include your name, address, social security number, account transactions and balances, and information about investment goals and risk tolerance.

We do not disclose any information about you or about former customers to anyone except as permitted or required by law. Specifically, we may disclose the information we collect to companies that perform services on our behalf, such as the transfer agent that processes shareholder accounts and printers and mailers that assist us in the distribution of investor materials. We may also disclose this information to companies that perform marketing services on our behalf. This allows us to continue to offer you Victory investment products and services that meet your investing needs, and to effect transactions that you request or authorize. These companies will use this information only in connection with the services for which we hired them. They are not permitted to use or share this information for any other purpose.

To protect your personal information internally, we permit access only by authorized employees and maintain physical, electronic and procedural safeguards to guard your personal information.*

*You may have received communications regarding information about privacy policies from other financial institutions which gave you the opportunity to "opt-out" of certain information sharing with companies which are not affiliated with that financial institution. Victory Portfolios do not share information with other companies for purposes of marketing solicitations for products other than the Victory Portfolios. Therefore, Victory Portfolios do not provide opt-out options to their shareholders.

