



BROKERAGE ACCOUNT APPLICATION

經紀帳戶申請表

Select Account Type:

- 選擇帳戶類型:
- Custodian (Use Minor's SS#) 監管人帳戶(使用未成年人的社安號)
- Investment Club 投資俱樂部
- Non-Corporate Organization 非公司組織
- Individual 個人帳戶
- Coverdell ESA 教育儲蓄帳戶
- Trust 信託帳戶
- Estate 遺產帳戶
- Joint - type: _____ 共同帳戶- 種類: _____
- IRA - type: _____ 個人退休帳戶- 種類: _____
- Guardianship/Conservatorship 監護/託管帳戶
- Corporate - type: _____ 公司帳戶- 類型: _____
- Qualified Plan - type: _____ 合格退休計劃- 種類: _____
- Partnership - type: _____ 合夥人帳戶 - 種類: _____
- Update Account# 更新現有帳戶# _____

How did you hear about us? (Select one)
你如何知道史考特證券?(請選擇一項)

- Web Site or Search Engine 網站或搜索引擎
- TV or Radio Advertising 電視廣播廣告
- Magazine/Newspaper Ad 雜誌/報紙廣告
- News Article 新聞文章
- Friend Referral/Promotion Code 朋友介紹/優惠號碼
- I am an Existing Scottrade Customer 我已經是史考特客戶



SF1000/4-09

Please complete in English 請用英文填寫

APPLICANT 申請人				CO-APPLICANT (IF ANY) 共同申請人 (若適用)			
Title of Account (If applicable, name of corporation/partnership/trust/etc.) 帳戶名稱 (如果適用, 請填寫公司/合夥人/信託等名稱.)							
Mr. 先生 NAME 姓名 FIRST 名 MIDDLE 中間名 LAST 姓				Mr. 先生 NAME 姓名 FIRST 名 MIDDLE 中間名 LAST 姓			
Mrs. 太太				Mrs. 太太			
Ms. 女士				Ms. 女士			
Street Address (PO Box or c/o Address Not Permitted) 住家地址 (不可使用郵局信箱或轉交地址)				Street Address (PO Box or c/o Address Not Permitted) 住家地址 (不可使用郵局信箱或轉交地址)			
City 城市	State 州	Zip 郵編	Plus4 延長 4 位號	City 城市	State 州	Zip 郵編	Plus4 延長 4 位號
Home Phone Number 住家電話 ()	Work Phone Number 工作電話 ()	Cell Phone Number 手機電話 ()		Home Phone Number 住家電話 ()	Work Phone Number 工作電話 ()	Cell Phone Number 手機電話 ()	
Mailing Address (If different from home address: P.O.BOX may be used) 通訊地址 (如果不同於住家地址:可使用郵政信箱)							
Social Security or Tax ID Number 社會安全號碼或稅號				Social Security or Tax ID Number 社會安全號碼或稅號			
Date of Birth 出生日期				Date of Birth 出生日期			
Are you a U.S. Citizen? 您是美國公民嗎? <input type="checkbox"/> YES -Skip to "Occupation" 是 - 請直接跳到 "職業" 部分 <input type="checkbox"/> NO - Please complete the section below 否 - 請填寫下一部分				Are you a U.S. Citizen? 您是美國公民嗎? <input type="checkbox"/> YES -Skip to "Occupation" 是 - 請直接跳到 "職業" 部分 <input type="checkbox"/> NO - Please complete the section below 否 - 請填寫下一部分			
Non-U.S. Citizens: 非美國公民: Country of Citizenship: 國籍: _____				Non-U.S. Citizens: 非美國公民: Country of Citizenship: 國籍: _____			
Are you a U.S. Permanent Resident? 您是美國永久居民嗎? <input type="checkbox"/> YES 是 - Alien Registration Number 綠卡號碼 _____ <input type="checkbox"/> NO 否 - Please indicate your visa type _____ AND complete and sign the U.S. Visa Holder Statement(form number SF1039)* 請述明簽證類型並請附上您簽署的持有美國簽證聲明書(編號為 SF1039 的表格) * *If you plan on staying in the US 183 days or less, please contact our International Department to apply for an account. *如果您計劃在美國停留少於或等於 183 天, 請聯係我們國際部門申請帳戶。				Are you a U.S. Permanent Resident? 您是美國永久居民嗎? <input type="checkbox"/> YES 是 - Alien Registration Number 綠卡號碼 _____ <input type="checkbox"/> NO 否 - Please indicate your visa type _____ AND complete and sign the U.S. Visa Holder Statement(form number SF1039)* 請述明簽證類型並請附上您簽署的持有美國簽證聲明書(編號為 SF1039 的表格) * *If you plan on staying in the US 183 days or less, please contact our International Department to apply for an account. *如果您計劃在美國停留少於或等於 183 天, 請聯係我們國際部門申請帳戶。			
Occupation 職業 <input type="checkbox"/> Employed 在職(specify occupation) (請說明職業) _____ <input type="checkbox"/> Self-Employed <input type="checkbox"/> Un-Employed <input type="checkbox"/> Retired <input type="checkbox"/> Homemaker <input type="checkbox"/> Student 自營業 失業 退休 家管 學生				Occupation 職業 <input type="checkbox"/> Employed 在職(specify occupation) (請說明職業) _____ <input type="checkbox"/> Self-Employed <input type="checkbox"/> Un-Employed <input type="checkbox"/> Retired <input type="checkbox"/> Homemaker <input type="checkbox"/> Student 自營業 失業 退休 家管 學生			
Employer (If self-employed, please specify job function) 雇主 (如果自營業, 請註明工作性質)				Employer (If self-employed, please specify job function) 雇主 (如果自營業, 請註明工作性質)			
Employer Address 雇主地址				Employer Address 雇主地址			

Please answer the following: 請回答下列問題

<input type="checkbox"/> Yes 是	<input type="checkbox"/> No 否	Is any applicant or member of immediate family employed by or affiliated with a securities firm, a stock exchange, or the FINRA? 申請人或直系親屬是否受聘或附屬於某證券公司、交易所或 FINRA? (If yes, please provide name and address of Compliance Dept 如果是, 請提供法檢部門聯係人名稱及地址)
<input type="checkbox"/> Yes 是	<input type="checkbox"/> No 否	Is any applicant a "control person" or "affiliate" of a public company as defined by the SEC? This would generally include 10% shareholders, member of the Board of Directors and policy-making officers. 申請人是否為證券交易管理局 (SEC) 所定的 "控股人員" 或 "附屬人員"。這總體包括持股10%的股東, 董事會成員和制定條規的執行官。 (If yes, please provide trading symbol and company) (如果是, 請提供證券代號及公司名稱) _____
<input type="checkbox"/> Yes 是	<input type="checkbox"/> No 否	Is any applicant or member of immediate family or close associate a senior foreign political official? 任一申請人或直系親屬或生意夥伴是否為國外高級政府官員?

Type of Account (Choose A or B) 帳戶種類 (選擇 A 或 B) :**A) Internet Trading** (Requires E-mail Address)

E-mail Address

Referred by: (Name and/or Referral number)

網路交易 (需要提供電子郵件地址)

電子郵件地址

介紹人: (姓名和/或介紹號碼)

 Internet: All Securities & proceeds held in Account.

網路: 證券及賣出所得存於帳戶內

Trade confirmations and monthly account statements will be posted to your online account free of charge.

交易確認和月結單會免費在您的網路帳戶公佈。

To receive paper copies for a fee, check one or both of the following: Mail trade confirmation(\$1 each) Mail account statement(\$2 each)

如果要收取紙質文件要收取費用, 請選擇以下一項或兩項都選:

郵寄交易確認 (每份\$1)

郵寄月結單 (每份\$2)

B) Non-Internet Trading . (Be advised that Non-Internet Commission Rates apply).

非網路交易。(注意會收取非網路交易的佣金)

 Safekeeping 安全保管

Indicate Instructions

 Hold proceeds 保留賣出所得or 或 Mail Proceeds 郵寄賣出所得

請註明指示:

 Hold dividends & Interest 保留股利股息及利息 or 或 Mail dividends & interest 郵寄股利股息及利息**Additional Services: 其它服務項目** Margin: (IRA Accounts excluded) 融資融券(退休帳戶除外)

Please sign Margin Agreement below.

請簽署下面融資融券合約。

 Option: 期權

Please send me an Option Agreement and Disclosure

Document. 請郵寄期權合約及公開說明書給我。

 Transfer of Account to Scottrade. Please

send me the transfer forms.

轉帳戶至 Scottrade.請郵寄表格給我。

Under penalties of perjury, I certify that: (1) the number shown on this form is the correct taxpayer identification number (or I am waiting for a number to be issued to me), and (2) I am not subject to backup withholding either because: (a) I am exempt from backup withholding, (b) I have not been notified by the Internal Revenue Service(IRS) that I am subject to backup withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified that I am no longer subject to backup withholding; and (3) I am a U.S. person(including U.S. resident alien).The IRS does not require my consent to any provision of this document other than the certification required to avoid backup withholding. *Applicants who are subject to backup withholding must cross out item (2).*

如屬偽證甘願受罰,本人證明:(1)上文所示的納稅人身份號碼是正確的(或我正在等待發給我的號碼),和(2)我不受預扣稅規定的限制因為(a)我被免除預扣稅,(b)我尚未從國稅局(IRS)收到因沒有申報全部利息或分紅而必須受預扣稅規定限制的通知,或(c)國稅局已通知我不再受預扣稅規定的限制。以及(3)我是美國人(包括在美國居住的外國人)。除了要求提供避免稅務預扣的證明外國稅局不需要我同意此文件的任何條款。需受預扣稅務限制的申請人必須要在第(2)項上劃綫以示刪除。

BY SIGNING THIS AGREEMENT I ACKNOWLEDGE THAT I HAVE RECEIVED, READ AND AGREE TO ABIDE BY THE TERMS OF THE ACCOMPANYING BROKERAGE ACCOUNT AGREEMENT WHICH CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE AT PARAGRAPH 29.

經簽署本合約,本人確認已經收到、閱讀並同意遵守隨附的經紀帳戶合約的條款,該合約第29款包含有預爭議仲裁條款。

X**X**DATE
日期APPLICANT'S/AUTHORIZED PERSON'S SIGNATURE
申請人/授權人簽字CO-APPLICANT'S/AUTHORIZED PERSON'S SIGNATURE
共同申請人/授權人簽字**MARGIN PRIVILEGES - SIGN BELOW ONLY IF YOU DESIRE A MARGIN ACCOUNT**

融資融券帳戶 - 只有意圖申請融資融券帳戶時方須在下欄簽字。

By signing this agreement I acknowledge that I have received and read, and agree to abide by the terms of the accompanying *Brokerage Account Agreement*, including the *Margin Account* section starting at Paragraph 53.

經簽署本合約,本人確認已經收到並閱讀,且同意遵守隨附的經紀帳戶合約,包括第53段起的融資融券章節。

X**X**DATE
日期MARGIN APPLICANT'S SIGNATURE
融資融券申請人簽字MARGIN CO-APPLICANT'S SIGNATURE
融資融券共同申請人簽字**FOR SCOTTRADE USE ONLY**

Online Application Entry

Registered Rep

Registered Principal

New Account Rep

SSNAP Approved

Disclaimer免責條款

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本公司的中文網站、表格、所有信函和合約所載資訊的僅為方便理解而提供。網站、表格、信函和合約所載資訊的中文部分乃從史考特公司的英文版本翻譯而來。雖然我們盡力提供與英文版本含義一樣清楚的中文版本,但因語言翻譯和轉換過程中的差異,可能存在不盡相同之處。本公司客戶須以合約之英文版本為標準。



12800 Corporate Hill Drive, P.O.Box 31759, St.Louis MO 63131-0759

COVERDELL ESA COVRDELL EDUCATION SAVINGS ACCOUNT 教育金儲蓄帳戶

ESA DESIGNATED BENEFICIARY'S INFORMATION 教育金儲蓄帳戶指定受益人資訊

#5098 (6/2005)

Amendment 修改

Check here if this is an amendment to an existing Coverdell Education Savings Account.
如果是對現有教育金儲蓄帳戶進行修改，請在此處打勾。

DATE _____

日期 _____

CONTRIBUTION AMOUNT _____

存款額 _____

CONTRIBUTION FOR TAX YEAR _____

存那年度 _____

Contribution Type
存款類型

NAME _____

姓名 _____

HOME ADDRESS _____

住宅地址 _____

CITY _____

城市 _____

HOME PHONE _____

住宅電話 _____

SOCIAL SECURITY NO. _____

社會安全號碼 _____

STATE _____

州 _____

ZIP CODE _____

郵遞區號 _____

DATE OF BIRTH _____

出生日期 _____

- Regular
定期
- Transfer
轉帳
- Rollover
滾存

DEPOSITOR'S INFORMATION 存款人資訊

NAME _____ SOCIAL SECURITY NO. _____

姓名 _____ 社會安全號碼 _____

HOME ADDRESS _____

住宅地址 _____

CITY _____ STATE _____ ZIP CODE _____ HOME PHONE _____

城市 _____ 州 _____ 郵遞區號 _____ 住宅電話 _____

ESA RESPONSIBLE INDIVIDUAL'S INFORMATION 教育金儲蓄帳戶負責人資訊

A Responsible Individual must be designated below. 必須在下面指定一位負責人。

NAME _____

姓名 _____

HOME ADDRESS _____

住宅地址 _____

CITY _____ STATE _____ ZIP CODE _____

城市 _____ 州 _____ 郵遞區號 _____

BUSINESS PHONE _____ HOME PHONE _____

辦公電話 _____ 住宅電話 _____

RELATIONSHIP TO BENEFICIARY _____ SOCIAL SECURITY NO. _____

與受益人關係 _____ 社會安全號碼 _____

Answer "Yes" or "No" to each of the following questions by checking the appropriate box. If a box is not checked for a question, the answer will be deemed to be "No".
在相應框中勾選“是”或“否”以回答下列問題。如果某一問題沒有勾選，則視為選擇“否”。

Yes 是 **No 否** The Responsible Individual may change the beneficiary designated under this agreement to another member of the Designated Beneficiary's family scribed in Section 529(e)(2) in accordance with the Custodian's procedures.
負責人可以依據監管人的程序以更改受益人的另一家庭成員（參見第 529(e)(2)條表述）為本合約指定受益人。

Yes 是 **No 否** The Responsible Individual shall continue to serve as the Responsible Individual for the custodial account after the Designated Beneficiary attains the age of majority under state law and until such time as all assets have been distributed from the custodial account and the custodial account terminates. If the Responsible Individual becomes incapacitated or dies after the Designated Beneficiary reaches the age of majority under state law, the Responsible Individual shall be the Designated Beneficiary.
指定受益人到達州法律規定的法定年齡後，負責人仍將繼續作為監管帳戶的負責人，除非監管帳戶中的所有資產已經被完全分配，而監管帳戶已經終止。在指定受益人到達州法律規定的法定年齡後，如果負責人無法履行職責或者死亡，負責人將由指定受益人擔當。

SUCCESSOR ESA RESPONSIBLE INDIVIDUAL'S INFORMATION 教育金儲蓄帳戶繼承負責人資訊

In the event of the death or legal incapacity of the Responsible Individual while the Designated Beneficiary is a minor under state law, the following shall become the Responsible Individual. If no successor is named, the Successor Responsible Individual shall be the Designated Beneficiary's parent or guardian.

如果負責人在指定受益人尚未達到州法律規定的法定年齡前死亡或喪失法定資格時，以下個人將成為負責人。如果未明確指定繼承人，則繼承負責人應為指定受益人的父、母或監護人。

NAME _____ SOCIAL SECURITY NO. _____
姓名 社會安全號碼
HOME ADDRESS _____
住宅地址
CITY _____ STATE _____ ZIP CODE _____
城市 州 郵遞區號
BUSINESS PHONE _____ HOME PHONE _____ RELATIONSHIP TO BENEFICIARY _____
辦公電話 住宅電話 與受益人關係

ESA Death Beneficiary 教育金儲蓄帳戶死亡受益人

I designate the individual named below as the primary death beneficiary of 100% of this ESA. Note: To name more than one primary death beneficiary or name contingent beneficiary (ies), a separate Designation of Beneficiary form must be used.

我指定以下的個人為我這個教育金儲蓄帳戶 100% 的主要受益人。注意：如要制定多個死亡受益人或次要受益人，必須要使用單獨的受益人制定表格。

NAME _____
姓名
HOME ADDRESS _____
地址
CITY _____ STATE _____ ZIP CODE _____
城市 州 郵政區碼
HOME PHONE _____ DATE OF BIRTH _____
住址電話 生日
RELATIONSHIP TO DESIGNATED BENEFICIARY _____ SOCIAL SECURITY NO. _____
與指定受益人的關係 社會安全號碼

SIGNATURES 簽字

Important: Please read before signing. The signature of the Responsible Individual should be obtained if someone other than the Depositor will be the Responsible Individual.
重要事項：請在簽字前仔細閱讀。如果存款人與負責人不是同一人，則負責人也需要簽名。

I understand the eligibility requirements for the type of Coverdell ESA deposit I am making and I state that I do qualify to make the deposit. I have received a copy of the Application, 5305-EA Plan Agreement and Disclosure Statement. I understand that the terms and conditions which apply to this Coverdell ESA Account are contained in this Application and the 5305-EA Plan Agreement. I agree to be bound by those terms and conditions.

本人知悉開設教育金儲蓄類型的帳戶適用條件並聲明本人具備此種儲蓄資格。本人已收到一份申請表、5305-EA 計劃合約和公開聲明。本人瞭解適用於本申請表和 5305-EA 計劃合約所述的教育金儲蓄帳戶的條款協定，並同意遵守這些條款協定。

I assume complete responsibility for: 本人對以下事項負有完全責任：

- Determining that I am eligible to contribute to an Coverdell ESA Account each year I make a contribution. 每年存款時確定本人的教育金儲蓄帳戶資格。
- Insuring that all contributions I make are within the limits set forth by the tax laws. 保證本人的所有存款均符合稅法規定之範圍。
- Certifying that I am qualified to assume the responsibilities of the Responsible Individual as set forth in this Agreement, if I am designated on this Application as the Responsible Individual. 如果本人在此申請表中被指定為負責人，本人保證本人有資格承擔負責人。
- Managing and administering the account and authorizing transactions involving contributions and distributions, if I am designated on this Application as the Responsible Individual. 如果本人在此申請表中被指定為負責人，本人保證管理和執行帳戶，授權有關存款、取款交易事項。

X _____
COVERDELL EDUCATION ACCOUNT DEPOSITOR DATE AUTHORIZED SIGNATURE OF CUSTODIAN DATE
教育金儲蓄帳戶存款人 日期 授權監管人簽字 日期

X _____
ESA RESPONSIBLE INDIVIDUAL DATE
教育金儲蓄帳戶負責人 日期

Acceptance by Scottrade, Inc.

The Plan shall be deemed to have been accepted by Scottrade, Inc. upon receipt of all necessary forms, properly completed.

在收到適當填寫的全部必要表格後，本計劃將視為已經被史考特證券公司所接受。

RETURN COPY WITH SCOTTRADE ACCOUNT APPLICATION TO SCOTTRADE, INC. 請將副本與史考特帳戶申請表一同交還史考特。

Disclaimer

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免責條款

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COVERDELL ESA CUSTODIAL ACCOUNT

Form 5305-EA Under Section 530 of the Internal Revenue Code

FORM (REV. MARCH 2002)

The Depositor whose name appears on the Application is establishing a Coverdell Education Savings Account under Section 530 for the benefit of the Designated Beneficiary whose name appears on the Application exclusively to pay for the qualified elementary, secondary, and higher education expenses, within the meaning of Section 530(b)(2), of such Designated Beneficiary.

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

The Depositor and the Custodian make the following agreement:

ARTICLE I

The Custodian may accept additional cash contributions provided the Designated Beneficiary has not attained the age of 18 as of the date such contributions are made. Contributions by an individual contributor may be made for the tax year of the Designated Beneficiary by the due date of the beneficiary's tax return for that year (excluding extensions). Total contributions that are not rollover contributions described in section 530(d)(5) are limited to \$2,000 for the tax year. In the case of an individual contributor, the \$2,000 limitation for any year is phased out between modified adjusted gross income (AGI) of \$95,000 and \$110,000. For married individuals filing jointly, the phase-out occurs between modified AGI of \$190,000 and \$220,000. Modified AGI is defined in section 530(c)(2).

ARTICLE II

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 a common investment fund (within the meaning of Section 530(b)(1)(D)).

ARTICLE III

1. Any balance to the credit of the Designated Beneficiary on the date on which he or she attains age 30 shall be distributed to him or her within 30 days of such date.
2. Any balance to the credit of the Designated Beneficiary shall be distributed within 30 days of his or her death **unless** the designated death beneficiary is a Family Member of the Designated Beneficiary and is under the age of 30 on the date of death. In such case, that Family Member shall become the Designated Beneficiary as of the date of death.

ARTICLE IV

The Depositor shall have the power to direct the Custodian regarding the investment of the amount listed on the Application assigned to the custodial account (including earnings thereon) in the investment choices offered by the Custodian. The Responsible Individual, however, shall have the power to redirect the Custodian regarding the investment of such amounts, as well as the power to direct the Custodian regarding the investment of all additional contributions (including earnings thereon) to the custodial account. In the event that the Responsible Individual does not direct the Custodian regarding the investment of additional contributions (including earnings thereon), the initial investment direction of the Depositor also will govern all additional contributions made to the custodial account until such time as the Responsible Individual otherwise directs the Custodian. Unless otherwise provided in this agreement, the Responsible Individual also shall have the power to direct the Custodian regarding the administration, management, and distribution of the account.

ARTICLE V

The Responsible Individual named by the Depositor shall be a parent or guardian of the Designated Beneficiary. The custodial account shall have only one Responsible Individual at any time. If the Responsible Individual becomes incapacitated or dies while the Designated Beneficiary is a minor under state law, the successor Responsible Individual shall be the person named to succeed in that capacity by the preceding Responsible Individual in a witnessed writing or, if no successor is so named, the successor Responsible Individual shall be the Designated Beneficiary's other parent or successor guardian. Unless otherwise directed by checking the option on the Application, at the time that the Designated Beneficiary attains the age of majority under state law, the Designated Beneficiary becomes the Responsible Individual. If a Family Member under the age of majority under state law becomes the Designated Beneficiary by reason of being a named death beneficiary, the Responsible Individual shall be such Designated Beneficiary's parent or guardian.

ARTICLE VI

(See the Application and Section 10.04 of this agreement for information regarding the Responsible Individual's ability to change the Designated Beneficiary named by the Depositor.)

ARTICLE VII

1. The Depositor agrees to provide the Custodian with all information necessary to prepare any reports required by Section 530(h).
2. The Custodian agrees to submit to the Internal Revenue Service (IRS) and Responsible Individual the reports prescribed by the IRS.

ARTICLE VIII

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through III will be controlling. Any additional articles inconsistent with Section 530 and the related regulations will be invalid.

ARTICLE IX

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 Depositor and the Custodian whose signatures appear on the Application.

ARTICLE X

10.01 *Notices And Change Of Address:* Any required notice regarding this Coverdell ESA will be considered effective when the Custodian mails it to the last address of the intended recipient which the Custodian has in its records. Any notice to be given to the Custodian will be considered effective when the Custodian actually receives it. The Responsible Individual must notify the Custodian of any change of address.

10.02 *Representations And Responsibilities:* The Depositor and the Responsible Individual represent and warrant to the Custodian that any information the Depositor and Responsible Individual have given or will give the Custodian with respect to this agreement is complete and accurate. Further, the Depositor and the Responsible Individual agree that any directions they give the Custodian, or action they take will be proper under this agreement and that the Custodian is entitled to rely upon any such information or directions. The Custodian shall not be liable for acting upon any instructions given by the Responsible Individual named on the Application prior to the time the Custodian receives appropriate written notice that the Designated Beneficiary has met the requirements for assuming control of the Coverdell ESA, or that a new Responsible Individual has been appointed. The Custodian shall not be responsible for losses of any kind that may result from the Depositor's and Responsible Individual's directions to it or the Depositor's and Responsible Individual's actions or failures to act. The Depositor and Responsible Individual agree to reimburse the Custodian for any loss the Custodian may incur as a result of such directions, actions or failures to act. The Custodian has no duty to determine whether the contributions or distributions with respect to this Coverdell ESA comply with the Code, regulations, rulings or this agreement and shall not be responsible for any penalties, taxes, judgments or expenses of the Designated Beneficiary or any Depositor to this Coverdell ESA.

Notwithstanding anything in this agreement to the contrary, the Custodian may establish a policy permitting someone other than the Designated Beneficiary's parent or legal guardian to serve as Responsible Individual, provided the individual is not prohibited by law from serving in that capacity and fulfilling his or her obligations under this agreement.

10.03 *Service Fees:* The Custodian has the right to charge an annual service fee or other designated fees (for example, a transfer, rollover or termination fee) for maintaining this Coverdell ESA. In addition, the Custodian has the right to be reimbursed for all reasonable expenses incurred in connection with the administration of this Coverdell ESA. The Custodian may charge the Designated Beneficiary separately for any fees or expenses or may deduct the amount of the fees or expenses from the assets in this Coverdell ESA at the Custodian's discretion. The Custodian reserves the right to charge any additional fee upon 30 days notice to the Responsible Individual that the fee will be effective.

Any brokerage commissions attributable to the assets in the Coverdell ESA will be charged to the Coverdell ESA. The Responsible Individual, Depositor or Designated Beneficiary cannot reimburse the Coverdell ESA for those commissions.

10.04 *Beneficiary(ies):*

1. Unless indicated otherwise on the Application, the Responsible Individual may not change the Designated Beneficiary. If the Depositor has indicated on the Application that the Responsible Individual may change the beneficiary designated under this agreement and the Responsible Individual chooses to do so, the Responsible Individual must designate a member of the family (as defined in Section 529(e)(2)) of the existing Designated Beneficiary. This designation can only be made on a form prescribed by the Custodian.

2. The Depositor or Responsible Individual may name one or more person or entity as death beneficiary of this Coverdell ESA. This designation can only be made on a form prescribed by the Custodian and it will only be effective when it is filed with the Custodian during the lifetime of the Designated Beneficiary. Each beneficiary designation filed with the Custodian will cancel all previous ones unless the beneficiary designation specifies otherwise. The consent of a death beneficiary shall not be required in order to revoke a death beneficiary designation. If a death beneficiary is not designated with respect to this Coverdell ESA, the Designated Beneficiary's estate will be the death beneficiary.

10.05 *Termination:* Either the Custodian or the Responsible Individual may terminate this agreement at any time by giving written notice to the other. The Custodian can resign as Custodian at any time effective 30 days after mailing written notice of its resignation to the Responsible Individual. Upon receipt of that notice, the Responsible Individual must make arrangements to transfer the Coverdell ESA to another financial organization. If the Responsible Individual does not complete a transfer of the Coverdell ESA within 30 days from the date the Custodian mails the notice to the Responsible Individual, the Custodian has the right to transfer the Coverdell ESA assets to a successor Coverdell ESA trustee or custodian that the Custodian chooses in its sole discretion or the Custodian may pay the Coverdell ESA balance to the Designated Beneficiary in a single sum. The Custodian shall not be liable for any actions or failures to act on the part of any successor trustee or custodian nor for any tax consequences the Designated Beneficiary may incur that result from the transfer or distribution of the Coverdell ESA assets pursuant to this section.

If this agreement is terminated, the Custodian may hold back from the Coverdell ESA a reasonable amount of money that it believes is necessary to cover any one or more of the following:

- any fees, expenses or taxes chargeable against the Coverdell ESA;
- any penalties associated with the early withdrawal of any savings instrument or other investment in the Coverdell ESA.

If the Custodian is merged with another organization (or comes under the control of any Federal or State agency) or if the entire organization (or any portion which includes the Coverdell ESA) is bought by another organization, that organization (or agency) shall automatically become the trustee or custodian of the Coverdell ESA, but only if it is the type of organization authorized to serve as a Coverdell ESA trustee or custodian.

If the Custodian is required to comply with Section 1.408-2(e) of the Treasury Regulations and fails to do so, or the Custodian is not keeping the records, making the returns or sending the statements as are required by forms or regulations, the IRS may, after notifying the Responsible Individual or the Designated Beneficiary, require that a substitute trustee or custodian be appointed.

10.06 *Amendments:* The Custodian shall have the right to amend this agreement at any time. Any amendment the Custodian makes to comply with the Code and related regulations does not require the consent of either the Responsible Individual or the Depositor. Notwithstanding anything in this agreement to the contrary, other amendments may be made with the consent of the Responsible Individual. The Responsible Individual will be deemed to have consented to any other amendment unless, within 30 days from the date the Custodian mails the amendment, the Responsible Individual notifies the Custodian in writing that the Responsible Individual does not consent.

10.07 *Transfers From Other Plans:* The Custodian can receive amounts transferred to the Coverdell ESA from the custodian or trustee of another Coverdell ESA.

10.08 *Liquidation Of Assets:* The Custodian has the right to liquidate assets in the Coverdell ESA if necessary to make distributions or to pay fees, expenses or taxes properly chargeable against the Coverdell ESA. If the Responsible Individual fails to direct the Custodian as to which assets to liquidate, the Custodian will decide in its complete and sole discretion and the Responsible Individual agrees not to hold the Custodian liable for any adverse consequences that result from the Custodian's decision.

10.09 *Restrictions On The Fund:* Neither the Responsible Individual, the Designated Beneficiary (nor anyone acting on behalf of the Designated Beneficiary), the Depositor nor any contributor may sell, transfer or pledge any interest in the Coverdell ESA in any manner whatsoever, except as provided by law or this agreement.

The assets in the Coverdell ESA shall not be responsible for the debts, contracts or torts of the Responsible Individual, the Designated Beneficiary, the Depositor or any person entitled to distributions under this agreement.

10.10 *What Law Applies:* This agreement is subject to all applicable Federal and State laws and regulations. If it is necessary to apply any State law to interpret and administer this agreement, the law of the Custodian's domicile shall govern.

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

INSTRUCTIONS

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

PURPOSE OF FORM

Form 5305-EA is a model custodial account agreement that meets the requirements of Section 530(b)(1) and has been pre-approved by the IRS. A Coverdell Education Savings Account (ESA) is established after the form is fully executed by both the Depositor and the Custodian. This account must be created in the United States for the exclusive purpose of paying the qualified elementary, secondary, and higher education expenses of the Designated Beneficiary.

If the model account is a trust account, see Form 5305-E, Coverdell Education Savings Trust Account.

Do not file Form 5305-EA with the IRS. Instead, the Depositor must keep the completed form in its records.

DEFINITIONS

Custodian: The Custodian must be a bank or savings and loan association, as defined in Section 408(n), or any person who has the approval of the IRS to act as Custodian. Any person who may serve as a Custodian of a Traditional IRA may serve as the Custodian of a Coverdell ESA.

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

Designated Beneficiary: The Designated Beneficiary is the individual on whose behalf the custodial account has been established.

Family Member: Family Members of the Designated Beneficiary include his or her spouse, child, grandchild, sibling, parent, niece or nephew, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law, and the spouse of any such individual. A first cousin, but not his or her spouse, is also a "family member."

Responsible Individual: The Responsible Individual, generally, is a parent or guardian of the Designated Beneficiary. However, under certain circumstances, the Responsible Individual may be the Designated Beneficiary.

IDENTIFICATION NUMBERS

The Depositor's and Designated Beneficiary's social security numbers will serve as their identification numbers. If the Depositor is a nonresident alien and does not have an identification number, write "Foreign" in the block where the number is requested. The Designated Beneficiary's social security number is the identification number of his or her Coverdell ESA. If the Designated Beneficiary is a nonresident alien, the Designated Beneficiary's individual taxpayer identification number is the identification number of his or her Coverdell ESA. An employer identification number (EIN) is required only for a Coverdell ESA for which a return is filed to report unrelated business income. An EIN is required for a common fund created for Coverdell ESAs.

SPECIFIC INSTRUCTIONS

Note: *The age limitation restricting contributions, distributions, rollover contributions, and change of beneficiary are waived for a designated beneficiary with special needs.*

Article X: Article X and any that follow may incorporate additional provisions that are agreed to by the Depositor and Custodian to complete the agreement. They may include, for example, provisions relating to: definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of the Custodian, Custodian's fees, state law requirements, treatment of excess contributions, and prohibited transactions with the Depositor, Designated Beneficiary, or Responsible Individual, etc. Attach additional pages as necessary.

Optional Provisions in Article V and Article VI: Form 5305-EA may be reproduced in a manner that provides only those optional provisions offered by the Custodian.

DISCLOSURE STATEMENT

REQUIREMENTS OF A COVERDELL ESA

- A. **CASH CONTRIBUTIONS** - A Coverdell ESA contribution must be in cash.
- B. **MAXIMUM CONTRIBUTION** - The total amount that may be contributed to any and all Coverdell ESAs on behalf of a Designated Beneficiary is \$2,000 per year, excluding rollover and transfer contributions.

Contributions may not be made to a Coverdell ESA after the Designated Beneficiary's 18th birthday, except in the case of a special needs beneficiary.

The Coverdell ESA contribution that may be made by a Depositor is further limited if the Depositor's modified adjusted gross income (MAGI) exceeds \$190,000 and he or she is a married individual filing jointly (\$95,000 for single taxpayers). Married individuals filing jointly with MAGI exceeding \$220,000 may not fund a Coverdell ESA. Single individuals with MAGI exceeding \$110,000 may not fund a Coverdell ESA. The MAGI limits apply only to Depositors that are individuals.

If the Depositor is married filing jointly with MAGI between \$190,000 and \$220,000, the maximum Coverdell ESA contribution is determined as follows: (1) subtract the Depositor's MAGI from \$220,000, (2) divide the difference by \$30,000, and (3) multiply the result in step (2) by \$2,000. For example, if the Depositor's MAGI is \$205,000, the maximum Coverdell ESA contribution that may be made by such Depositor is \$1,000. This amount is determined as follows: [(\$220,000 minus \$205,000) divided by \$30,000] multiplied by \$2,000.

If the Depositor is a single tax filer with MAGI between \$95,000 and \$110,000, the maximum Coverdell ESA contribution is determined as follows: (1) subtract the Depositor's MAGI from \$110,000, (2) divide the difference by \$15,000, and (3) multiply the result in step (2) by \$2,000. For example, if the Depositor's MAGI is \$98,000, the maximum Coverdell ESA contribution that may be made by such Depositor is \$1,600. This amount is determined as follows: [(\$110,000 minus \$98,000) divided by \$15,000] multiplied by \$2,000.

The Coverdell ESA contribution that may be made by a Depositor is not limited by contributions made by the Depositor to Traditional or Roth IRAs. In addition, there is no earned income requirement to be eligible to contribute to a Coverdell ESA. There is no requirement that the Depositor be related to the Designated Beneficiary in order to make contributions. In addition, the Designated Beneficiary may contribute to his or her own Coverdell ESA.

- C. **ELIGIBLE CUSTODIANS** - The Custodian of the Coverdell ESA must be a bank, savings and loan association, credit union, or person approved by the Secretary of the Treasury.
- D. **COMMINGLING ASSETS** - The assets of the Coverdell ESA cannot be commingled with other property except in a common trust fund or common investment fund.
- E. **LIFE INSURANCE** - No portion of the Coverdell ESA may be invested in life insurance contracts.
- F. **COLLECTIBLES** - The assets of the Coverdell ESA may not be invested in collectibles (within the meaning of Internal Revenue Code (IRC) Sec. 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or other tangible personal property specified by the Internal Revenue Service (IRS). However, specially minted United States gold and silver bullion coins and certain state-issued coins are permissible investments. Beginning January 1, 1998, platinum coins and certain gold, silver, platinum or palladium bullion (as described in IRC Sec. 408(m)(3)) are also permitted as Coverdell ESA investments.
- G. **REQUIRED DISTRIBUTIONS** - Except in the case of a special needs beneficiary, the assets of the Coverdell ESA are required to be distributed to the Designated Beneficiary within 30 days of the Designated Beneficiary's attainment of age 30. The Designated Beneficiary will be subject to both income tax and an additional 10 percent tax on the portion of the distribution that represents earnings, if the Designated Beneficiary does not have any qualified education expenses in that year.

Any balance remaining in the Coverdell ESA upon the death of the Designated Beneficiary shall be distributed within 30 days of the Designated Beneficiary's death, unless a death beneficiary is named and the death beneficiary is a qualified family member under age 30. If the death beneficiary is a qualified family member under age 30, that individual will become the Designated Beneficiary as of the date of death.

- H. **RESPONSIBLE INDIVIDUAL** - The Responsible Individual is generally the parent or guardian of the Designated Beneficiary. However, the financial organization may establish a policy that permits someone other than the Designated Beneficiary's parent or legal guardian to serve as the Responsible Individual. Unless otherwise indicated on the Application, the Responsible Individual may not change the Designated Beneficiary. If the Depositor has indicated on the Application that the Responsible

Individual may change the Designated Beneficiary, the Responsible Individual may change the Designated Beneficiary to another member of the Designated Beneficiary's family. The Responsible Individual shall perform the following duties.

1. receive a copy of the plan agreement and disclosure statement.
2. direct the Custodian regarding the investment of contributions, including the ability to redirect the investment of the initial contribution.
3. direct the Custodian regarding the administration, management and distribution of the account, unless the plan agreement indicates otherwise.
4. name a successor responsible individual if the need arises.
5. notify the Custodian of any address change for the individuals identified on the plan agreement.
6. remove excess contributions made to the Coverdell ESA.

INCOME TAX CONSEQUENCES OF ESTABLISHING A COVERDELL ESA

- A. **CONTRIBUTIONS NOT DEDUCTED** - No deduction is allowed for Coverdell ESA contributions, including transfer and rollover contributions.
- B. **TAX-DEFERRED EARNINGS** - The investment earnings of the Coverdell ESA are not subject to federal income tax as they accumulate in the Coverdell ESA. In addition, distributions of the Coverdell ESA earnings will be free from federal income tax if the distributions are taken to pay for qualified education expenses, as discussed below.
- C. **TAXATION OF DISTRIBUTIONS** - The taxation of distributions from the Coverdell ESA depends on whether or not the distributions are used for qualified education expenses.

1. **Qualified Education Expenses** - The Designated Beneficiary may take tax-free distributions from a Coverdell ESA to pay for elementary, secondary or post-secondary education expenses at an eligible educational institution. Such expenses include tuition, fees, books, supplies, special needs services, room and board, uniforms, transportation, academic tutoring and supplementary items or services (including extended day programs). Also qualifying are expenses for the purchase of computer technology or equipment, Internet access and related services, if such technology, equipment or services are to be used by the Designated Beneficiary or Designated Beneficiary's family during any of the years the Designated Beneficiary is in school. Qualified expenses may also include amounts contributed to a qualified tuition program.
2. **Nonqualifying Distributions** - If a Designated Beneficiary withdraws amounts from a Coverdell ESA which exceed the qualified education expenses for the same year, or the distributions are not used for qualified education expenses, a portion of the distributions will be taxable. The amount in excess of the qualified education expenses is taxable pro rata, based on the earnings and the basis in the account.

In most cases of a nonqualified distribution, the taxable portion of a Coverdell ESA distribution is also subject to an additional 10 percent tax. There are several exceptions to the 10 percent tax including distributions made payable

- a. to a designated death beneficiary of the Coverdell ESA or to the estate of the Designated Beneficiary following the death of the Designated Beneficiary;
- b. to the Designated Beneficiary if the Designated Beneficiary is disabled;
- c. to the Designated Beneficiary if the Designated Beneficiary received a qualified scholarship, an educational assistance allowance or an excludable payment exception, but only to the extent the distribution is not more than the amount of the scholarship, allowance or excludable payment, and
- d. to the Designated Beneficiary as a removal of excess along with the net income attributable.

3. **Hope or Lifetime Learning Credits** - A Designated Beneficiary may claim the Hope Credit or the Lifetime Learning Credit on his or her federal income tax return in the same taxable year that a tax-free distribution from a Coverdell ESA is claimed, as long as the distribution(s) does not cover the same expenses claimed for the Hope Credit or Lifetime Learning Credit.

- D. **ROLLOVERS** - Coverdell ESA amounts may be rolled over to another Coverdell ESA of the same Designated Beneficiary or that of a qualified family member, provided that all of the applicable rollover rules are followed. Rollover is a term used to describe a tax-free movement of cash to a Coverdell ESA from another Coverdell ESA. The rollover rules are generally summarized below. These transactions are often complex. If you have any questions regarding a rollover, please see a competent tax advisor.

1. **ESA to ESA Rollovers** - Funds distributed from a Coverdell ESA may be rolled over to another Coverdell ESA of the same Designated Beneficiary or that of a qualifying family member if the requirements of IRC Sec. 530(d)(5) are met. A proper Coverdell ESA to Coverdell ESA rollover is completed if all or part of a distribution is rolled over not later than 60 days after the distribution is received. The Responsible Individual may not have completed another rollover from the distributing Coverdell ESA during the 12 months preceding the date the distribution was received. Further, the Responsible Individual may roll the same dollars or assets only once every 12 months.

2. **Qualified Family Member** - A Coverdell ESA may be rolled to another Coverdell ESA of the same Designated Beneficiary or to a Coverdell ESA maintained for the benefit of a qualified family member of the Designated Beneficiary, who is under the age of 30. The age 30 limitation does not apply to qualified family members who are special needs beneficiaries. Qualified family members of the Designated Beneficiary include the Designated Beneficiary's spouse, child, grandchild, sister, brother, parent, niece or nephew, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law and the spouse of any such individual. A first cousin of the Designated Beneficiary, but not his or her spouse is also considered a qualified family member.

E. **CARRYBACK CONTRIBUTIONS** - A contribution is deemed to have been made on the last day of the preceding taxable year if it is made by the deadline for filing the Depositor's income tax return (not including extensions), and the Depositor designates that contribution as a contribution for the preceding taxable year. For example, if the Depositor is a calendar year filer and makes a Coverdell ESA contribution on or before April 15, the contribution is considered to have been made for the previous tax year if the Depositor designates it as such.

LIMITATIONS AND RESTRICTIONS

A. **PROHIBITED TRANSACTIONS** - If the Responsible Individual engages in a prohibited transaction with the Coverdell ESA as described in IRC Sec. 4975, the Coverdell ESA will lose its tax-exempt status and the Designated Beneficiary must generally include the value of the earnings in his or her account in his or her gross income for the year.

B. **PLEDGING** - If the Responsible Individual pledges any portion of the Coverdell ESA as collateral for a loan, the amount so pledged will be treated as a distribution and may be included in the Designated Beneficiary's gross income for that year to the extent that it represents earnings.

C. **ESTATE AND GIFT TAX** - Transfers of Coverdell ESA assets to a death designated beneficiary made during the Designated Beneficiary's life and at his or her request or because of the Designated Beneficiary's failure to instruct otherwise, may be subject to federal gift tax under IRC Sec. 2501 if made after October 22, 1986.

D. **INCOME TAX TREATMENT** - Any withdrawal from the Coverdell ESA is not subject to federal income tax withholding.

FEDERAL TAX PENALTIES

A. **EXCESS CONTRIBUTION PENALTY** - An excise tax of 6 percent is imposed upon any excess contribution made to a Coverdell ESA. This tax will apply each year in which an excess remains in the Coverdell ESA. An excess contribution is any contribution amount which exceeds the contribution limit, excluding rollover and direct transfer amounts. The contribution limit is \$2,000 per Designated Beneficiary per year. The contribution limit may be further limited by the Depositor's MAGI as discussed previously. The excess contribution should be removed by the Responsible Individual and made payable to the Designated Beneficiary.

B. **PENALTY REPORTING** - The Designated Beneficiary must file form 5329 with the Internal Revenue Service to report and remit any penalties for excise taxes.

OTHER

A. **IRS PLAN APPROVAL** - The agreement used to establish this Coverdell ESA has been approved by the IRS. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.

B. **ADDITIONAL INFORMATION** - You may obtain further information on Coverdell ESAs from your District Office of the IRS. In particular, you may wish to obtain IRS Publication 970, *Tax Benefits For Higher Education*, by calling 1-800-TAX-FORM, or by visiting www.irs.gov on the Internet.

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