

# Coverdell Education Savings Account



Touchstone Investments®  
DISTINCTIVELY ACTIVE®

**Investment Selection Must Accompany the Completed Application**

TSF-7418-2506

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### **Certain Definitions:**

"**Code**" means the Internal Revenue Code, as amended.

"**Contributor**" means the individual that signs the Coverdell ESA Adoption Agreement in connection with the initial deposit to the Coverdell ESA Account, or if no Contributor is named in the Coverdell ESA Adoption Agreement, Contributor means the individual named as the Responsible Individual in the Coverdell ESA Adoption Agreement. Contributor also means any other person or entity that contributes to the Coverdell ESA Account.

"**Coverdell Agreement**" or "**Agreement**" means and includes all of the following documents:

- Coverdell Education Savings Account Adoption Agreement or "Coverdell ESA Adoption Agreement";
- Coverdell Education Savings Account Custodial Agreement or "Coverdell ESA Custodial Agreement";
- Coverdell Education Savings Account Summary Disclosure or "Coverdell ESA Summary Disclosure";
- Coverdell Education Savings Account Application Instructions or ("Coverdell ESA Instructions"); and
- Privacy Policy of the Custodian which together constitute a binding agreement between the Contributor and the Custodian.

"**Coverdell ESA**" means a Coverdell Education Savings Account that satisfied the requirements of Code Section 530.

"**Coverdell ESA Account**" and "**Custodial Account**" each mean the Coverdell Education Savings Account established by the Contributor with the Custodian by properly completing and signing the Coverdell ESA Adoption Agreement.

"**Custodian**", "**we**" and "**us**" each means BNY Mellon Investment Servicing Trust Company.

"**Designated Beneficiary**" means the individual named as Designated Beneficiary on the Coverdell ESA Adoption Agreement, for whose benefit the Coverdell ESA Account is established.

"**Eligible Investment**" means the Investments in the Custodial Account that have been designated by the Custodian as eligible for investment.

"**Fund Shares**" means shares of a Mutual Fund.

"**Ineligible Investments**" means any investments that have not been designated as Eligible Investment in the Custodial Account by the Custodian.

"**Investments**" means the assets in the Custodial Account that are invested in Eligible Investments.

"**IRS**" means the Internal Revenue Service.

"**Mutual Fund**" means a managed portfolio of investments that pools money from many investors to purchase securities.

"**Responsible Individual**" means the individual named as the Responsible Individual on the Coverdell ESA Adoption Agreement, who is generally the parent or legal guardian of the Designated Beneficiary, and who generally controls all decisions regarding the ESA Account, including authorizing payments from the Coverdell ESA Account.

"**Sponsor**" means the entity with whom the Custodian has entered into a written agreement to offer the Custodial Account to purchasers of Eligible Investments.

### **General Instructions:**

Complete and sign the Coverdell ESA Adoption Agreement. Refer to the Coverdell ESA Summary Disclosure or IRS Publication 970 for eligibility requirements and contribution restrictions.

Contributions may be made to the Coverdell ESA Account for a Designated Beneficiary under the age of 18 by one or more individuals, but the total contributions made to all Coverdell ESAs for the Designated Beneficiary cannot exceed \$2,000 for any tax year. This rule does not apply to:

1. Contributions which are qualified rollover contributions as described in the Code or,
2. Contributions which are the result of a transfer of assets from the custodian or trustee of another Coverdell ESA.

Contributions to the Coverdell ESA Account may be invested solely in Investments permissible under the Code which have been designated by the Custodian as eligible for investment in the ESA Custodial Account, including one or more Mutual Funds designated by the Custodian. (See "[Available Options for Your Contributions](#)" in the ESA Summary Disclosure.) You may obtain prospectuses for the Mutual Funds that are Eligible Investments by calling 1-800-543-0407.

Before investing in a Mutual Fund, please be sure to read the prospectus for that Mutual Fund carefully. All portions of the Coverdell Agreement are binding, so you should read all of the Coverdell Agreement, including in particular the section titled "[Available Options for Your Contributions](#)" in the Coverdell ESA Summary Disclosure, the Coverdell ESA Custodial Agreement, and the "[Terms and Conditions](#)" on the signature page of the Coverdell ESA Adoption Agreement.

Please make checks payable to Touchstone Investments. The minimum initial investment is \$1,000.

### **Special Instructions Regarding Transfers and Rollovers:**

To establish a Coverdell ESA Account using assets from another Coverdell ESA, follow the general instructions for establishing a Coverdell ESA Account, and note where provided on the Coverdell ESA Adoption Agreement that the contribution is a transfer or rollover from another Coverdell ESA.

Investments may be transferred or rolled over to this Coverdell ESA Account from another Coverdell ESA in the name of the Designated Beneficiary, or from a Coverdell ESA held by a family member of the Designated Beneficiary (subject to certain restrictions).

- For transfers (directly from the current trustee or custodian), please complete the "ESA Transfer of Assets Form."
- For rollovers, please complete the "ESA Certification of Rollover Assets". Rollovers must be completed within 60 calendar days of receipt.

### **Mail the Completed Application to:**

**First Class Mail:**  
Touchstone Investments  
P.O. Box 534467  
Pittsburgh, PA 15253-4467

**Overnight Mail:**  
Touchstone Investments  
Attention: 534467  
500 Ross Street, 154-0520  
Pittsburgh, PA 15262  
800.543.0407

## COVERDELL EDUCATION SAVINGS ACCOUNT SUMMARY DISCLOSURE

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This Coverdell Education Savings Account Summary Disclosure ("Coverdell ESA Summary Disclosure") is intended to provide you with an understandable summary of the significant provisions and rules of the Coverdell Education Savings Account Custodial Agreement ("Coverdell ESA Custodial Agreement") that affect your rights and responsibilities for the Coverdell Education Savings Account ("Coverdell ESA Account") created by the Coverdell ESA Custodial Agreement. In addition to this Coverdell ESA Summary Disclosure, you should carefully read the following additional disclosure materials: the Coverdell ESA Custodial Agreement, the "[Terms and Conditions](#)" on the signature page of the Coverdell Education Savings Account Adoption Agreement ("Coverdell ESA Adoption Agreement"), and the prospectus applicable to each Mutual Fund that is an Eligible Investment in which contributions to the Coverdell ESA Account will be invested.

### Custodian's Requirements That May Affect Your Account

BNY Mellon Investment Servicing Trust Company (referred to in this Coverdell ESA Summary Disclosure as "BNY Mellon," "Custodian," "we," or "us") provides custodial and administrative services for your Coverdell ESA Account. As a result of this role, persons who open a Coverdell ESA are considered 'customers' of BNY Mellon. Such persons are referred to as "you" or "your" in this Coverdell ESA Summary Disclosure.

Federal law requires the Custodian, as a financial institution, to obtain, verify, and record information that identifies each person who opens a Coverdell ESA. All Coverdell ESAs we open are opened on a conditional basis – conditioned on our ability to verify your identity in accordance with Federal law. When establishing a Coverdell ESA, you are required to provide your full legal name, address, government issued identification number (e.g. Social Security number), date of birth, and other information required to open your Coverdell ESA Account. We may also request a copy of your driver's license or other identifying documents and may consult third-party databases to help verify your identity. If the Coverdell ESA Account you are opening will be registered in the name of a beneficiary, or estate, we may require additional identifying documentation.

**If you fail to provide any requested identifying information or documentation when opening your Coverdell ESA Account, your new account application may be rejected. If we open your Coverdell ESA Account, and you subsequently fail to provide all identification materials we request, or if we are subsequently unable to adequately verify your identity as required by U.S. Government regulations, we reserve the right to take any one or more of the following actions:**

- We may place restrictions on your Coverdell ESA Account which block all purchase transactions, and we may place additional restrictions on your Coverdell ESA Account blocking other transactional activities if we determine such additional restrictions are appropriate under Federal law or regulation.
- We may close your Coverdell ESA Account, sell (i.e., "liquidate") the assets in your Coverdell ESA Account in the prevailing market at the time, and send you a check representing the cash proceeds of your Coverdell ESA Account. This distribution will be reported to the Internal Revenue Service ("IRS") and may result in unfavorable consequences to you under Federal or state tax laws.

**You May Incur Losses.** Despite being opened as a conditional Coverdell ESA Account, your Coverdell ESA Account will be invested as you instruct and you will be subject to all market risks during the period between account opening and any liquidation necessitated by your failure to furnish requested identifying information or by an inability to adequately verify your identity. You may also be subject to additional market risks if the additional transactional restrictions discussed in the first bullet above are placed on your Coverdell ESA Account. In addition, the closing of your Coverdell ESA Account may subject you to fees and charges imposed under the terms of the Eligible Investment in which you are invested, and any sales charges you may have paid in connection with your purchases will not be refunded.

**You Assume All Responsibility For These Losses.** The Custodian expressly disclaims any responsibility or liability for losses you incur as a result of your failure to furnish identification materials we request, including investment losses and any other loss or damage (including but not limited to lost opportunities and adverse tax consequences). If you proceed with the Coverdell ESA Account opening process, you accept all risks of loss resulting from any failure of yours to furnish the identification materials we request or from a subsequent inability to adequately verify your identity in accordance with Federal law.

### STATE UNCLAIMED PROPERTY LAW DISCLOSURE

The assets in your Coverdell ESA Account are subject to state unclaimed property laws which provide that if no activity occurs in your Coverdell ESA Account within the time period specified by the particular state law, your assets must be transferred to the appropriate state. We are required by law to advise you that your assets may be transferred to an appropriate state in compliance with these state laws.

### APPLICABLE DEFINITIONS

The following definitions may be applicable to your Coverdell ESA Account:

**"Agreement" or "Coverdell Agreement"** means and includes all of the following documents: (i) Coverdell Education Savings Account Adoption Agreement or "Coverdell ESA Adoption Agreement"; (ii) Coverdell Education Savings Account Custodial Agreement or "Coverdell ESA Custodial Agreement"; and (iii) Coverdell Education Savings Account Summary Disclosure or "Coverdell ESA Summary Disclosure"; (iv) Coverdell Education Savings Account Application Instructions ("Coverdell ESA Instructions"); and (v) Privacy Policy of the Custodian; which together constitute a binding agreement between the Contributor and the Custodian.

**"Code"** means the Internal Revenue Code, as amended.

**"Contributor"** means the individual that makes the initial contribution and establishes the Coverdell ESA Account by executing the Coverdell ESA Adoption Agreement. Subsequent contributions to the Coverdell ESA Account may be made by the original Contributor or by other eligible contributors. The Contributor may also be the Designated Beneficiary and/or the Responsible Individual.

**"Coverdell Education Savings Account Custodial Agreement" or "Coverdell ESA Custodial Agreement"** means the document that establishes your Coverdell ESA Account. Articles I through IX of the Coverdell ESA Custodial Agreement are substantially the same as Articles I through IX of IRS Form 5305-EA which is the IRS model custodial account form. Certain additional terms have been added as Article X. Coverdell ESAs established using the Coverdell ESA Custodial Agreement will meet the requirements of the Code applicable to Coverdell ESAs.

**"Coverdell ESA"** means a Coverdell Education Savings Account that satisfies the requirements of Section 530 of the Code. ("Coverdell ESA" is used in the Agreement to generally refer to all Coverdell Education Savings Accounts. "Coverdell ESA Account" is used in this Agreement to refer to the specific Coverdell ESA Account created by the execution of a Coverdell ESA Adoption Agreement under the Coverdell ESA Custodial Agreement.)

**"Custodian," "we" and "us"** each mean BNY Mellon Investment Servicing Trust Company.

**"Designated Beneficiary"** means the individual named as Designated Beneficiary on the Coverdell ESA Adoption Agreement, for whose benefit the Coverdell ESA Account is established. Except for "special needs Designated Beneficiaries," no contribution can be made after the Designated Beneficiary's 18<sup>th</sup> birthday. The Designated Beneficiary may also be the Contributor and/or the Responsible Individual.

**"Coverdell ESA Account" or "Custodial Account"** means a Coverdell ESA established by the Contributor by properly completing and signing the Coverdell ESA Adoption Agreement under the Coverdell ESA Custodial Agreement with the Custodian.

**"Eligible Investments"** means the Investments in the Custodial Account that have been designated by the Custodian as eligible for investment.

**"Family Member"** means the spouse, child, grandchild, sibling, parent, niece or nephew, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, sister-in-law, and first cousin of the Designated Beneficiary and the spouse of any of the foregoing except first cousins.

**"Fund Shares"** means shares of a Mutual Fund.

**"Ineligible Investments"** means any investments that have not been designated as Eligible Investment in the Custodial Account by the Custodian.

**"Investments"** means the assets in the Custodial Account that are invested in Eligible Investments.

**"IRS"** means the Internal Revenue Service.

**"Mutual Fund"** means a managed portfolio of investments that pools money from many investors to purchase securities.

**"Responsible Individual"** means the individual named as the Responsible Individual on the Coverdell ESA Adoption Agreement. The Responsible Individual generally controls all decisions relating to the Coverdell ESA Account, including authorizing payments from the Coverdell ESA Account. References to the Responsible Individual in the Coverdell ESA Custodial Agreement mean the individual designated as the Responsible Individual at the relevant time, whether such individual is also the Contributor, or Designated Beneficiary. There can be only one Responsible Individual at any time and generally must be a parent or legal guardian of the Designated Beneficiary. Generally, the Responsible Individual shall continue to serve as the Responsible Individual for the Coverdell ESA Account after the Designated Beneficiary attains the age of majority under state law, and until all assets have been distributed from the Coverdell ESA Account and the Account terminates. However, the Responsible Individual may, within his or her sole discretion, name the Designated Beneficiary as the Responsible Individual after the Designated Beneficiary attains the age of majority under state law.

**"Sponsor"** means the entity with whom the Custodian has entered into a written agreement to offer the Custodial Account in connection with the opening of the Custodial Account.

## **RULES AND RESTRICTIONS THAT APPLY TO YOUR COVERDELL ESA ACCOUNT**

A Coverdell ESA is a trust or custodial account that is created or organized in the United States exclusively for the purpose of paying the Qualified Education Expenses of the Designated Beneficiary of the Coverdell ESA. Your Coverdell ESA Account must be designated as a Coverdell ESA when you establish your Coverdell ESA Account in order for your Coverdell ESA Account to be treated as a Coverdell ESA for tax purposes.

To be an eligible Coverdell ESA, your Coverdell ESA Account must satisfy the following requirements:

### **CONTRIBUTIONS**

1. *Form of Contribution:* All contributions to the Coverdell ESA Account must be in the form of "cash," but contributions to a Coverdell ESA are not deductible.
2. *Authorized Custodian:* The custodian or trustee must be a bank or other entity authorized by the IRS to act as trustee or custodian of an Individual Retirement Account ("IRA"). BNY Mellon is an authorized entity and can serve as Custodian of your Coverdell ESA Account.
3. *Who can contribute to a Coverdell ESA:*
  - Both individuals and entities can contribute to a Coverdell ESA. An individual does not have to be related to a Designated Beneficiary to contribute to a Coverdell ESA on behalf of the Designated Beneficiary.
  - Any individual may contribute to a Coverdell ESA if the individual's modified adjusted gross income for the taxable year for which the contribution is made is no more than \$95,000 (\$190,000 for married taxpayers filing jointly).
  - The maximum annual contribution per Designated Beneficiary is gradually reduced for individuals with modified adjusted gross income between \$95,000 and \$110,000 (between \$190,000 and \$220,000 for married taxpayers filing jointly).
  - Taxpayers with modified adjusted gross income above \$110,000 (\$220,000 for married taxpayers filing jointly) cannot make contributions to anyone's Coverdell ESA.
  - A Designated Beneficiary may contribute to his or her own Coverdell ESA Account.

- An entity can make contributions to a Designated Beneficiary's Coverdell ESA without regard to such entity's adjusted gross income. For example, Century Computer Services, Inc. decides to make Coverdell ESA contributions on behalf of any child under the age of 18 of their employees in the amount of \$500. Century Computer Services, Inc. qualifies as a contributor regardless of the company's adjusted gross income, but the company cannot take a deduction for such contributions.
4. *Limits on Contributions:*
- Contributions to a Coverdell ESA are for the year received, except that contributions made between January 1 and April 15th may be designated as for the prior year.
  - The maximum contribution to a Designated Beneficiary's Coverdell ESA is \$2,000 for each tax year until the Designated Beneficiary attains age 18. Assets transferred or rolled over into a Coverdell ESA are excluded from the annual contribution limit.
  - For the year in which the Designated Beneficiary reaches age 18, contributions must be made on or before the Designated Beneficiary's 18th birthday, unless the Designated Beneficiary has "special needs" (as defined under IRS regulations).
  - Contributions to a Coverdell ESA that was established for a "special needs" Designated Beneficiary may continue after the Designated Beneficiary's 18th birthday.
  - Contributions may be made into a single Coverdell ESA or into multiple Coverdell ESAs for the benefit of any one Designated Beneficiary.
5. *Excess Contributions:*
- Aggregate contributions for the benefit of any one Designated Beneficiary in excess of the annual limit for a calendar year are treated as excess contributions.
  - If the excess contributions (and any earnings attributable to them) are not withdrawn from the Coverdell ESA by May 31st of the following calendar year, the excess contribution is subject to a 6% excess tax for each year that the excess contribution remains in the Coverdell ESA.
  - If the excess contributions (and any earnings) are timely withdrawn, no 6% excess tax applies. However, any earnings distributed in such a corrective distribution are taxable to the Designated Beneficiary, but no 10% additional tax applies to the earnings.
6. *Rollover and Transfer Contributions:*
- Coverdell ESAs may be rolled over to another Coverdell ESA for the same Designated Beneficiary, or to another Coverdell ESA for another Designated Beneficiary who is an eligible Family Member so long as the new Designated Beneficiary is under the age of 30.
  - Trustee-to-Trustee transfers are allowed between Coverdell ESAs that are registered in the name of a single Designated Beneficiary. Trustee-to-Trustee transfers are also allowed between Coverdell ESAs of a Designated Beneficiary and a Family Member of the Designated Beneficiary.
  - The amount of any rollover or transfer must be deposited into the receiving Coverdell ESA within 60 calendar days after the amount is withdrawn from the distributing Coverdell ESA.
  - Only one rollover between Coverdell ESAs is allowed during a 12-month (365 day) period.
  - Rather than rolling over or transferring the assets of a Coverdell ESA to another Coverdell ESA, the Designated Beneficiary of a Coverdell ESA may be changed (or redesignated as) to another Designated Beneficiary who has not attained age 30 and who is a Family Member.

## **QUALIFIED EDUCATION EXPENSES**

1. *What are Qualified Education Expenses?*
- Qualified Education Expenses mean expenses for tuition, fees, books, supplies, and equipment required for the enrollment or attendance of the Designated Beneficiary at an Eligible Educational Institution.
  - Qualified Education Expenses also include qualified elementary and secondary education expenses for tuition, fees, academic tutoring, special needs services in the case of a special needs beneficiary, books, supplies, and other equipment which are incurred in connection with the enrollment or attendance of the Designated Beneficiary as an elementary or secondary school student at a public, private or religious school.
  - Qualified Education Expenses also include room and board, uniforms, transportation, and supplementary items and services (including extended day programs) which are required or provided by a public, private or religious school in connection with such enrollment or attendance, and expenses for the purchase of a Designated Beneficiary and the Designated Beneficiary's family during any of the years the Designated Beneficiary is in school.
  - Qualified Education Expenses are reduced by any amount provided by scholarship, educational assistance allowance, or any other payment (other than a gift or bequest) which is excludable from gross income under any law of the United States.
2. *What are Qualified Higher Education Expenses?* Qualified Higher Education Expenses also include room and board if the Designated Beneficiary is at least a half-time student at an eligible educational institution. A student will be considered to be enrolled at least half-time if the student is enrolled for at least half the full-time academic workload for the course of study the student is pursuing as determined under the standards of the institution where the student is enrolled.
3. *What is an Eligible Education Institution?*
- For purposes of Qualified Higher Education Expenses, an Eligible Educational Institution is any college, university, vocational school, or other postsecondary educational institution that is described in Section 481 of the Higher Education Act of 1965, and therefore eligible to participate in the student aid programs administered by the Department of Education. This category includes virtually all accredited public, nonprofit, and proprietary postsecondary institutions.
  - For purposes of elementary and secondary Qualified Education Expenses, an Eligible Education Institution means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under state law.

## **WITHDRAWALS AND DISTRIBUTIONS**

1. *Payment of Qualified Education Expenses:* Tax-free withdrawals from a Coverdell ESA may be made to pay for Qualified Education Expenses of the Designated Beneficiary.
2. *Requests for Withdrawals.* All withdrawal requests must be submitted by the Responsible Individual in good order on a form designated by the Custodian. If the Sponsor permits withdrawal requests by telephone, the telephone conversation with the Responsible Individual will be recorded, and the Responsible Individual must specify the reason for the withdrawal request.
3. *Withdrawals upon Completion of Education:*
  - Upon completion of the Designated Beneficiary's education, any amount remaining in a Coverdell ESA may be withdrawn for the Designated Beneficiary, and the Designated Beneficiary will be subject to income tax for that withdrawal. The Designated Beneficiary will also be subject to a 10% tax penalty on the amount of the withdrawal that represents earnings, unless the Designated Beneficiary has Qualified Education Expenses in the same taxable year.
  - Alternatively, any balance remaining in a Designated Beneficiary's Coverdell ESA may be withdrawn and transferred to another Coverdell ESA for the benefit of a Family Member, and the transferred amount will not be taxable.
4. *At Designated Beneficiary's Age 30:*
  - Any balance in a Coverdell ESA on the date the Designated Beneficiary attains age 30 must be distributed within thirty (30) days of that date, unless the Designated Beneficiary is a "special needs" Designated Beneficiary.
  - If the balance of the Coverdell ESA is not distributed within that thirty (30) day period, the account balance will be deemed to have been distributed on that date.
  - Any balance in a Coverdell ESA established for a "special needs" Designated Beneficiary is not required to be distributed after the Designated Beneficiary attains age 30.
5. *Death of the Designated Beneficiary:*
  - You may name a Designated Death Beneficiary for a Coverdell ESA. To receive the Coverdell ESA assets, the Designated Death Beneficiary must be a Family Member, and must be under age 30 when the Designated Beneficiary dies.
  - If the Designated Death Beneficiary predeceases the Designated Beneficiary, or the Designated Death Beneficiary attains age 30 before the Designated Beneficiary's death, all assets will be paid to the estate of the Designated Beneficiary.
  - Alternately, a Coverdell ESA may be transferred to (or redesignated as) a Coverdell ESA for a Family Member who is under age 30. The transfer or redesignation must be done within thirty (30) days after the Designated Beneficiary's death.

## **AVAILABLE OPTIONS FOR YOUR CONTRIBUTIONS**

1. No part of a Coverdell ESA may be invested in life insurance.
2. The assets of a Coverdell ESA may not be mixed with other property except in a common trust fund or common investment fund.
3. Subject to any minimum investment requirements, contributions to the Coverdell ESA Account must be invested in one or more of the Eligible Investments made available under the Coverdell ESA Custodial Agreement.
4. **Mutual Fund As Eligible Investments:** An investment in a Mutual Fund that is an Eligible Investment involves investment risks, including possible loss of principal. In addition, growth in the value of a Mutual Fund that is an Eligible Investment is not guaranteed or protected. A prospectus containing detailed information about each Mutual Fund that is an Eligible Investment available for investment of your Coverdell ESA Account must be furnished before investment. The method for computing and allocating annual earnings is set forth in the prospectus. The prospectus also details the costs and expenses incurred by being invested in a particular Mutual Fund that is an Eligible Investment. Such costs and expenses reduce the yield from the Mutual Fund that is an Eligible Investment.
5. In Article X, Section J of the Coverdell ESA Custodial Agreement, you authorize the Custodian to act in its discretion for your benefit when Investments in your Coverdell ESA Account are liquidated and the Custodian has not received instructions from you regarding the proceeds, or where the instructions received from you cannot reasonably be carried out. For example, a Mutual Fund that is an Eligible Investment may take actions which result in that Mutual Fund, or your investment in that Mutual Fund, being involuntarily liquidated. The Mutual Fund that is an Eligible Investment may direct that the proceeds of the liquidation be placed in an Ineligible Investment not available to your Coverdell ESA Account, or may require that any cash proceeds resulting from the liquidation be distributed directly to shareholders. If the Custodian does not receive timely instructions from you that it can reasonably carry out (for example, in-kind property distributed by the Mutual Fund that is an Ineligible Investment may not be permissible for your Coverdell ESA Account), then the Custodian is authorized to exercise its discretion on your behalf, including taking such actions as placing the proceeds in a money market Eligible Investment, an FDIC-insured bank account or money market account, distributing the proceeds to you or holding the proceeds uninvested. The Custodian expressly disclaims any liability for any action taken or omitted under the authority of Article X, Section J of the Coverdell ESA Custodial Agreement, unless otherwise required by the Code or IRS regulations.
6. **Proxy Voting:** Mutual Funds are often subject to propositions that require a proxy vote by individuals who own Fund Shares in the Mutual Funds. If the agreement between the Custodian and the Sponsor of a Mutual Fund that is an Eligible Investment does not require that the Custodian vote Mutual Fund proxies, then the Custodian will not vote any Fund Shares in that Mutual Fund except upon written direction from the Responsible Individual. But, if the agreement between the Custodian and the Sponsor does require that the Custodian vote Mutual Fund proxies, then the Custodian will do the following: a) the Custodian will forward the then-current prospectus, if any, applicable to the Mutual Fund that is an Eligible Investment, and all notices, proxies and proxy soliciting materials received by the Custodian with respect to the Mutual Fund that is an Eligible Investment to the Responsible Individual; b) the Custodian will vote all Fund Shares of the Mutual Fund that is an Eligible Investment in accordance with the proper voting instructions of the Responsible Individual; and c) absent instructions from the Responsible Individual, the Custodian will vote such Fund Shares "for," "against" or "abstain" for any proposition in the same proportion as other Responsible Individuals with voting interests in the same Mutual Funds that are Eligible Investments for which timely instructions were received, unless otherwise required by law.

## **TAXES**

1. *Distributions for Qualified Education Expenses:* Distributions for payment of Qualified Education Expenses of the Designated Beneficiary are not taxable so long as the distributions do not exceed the Designated Beneficiary's Qualified Education Expenses during the year.
2. *Non-Qualified Distributions:* If a Designated Beneficiary withdraws an amount from a Coverdell ESA and does not have any Qualified Education Expenses during the year, the amount of the withdrawal is taxable to the Designated Beneficiary. The taxable portion of the distribution is the portion that represents earnings in the Coverdell ESA. The earnings portion of a Non-qualified Distribution is also subject to an additional 10% tax, unless an exception applies.
3. *Exceptions for Taxation of Non-Qualified:* The 10% additional tax does not apply to distributions:
  - Made to a Designated Death Beneficiary (or to the estate of a Designated Beneficiary) after the death of the Designated Beneficiary;
  - Attributable to the Designated Beneficiary becoming disabled within the meaning of Code Section 72(m)(7); or
  - Made on account of scholarship payments or other allowances given to the Designated Beneficiary so long as the distribution does not exceed the amount of the scholarship payments or other allowances.
4. *Reporting:*
  - The Custodian will issue an annual Form 5498-ESA to the IRS and to the Designated Beneficiary reporting contributions made for the tax year, and any rollover contributions or transfers received during the tax year.
  - The Custodian will also issue Form 1099-Q to the IRS and to the Designated Beneficiary whenever distributions or transfers are paid from the account.
  - The Designated Beneficiary is responsible for determining whether or not a distribution is taxable and to file Form 5329 with the IRS, if excess contributions have been made to the Coverdell ESA or if distributions were made that exceed the Qualified Education Expenses for the year.

## **FEES AND CHARGES**

The charges in connection with the Coverdell ESA Account are set forth in the Coverdell ESA Adoption Agreement. The Custodian may also charge a service fee in connection with any distribution from the Coverdell ESA Account.

## **IRS APPROVED FORM**

Articles I through IX of the Coverdell ESA Custodial Agreement are substantially the same as Articles I through IX of IRS Form 5305-EA which is the IRS model custodial account form. Certain additional terms permitted by the IRS are set forth in Article X. Coverdell ESA Accounts established using the Coverdell ESA Custodial Agreement will meet the requirements of the Code applicable to Coverdell ESAs. However, the IRS has not endorsed the investments permitted under this Coverdell ESA Account. **The Coverdell ESA Custodial Agreement cannot be used in connection with Roth, SEP, SIMPLE or Traditional IRAs.**



# Coverdell Education Savings Account Custodial Agreement

(Under Section 530 of the Internal Revenue Code) (October 2016) Form 5305-EA

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This Coverdell Education Savings Account Custodial Agreement ("Coverdell ESA Custodial Agreement") sets forth the terms and conditions that shall apply to the Coverdell Education Savings Account ("Coverdell ESA Account") established under this Coverdell ESA Custodial Agreement. The individual signing the Coverdell Education Savings Account Adoption Agreement ("Coverdell ESA Adoption Agreement") as the Contributor is establishing a Coverdell Education Savings Account ("Coverdell ESA") under Section 530 of the Internal Revenue Code ("Code") under this Coverdell ESA Custodial Agreement for the benefit of the Designated Beneficiary exclusively to pay for such Designated Beneficiary's qualified elementary, secondary, and higher education expenses, within the meaning of Section 530(b)(2) of the Code. The Coverdell ESA Account established under this Coverdell ESA Custodial Agreement is referred to herein as the "Custodial Account".

The Contributor and the Custodian make the following agreement:

## Article I – Contributions

The Custodian may accept cash contributions to the Custodial Account 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 Designated Beneficiary's tax return for that year (excluding extensions). Total contributions that are not rollover contributions described in Code 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 Code Section 530(c)(2).

## Article II – Limits on Investment of Contributions

No part of the Custodial Account funds may be invested in life insurance contracts, nor may the Investments in the Custodial Account be commingled with other property except in a common trust fund or a common investment fund (within the meaning of Code Section 530(b)(1)(D)).

## Article III – Final Distribution of Custodial Account

Except as provided in Article X, paragraph 13:

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 – Power to Direct Custodian

1. The Contributor shall have the power to direct the Custodian regarding the investment of the initial contribution (and earnings thereon).
2. The **Responsible Individual** shall have the power to redirect the Custodian regarding the investment of the initial contribution, and the power to direct the Custodian regarding the investment of all additional contributions (including earnings thereon) to the Custodial Account.
3. 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 Contributor also will govern all additional contributions made to the Custodial Account until such time as the Responsible Individual otherwise directs the Custodian.
4. Unless otherwise provided in this Coverdell ESA Custodial Agreement, the Responsible Individual shall also have the power to direct the Custodian regarding the administration, management, and distribution of the Custodial Account.

## Article V – Responsible Individual

1. The Contributor shall name a Responsible Individual in the Coverdell ESA Adoption Agreement. The Responsible Individual with respect to the account of a minor Designated Beneficiary named by the Contributor must be a parent or guardian of the Designated Beneficiary. The Custodial Account shall have only one Responsible Individual at any time.
2. The Responsible Individual shall have, to the exclusion of the Designated Beneficiary, all of the rights, powers, and responsibilities granted to the Designated Beneficiary under this Coverdell ESA Custodial Agreement. The Responsible Individual generally controls all decisions relating to the Coverdell ESA Account, including authorizing payments from the Coverdell ESA Account.
3. 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 Investments have been distributed from the Custodial Account and the Custodial Account terminates; provided however, that the Responsible Individual may, within his or her sole discretion, name the Designated Beneficiary as the Responsible Individual after the Designated Beneficiary attains the age of majority under state law.
4. 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.
5. If the Responsible Individual becomes incapacitated or dies, or otherwise fails or refuses to act after the Designated Beneficiary reaches the age of majority under state law, and no successor Responsible Individual has been appointed by the preceding Responsible Individual in a witnessed writing, the Responsible Individual shall be the Designated Beneficiary.

6. If a family member under the age of majority under state law becomes the Designated Beneficiary by reason of being a Designated Death Beneficiary, the Responsible Individual must be one of the Designated Death Beneficiary's parents or guardians.
7. References to the Responsible Individual in this Coverdell ESA Custodial Agreement mean the individual designated as the Responsible Individual at the relevant time, whether such individual is also the Contributor, or Designated Beneficiary.

#### **Article VI – Change of Designated Beneficiary**

Under this Coverdell ESA Custodial Agreement, the Responsible Individual may change the Designated Beneficiary to another member of the Designated Beneficiary's family, as described in and subject to Code Section 529(e)(2), in accordance with the Custodian's procedures.

#### **Article VII – Tax Information**

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

#### **Article VIII – Controlling Articles**

Notwithstanding any other Article of this Coverdell ESA Custodial Agreement, which may be added or incorporated, the provisions of Articles I through III will be controlling. Any additional Articles inconsistent with Code Section 530 and the related IRS regulations will be invalid.

#### **Article IX – Amendments**

This Coverdell ESA Custodial Agreement will be amended as necessary to comply with the provisions of the Code and related IRS regulations. Other amendments may be made with the consent of the Contributor and the Custodian whose signatures appear on the Coverdell ESA Adoption Agreement.

#### **Article X – Additional Provisions**

##### **A. Certain Additional Definitions.**

Certain capitalized terms used in this Coverdell ESA Custodial Agreement are defined in the Coverdell ESA Adoption Agreement. In addition, the following terms have the ascribed meaning:

1. **“Account Party”** means the Contributor, the Responsible Individual, the Designated Beneficiary, any Designated Death Beneficiary, any contributor to the Custodial Account subsequent to the Contributor, and the respective successors, heirs and assigns of each, including any executor or administrator, considered collectively, whether referred to in the singular or the plural
2. **“Family Member”** of the Designated Beneficiary includes his or her spouse, child, grandchild, sibling, parent, niece, nephew, son-in-law, daughter-in-law, father-in-law, mother-in-law, sister-in-law, brother-in-law, first cousin and the spouse of any of the foregoing except first cousins.
3. **“Fund Shares”** means shares of a Mutual Fund.
4. **“Mutual Fund”** means a managed portfolio of investments that pools money from many investors to purchase securities.
5. **“Sponsor”** means the entity with whom the Custodian has entered into a written agreement to offer the Custodial Account to purchasers of Eligible Investments.

##### **B. Investment Direction.**

1. The Custodian shall invest the Custodial Account in accordance with the investment directions of the Contributor in connection with the opening of the Custodial Account.
2. The Custodian will comply with the investment directions given by any subsequent contributor to the Custodial Account with respect to the contribution made by that contributor.
3. At all times after the date of a contribution, the Custodian will comply with the investment directions of the Responsible Individual with respect to all of the Custodial Account.
4. Any contributions received by the Custodian under this Coverdell ESA Custodial Agreement for which the Custodian does not contemporaneously receive investment directions may, at the sole discretion of the Custodian, be returned to the contributor, be held uninvested until investment direction is received from the contributor, in either case without such funds being deemed contributed to the Custodial Account, or be invested in accordance with the last investment directions by the Responsible Individual, or, if no such investment directions have been given and the Contributor was not the same person as the Responsible Individual, then in accordance with the investment directions given by the Contributor with respect to the initial contribution.

##### **C. Investments.**

1. The assets of the Custodial Account (including earnings) shall be invested solely in investments permissible under the Code (“Investments”) which have been designated by the Custodian as eligible for investment by the Custodial Account (“Eligible Investments”). The purchase price of each Eligible Investment will be determined in accordance with the market applicable to the particular Eligible Investment.
2. The Custodian may change the Eligible Investments for the Custodial Account at any time in its reasonable discretion, including removal of investments previously designated as eligible for investment (“Ineligible Investments”).

3. The Custodian, after providing reasonable notice to the Responsible Individual, is authorized to take such actions with respect to Ineligible Investment, as the Custodian determines is reasonable within the Custodian's discretion, to the extent permitted by applicable law and regulation, including without limitation: (a) investing income earned on Ineligible Investments in Eligible Investments; (b) exchanging Ineligible Investments for Eligible Investments; and, (c) liquidating Ineligible Investments and placing the cash proceeds of the liquidation in an FDIC-insured bank account, a money market mutual fund account or other appropriate account, or holding the cash uninvested pending receipt of instructions from the Responsible Individual.

**D. Proxy Voting of Fund Shares in Mutual Funds That Are Eligible Investments.**

The Custodian will process proxy voting of Fund Shares in Mutual Funds that are Eligible Investments in accordance with the Custodian's written agreement with each Sponsor.

1. If the Sponsor has not caused the Custodian to process proxy voting of Fund Shares in Mutual Funds that are Eligible Investments, the Designated Beneficiary shall be the beneficial owner of such Fund Shares held in the Custodial Account, and the Custodian shall not vote any such Fund Shares except upon written direction of the Responsible Individual.
2. If the Sponsor has caused the Custodian to process proxy voting of Fund Shares of Mutual Funds that are Eligible Investments:
  - (a) The Custodian will forward the then-current prospectus, if any, applicable to each Mutual Fund that is an Eligible Investment held in the Custodial Account, and all notices, proxies and proxy soliciting materials received by the Custodian with respect to such Eligible Investments held in the Custodial Account;
  - (b) All Fund Shares of Mutual Funds that are Eligible Investments held in the Custodial Account shall be voted by, or in accordance with the proper voting instructions of, the Responsible Individual; and
  - (c) Absent such instructions from the Responsible Individual, the Custodian is hereby directed and authorized to, and shall vote such Fund Shares of Mutual Funds that are Eligible Investments held in the Custodial Account "for," "against" or "abstain," as appropriate, for any proposition in the same proportion as other Responsible Individuals with voting interests in the same Mutual Funds that are Eligible Investments for which timely instructions have been received, unless otherwise required by law.

**E. Annual Accounting.**

The Custodian shall, at least annually, provide the Responsible Individual with an accounting of the Custodial Account. Such accounting shall be deemed to be accepted by the Responsible Individual if the Responsible Individual does not object in writing within 60 days after the mailing of such accounting

**F. Rollovers.**

The Custodian is authorized to accept rollover contributions. The Custodian reserves the right to refuse any such rollover contribution which is not (i) in the form of cash, or (ii) accompanied by all records and other documentation the Custodian reasonably determines appropriate to establish that the contribution is a permissible rollover contribution to the Custodial Account.

**G. Withdrawal Requests.**

1. The Custodian may act in accordance with requests for withdrawal, distribution, or payment from the Custodial Account ("Withdrawal Request") if:
  - (a) The Withdrawal Request is submitted in good order on a form designated by the Custodian; or
  - (b) Provided that the Sponsor permits Withdrawal Requests made via telephone, the Withdrawal Request is made by means of recorded telephone conversation with the Responsible Individual specifying the reason for the Withdrawal Request; and
  - (c) The Custodian is furnished with all documents it determines to be appropriate (including proof of any legal representative's authority) in good order.
2. The Custodian will comply with the method and form of payment designated to the extent reasonable and practicable, but may in its sole discretion effect all payments in cash (by check or other cash transfer method).

**H. Custodian's Fees and Expenses.**

1. The Custodian shall be entitled to receive any and all reasonable fees specified in the Custodian's current published fee schedule for establishing and maintaining the Custodial Account, including, but not limited to, any fees for distributions from, transfers from, and terminations of the Custodial Account. The Custodian may change its fee schedule at any time by giving the Responsible Individual 30 days' prior written notice.
2. The Custodian shall be entitled to reimbursement for any reasonable expenses incurred by the Custodian in the performance of its duties in connection with the Custodial Account, including without limitation administrative expenses, such as legal and accounting fees, expenses incurred in connection with the proceeding described in Section H.4. below, and any taxes of any kind whatsoever that may be levied or assessed with respect to the Custodial Account.
3. The Custodian may deduct from the Custodial Account and any contributions to and distributions from the Custodial Account, and transfer to its own account, amounts equal to the fees and reimbursable expenses it is entitled to receive if such amounts are not paid by the Contributor, Responsible Individual or Designated Beneficiary. The Responsible Individual shall remain responsible for any fees and reimbursable expenses the Custodian is not able to recover from such sources.
4. In the event that, for any reason, the Custodian is not certain as to who is entitled to receive all or part of the proceeds of the Custodial Account, the Custodian reserves the right to withhold any payment from the Custodial Account, and to request a court ruling to determine the disposition of such proceeds.

**I. Custodian's Liabilities and Responsibilities.**

1. The Custodian shall have no liability or responsibility whatsoever for:
  - (i) Any incomplete or inaccurate information provided by, or at the direction of, any Account Party;
  - (ii) Any tax consequences arising from contributions to or withdrawals from the Custodial Account, from any failures to make contributions to or withdrawals from the Custodial Account, or from any activity or conduct engaged in by the Custodian, regardless of whether effected pursuant to instructions received from an Account Party, or pursuant to authority granted by the Coverdell ESA Custodial Agreement;
  - (iii) Acting in accordance with or reliance on any instruction, statement or communication, including without limitation in connection with a Withdrawal Request, which appears on its face to be genuine and given by the Responsible Individual, or for declining to act pursuant to any such instruction, statement or communication not appearing on its face to be genuine, or given by a party authorized to give the instruction, statement or communication;
  - (iv) Conducting any inquiry to the genuineness or lack thereof of any instruction or communication received from an Account Party;
  - (v) Compliance with contribution limits imposed by the Code or IRS regulations;
  - (vi) Acting with respect to a matter in reliance on the most recent relevant information furnished by an Account Party as reflected in the records or files of the Custodian;
  - (vii) Any losses, damages, penalties, fines, costs, expenses or other consequences of whatsoever nature, whether or not foreseeable, incurred by an Account Party in connection with the Custodial Account, or any course of conduct by the Custodian;
  - (viii) Reasonably acting on oral instructions, statements or communications from an Account Party;
  - (ix) The collection or propriety of any contribution, rollover or transfer to the Custodial Account;
  - (x) The Investments in the Custodial Account, including any assets held uninvested; or
  - (xi) The suitability of any investment selected by an Account Party for the Custodial Account.
2. The Custodian expressly disclaims any and all fiduciary responsibilities and duties and any duty or obligation to furnish tax, legal or investment advice, counseling or directions, and none of the foregoing shall be implied. The Contributor and the Responsible Individual acknowledge that Custodian has not given any tax, legal or investment advice, counseling or directions.
3. Any course of conduct engaged in by the Custodian with third parties pursuant to the Coverdell ESA Custodial Agreement or the Coverdell ESA Adoption Agreement is engaged in as agent.

**J. Fund Liquidation and Other Events Permitting Custodian's Exercise of Administrative Discretion.**

1. In the event that any asset held in the Custodial Account is redeemed or liquidated, matures, or is otherwise converted to cash for any reason and the Custodian does not receive timely instructions, or the instructions received cannot reasonably be carried out, or are ambiguous, the Responsible Individual expressly directs and authorizes the Custodian to take "Any Reasonable Course of Conduct" with respect to such proceeds.
2. "Any Reasonable Course of Conduct" is hereby defined to mean a course of conduct that the Custodian determines to be reasonable under the circumstances -- which may include, but is not limited to any of the following:
  - (a) depositing the proceeds in an FDIC-insured bank account, or purchasing shares of a money market mutual fund or any similar asset,
  - (b) distributing the proceeds to persons the Custodian reasonably determines to be lawfully entitled to distributions from the Custodial Account,
  - (c) holding the proceeds uninvested in a general account of the Custodian or other depository; and
  - (d) resigning as Custodian and engaging in a course of conduct, including any described in clauses (a) through (c), outright and free of trust, if the Responsible Individual does not appoint a Custodian which immediately accepts transfer of all proceeds, although nothing in this clause (d) shall be interpreted to obligate the Custodian to resign before taking any course of conduct, including any described in clauses (a) through (c).
3. The Custodian is authorized to pay or recover any costs and expenses associated with taking Any Reasonable Course of Conduct from the proceeds, or by retaining a portion of such in a reserve and subsequently distributing any unused portion of the reserve. To offset any administrative costs or expenses not otherwise recovered by the Custodian, the Custodian shall be entitled to retain for its own account any incidental benefits earned in connection with taking Any Reasonable Course of Action, including "float," bank service credits or overnight investment earnings.
4. The Custodian shall not be liable for any action taken in reliance on this Section J., unless such liability is required by the Code or IRS regulations, and the Responsible Individual expressly waives and releases the Custodian from all such liability.
5. Without limiting the generality of the foregoing, in the event the Custodian makes a distribution from the Custodial Account to the persons it reasonably determines to be entitled to Account distributions, the Responsible Individual and such persons shall bear sole responsibility for any taxes, assessments penalties, levies, or other liabilities of any nature arising or resulting from the distribution, and for taking any actions following the distribution to avoid or mitigate any such liabilities or consequences.

6. This Section J. shall not be interpreted to impose any duty of any nature on the Custodian if any one or more of the events described in this Section J. occurs, whether a duty to take or omit to take any act. For purposes of clarification, it is the intention of this Section J. to provide the Custodian with the broadest possible discretion permitted by law, including the discretion to hold any proceeds uninvested.
7. The Responsible Individual authorizes the Custodian to escheat or otherwise remit to appropriate jurisdictions in accordance with applicable abandoned property or other laws any Investments in the Custodial Account, or any proceeds thereof, and to the extent any Investments of the Custodial Account consist of anything other than cash, the Custodian may escheat or remit the non-cash asset.
8. The Responsible Individual acknowledges and accepts the risks described in this Section J., including the investment risks and tax consequences of the Custodian taking Any Reasonable Course of Conduct.

**K. Indemnification by Account Parties.**

Each Account Party, and their respective successors, heirs and assigns, including any executor or administrator of a beneficiary, shall, to the extent permitted by law, indemnify and hold the Custodian and Sponsor, and their successors and assigns, harmless from any and all claims, actions or liabilities arising in connection with activities and duties contemplated by the Coverdell ESA Custodial Agreement, except those arising from the negligence, recklessness or intentional misconduct of, as applicable, the Custodian or Sponsor.

**L. Change of Designated Beneficiary.**

1. At any time prior to the date that the Designated Beneficiary attains the age of 30, the Responsible Individual may change the Designated Beneficiary for the Custodial Account to any Family Member of the original Designated Beneficiary under the age of 30, or direct the Custodian to roll over or transfer the funds in the Custodial Account to a Coverdell ESA of a Family Member of the original Designated Beneficiary under the age of 30.
2. Any change of Designated Beneficiary complying with Section L.1 above shall not be treated as a distribution if the new Designated Beneficiary is a Family Member and such new Designated Beneficiary has not attained the age of 30, as of the date of such change.
3. Notwithstanding any other provision of the Coverdell ESA Custodial Agreement, a new Designated Beneficiary may be named within 30 days after the Designated Beneficiary attains the age of 30.

**M. Designated Death Beneficiary.**

1. At any time after the opening of the Custodial Account, and notwithstanding the designation of one or more Designated Death Beneficiaries by the Contributor, the Responsible Individual shall be entitled to designate the Designated Death Beneficiaries of the Custodial Account on a form acceptable to the Custodian; provided, however, only Family Members of the original Designated Beneficiary who are under 30 years of age at the time of designation may be designated as Designated Death Beneficiaries.
2. In the event of the Designated Beneficiary's death:
  - (a) If a Designated Death Beneficiary is under 30 years of age at the time of such death, such individual becomes the Designated Beneficiary, and the Custodial Account shall become an ESA Account for such individual;
  - (b) If no Designated Death Beneficiary designation is in effect at the time of death or if none of the Designated Death Beneficiaries survive the Designated Beneficiary, the balance of the Custodial Account will be paid to the estate of the Designated Beneficiary. Special rules apply if a Designated Death Beneficiary is a "special needs" beneficiary.

**N. Nominee Registration.**

The Custodian may hold all Eligible Investments in accounts registered to the Custodian or its nominee as record owner. Such record ownership shall not abridge or alter the beneficial ownership in the Custodial Account of the Designated Beneficiary.

**O. Amendment.**

Notwithstanding Article IX, the Responsible Individual hereby irrevocably delegates to the Custodian the right and power, and hereby irrevocably authorizes the Custodian, to amend the terms and provisions of this Coverdell ESA Custodial Agreement at any time, and hereby consents to any such amendments, provided the amendment does not violate any applicable provision of the Code or IRS regulations. Each such amendment shall be effective when the notice of such amendment is mailed to the address of the Responsible Individual indicated in the Custodian's records, or such other date as may be indicated in the notice, including any retroactive amendment required by law. In the event that the Responsible Individual object to any such amendment, the Responsible Individual's sole remedy is to terminate the Custodial Account, and request a complete distribution of the Investments in the Custodial Account.

**P. Resignation and Removal of Custodian.**

1. The Custodian may resign at any time by giving at least 30 days' written notice to the Responsible Individual. The Custodian may resign and appoint a successor custodian or trustee to serve under this Coverdell ESA Custodial Agreement or under another governing instrument selected by the successor custodian or trustee by giving the Responsible Individual written notice at least 30 days prior to the effective date of such resignation and appointment, which notice shall also include a copy of such other governing instrument, if applicable. The Responsible Individual shall then have 30 days from the date of such notice to either request a complete distribution of the Custodial Account or designate a different successor custodian or trustee. If the Responsible Individual does not request distribution of the Custodial Account or designate a different successor within such 30 days, the Responsible Individual shall be deemed to have consented to the appointment of the successor custodian or trustee and the terms of any new governing instrument. No executed written instrument of any Account Party shall be required to effect such transfer. The successor custodian may rely on any information, including death beneficiary designations, previously provided to the Custodian.

2. The Responsible Individual may at any time, at the sole cost and expense of the Custodial Account, remove the Custodian and replace the Custodian with a successor custodian or trustee of the Responsible Individual's choice by giving 30 days' written notice to the Custodian. In such event, the Custodian shall liquidate all Investments in the Custodial Account and transfer the cash liquidation proceeds to the successor custodian in accordance with standard industry practices, including the receipt of all appropriate signed documentation, and otherwise as reasonably directed by the Responsible Individual. However, the Custodian may retain a portion of the Investments in the Custodial Account as a reserve for payment of any anticipated remaining fees and expenses, and shall pay over any remainder of this reserve to the successor custodian or trustee upon satisfaction of such fees and expenses. The Custodian may decline to act under this Section P. if any course of conduct requested of the Custodian by the Responsible Individual could reasonably be interpreted to be a violation of any law or regulation.
3. Any successor trustee or custodian shall be a bank (as defined in Code Section 408(n)) or such other person found qualified to act as a trustee or custodian under a Coverdell ESA by the Secretary of the U.S. Treasury or his delegate. The appointment of a successor trustee or custodian shall be effective upon receipt by the Custodian of such successor's written acceptance. Within 30 days of the effective date of such successor's appointment, the Custodian shall transfer and deliver to the successor applicable Custodial Account records and Investments in the Custodial Account (reduced by any unpaid amounts as provided in Section P.2. The successor custodian shall be subject to the provisions of this Coverdell ESA Custodial Agreement (or any successor thereto) on the effective date of its appointment.

**Q. Termination.**

The Custodial Account and the Coverdell ESA Custodial Agreement shall terminate at such time as the Custodian distributes all Investments in the Custodial Account, except that terms necessary for the enforcement of rights that survive termination shall remain in effect for purposes of such enforcement.

**R. Agents.**

The Custodian is authorized to hire agents to perform its duties under this Coverdell ESA Custodial Agreement.

**S. Income Taxes.**

The Custodian shall be responsible solely for the performance of those duties expressly assigned to it in this Coverdell ESA Custodial Agreement and by operation of law. In determining the taxable amount of a distribution, the Responsible Individual shall rely only on the federal tax records of the Designated Beneficiary.

**T. Applicable Law.**

Except to the extent preempted by federal law, this Coverdell ESA Custodial Agreement shall be governed by, and construed, administered and enforced according to, the laws of the State of Delaware, without regard to any conflict of laws provisions, and all contributions shall be deemed made in Delaware.



Touchstone Investments®  
DISTINCTIVELY ACTIVE®

# COVERDELL EDUCATION SAVINGS (COVERDELL ESA) APPLICATION AND ADOPTION AGREEMENT FORM

Touchstone Investments • P.O. Box 534467 • Pittsburgh, PA 15253-4467 • 800.543.0407

RESPONSIBLE INDIVIDUAL (Parent or legal guardian of the Designated Beneficiary. Only one Responsible Individual is allowed on the account at any given time.)

Traditional, Rollover, Roth and SEP IRAs require a separate Application.

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

(\*This information must be provided to open an account.)

Please Print

## 1 RESPONSIBLE INDIVIDUAL

(Parent or  
Legal Guardian  
Information)

Name\*

Cell Phone Number

Street Address (required)\*

Alternate Phone Number

City\*

State\*

Zip Code\*

Social Security Number\*

Date of Birth\*

Mailing/P.O. Box Address

City

State

Zip Code

## 1a DESIGNATED BENEFICIARY\*

(Child Information)

Please Print

Name\*

Street Address (required)\*

City\*

State\*

Zip Code\*

Social Security Number\*

Date of Birth\*

## 1b CONTRIBUTOR

(Individual establishing the account if different than Responsible Individual)

Please Print

Name\*

Street Address (required)\*

City\*

State\*

Zip Code\*

Social Security Number\*

Date of Birth\*

\*Under the terms of the Coverdell ESA Custodial Agreement, the Responsible Individual remains the Responsible Individual when the Designated Beneficiary attains the age of majority (see Article V of the Coverdell ESA Custodial Agreement), and the Responsible Individual may designate an eligible Family Member of the original Designated Beneficiary as the new Designated Beneficiary (see Article VI and Article X, Section L of the Coverdell ESA Custodial Agreement)

## 1c DOCUMENT DELIVERY

You may elect to view statements or fund account documents such as tax forms, fund prospectus, semi-annual or annual reports electronically over the Internet rather than receiving paper mailings. This free service will allow you to track your investment(s) more easily by providing fast, convenient, and secure access to account information. eDelivery is not available for Bank of New York custodial documents.



☐ I am interested in the electronic receipt of account fund documents or account statements. I understand that I must enroll at TouchstoneInvestments.com once my account has been established in order for this service to begin.

\_\_\_\_\_  
Email Address



**If you prefer to receive paper documents statements or reports:** Unless the box below is checked, by signing this Application in Section 9, you authorize each Fund to send only one copy of each Prospectus and shareholder reports to multiple shareholders in your household with the same last name. This process, known as "householding," reduces costs and provides a convenience to shareholders. If you or others in your household invest in the Funds through a broker or other financial institution, you may receive separate Prospectuses and shareholder reports, regardless of whether or not you have consented to householding on this Touchstone Application.

(Check only if you do not want your reports householded.)

☐ I do not elect to participate in householding.

## 2 FOR COMPLETION BY INVESTMENT PROFESSIONAL

An Investment Professional must be named for this Touchstone account to be established. Failure to complete this section in its entirety may cause a delay in investment. We hereby submit this Application for purchase of shares in accordance with the terms of our Selling Agreement with Touchstone Securities, Inc. and the current Prospectus(es) for the Fund(s).

\_\_\_\_\_  
Firm Name

\_\_\_\_\_  
Firm Trading ID

\_\_\_\_\_  
Branch Office Trading ID

\_\_\_\_\_  
Representative's Name

\_\_\_\_\_  
Representative's CRD Number

\_\_\_\_\_  
Representative's Trading ID

\_\_\_\_\_  
Representative's Phone Number

\_\_\_\_\_  
Firm Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

\_\_\_\_\_  
Representative's Branch Office Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

\_\_\_\_\_  
Authorized Signature of Investment Professional

\_\_\_\_\_  
Title



### 3 INVESTMENT SELECTION INSTRUCTIONS

#### Investment Selection

Please complete the Investment Selection on pages i and ii at the end of this application.

**Note:** This application will not be processed unless accompanied by the Investment Selection Form.

### 3a INVESTMENT OPTIONS

Please check the type of contribution and indicate how to invest

☐ Contribution for tax year: \_\_\_\_\_ (Must be under age 18, unless a special needs Designated Beneficiary)

☐ **ROLLOVER** - This contribution is a Rollover Coverdell ESA, which has been completed within 60 days of receipt of the funds. These funds are from a Coverdell ESA established for the benefit of either the Designated Beneficiary named above, or another member of the Designated Beneficiary's family as described in IRS section 529(e)(2) who is under age 30. A completed "Certification of Rollover Assets" form must be attached.

☐ **TRANSFER OF ASSETS** - The initial contribution to this account is a Transfer of Assets from a Coverdell ESA established for the benefit of the Designated Beneficiary named above or an eligible family member for which you are listed as the Responsible Individual authorized to act on the account. A completed "Transfer of Assets Form" providing your investment allocations must be attached.

### 3b TELEPHONE REDEMPTION PRIVILEGES

Certain restrictions apply.

☐ I do not want the ability to redeem Coverdell ESA shares by telephone on the account.

### 4 DESIGNATED DEATH BENEFICIARY

I, the Contributor, designate the following Family Member of the Designated Beneficiary (must be under age 30 on the day the Designated Beneficiary dies) to receive any benefits to which the Designated Death Beneficiary may be entitled in the event of the death of the Designated Beneficiary. If the Designated Death Beneficiary predeceases the Designated Beneficiary or the Designated Death Beneficiary attains age 30 before the Designated Beneficiary's death, all assets will be paid to the estate of the Designated Beneficiary.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Relationship to Designated Beneficiary

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Date of Birth

\*Relationship to Designated Beneficiary

## 5 REDUCED SALES CHARGE

(Only available for Class A shares)

**Rights of Accumulation:** Are you already a shareholder in another Touchstone Fund? ☐ Yes\* **or** ☐ No  
\*If yes, I apply for Rights of Accumulation reduced sales charges based on the following Touchstone Fund accounts:

| Fund  | Touchstone Account Number or Social Security Number |
|-------|-----------------------------------------------------|
| <hr/> | <hr/>                                               |
| <hr/> | <hr/>                                               |
| <hr/> | <hr/>                                               |

### Letter of Intent:

☐ I agree to the Letter of Intent provisions in the Fund(s) current Prospectus and Statement of Additional Information.  
During a 13-month period, I plan to invest \$ \_\_\_\_\_, or a dollar amount of at least:

☐ \$25,000\*      ☐ \$50,000      ☐ \$100,000      ☐ \$250,000      ☐ \$500,000      ☐ \$1,000,000

*\*The \$25,000 breakpoint is not an option for the following funds: Active Bond Fund, Credit Opportunities Fund, Flexible Income Fund, High Yield Fund, Impact Bond Fund and Core Municipal Bond Fund. The initial breakpoint for these fixed income funds is \$100,000. The initial breakpoint for Ultra Short Duration Fixed Income Fund is \$50,000.*

### Special Purchase Without a Sales Charge

☐ I / We declare that the investment referenced herein is exempt from the imposition of the sales charge for the reason(s) listed below (please refer to the Sales Charge Reductions and Waivers Section of the Prospectus/Statement of Additional Information):

There is no front-end sales charge on the following purchases:

#### (Please check the exemption that applies)

- ☐ 1. Purchases by registered representatives or other employees (and their immediate family members\*) of broker-dealers, banks, or other financial institutions having agreements with Touchstone.
- ☐ 2. Purchases in accounts as to which a broker-dealer or other financial intermediary charges an asset management fee economically comparable to a sales charge, provided the broker-dealer or other financial intermediary has a selling agreement with Touchstone.
- ☐ 3. Purchases by a trust department of any financial institution in its capacity as trustee to any trust.
- ☐ 4. Purchases through authorized processing organizations described in the Fund's Prospectus.
- ☐ 5. Purchases by an employee benefit plan having more than 25 eligible employees or a minimum of \$250,000 invested in the Touchstone Funds.
- ☐ 6. Purchases by an employee benefit plan that is provided administrative services by a third party administrator that has entered into a special service arrangement with Touchstone.
- ☐ 7. Reinvestment of redemption proceeds from Class A or C shares of any Touchstone Fund if the reinvestment occurs within 90 days of redemption.
- ☐ 8. Purchases into a Fund by any director, officer, employee (and their immediate family members\*), or current separate account client of or referral by a Sub-Advisor to that particular Fund.
- ☐ 9. Purchases by any director, officer or other employee (and their immediate family members\*) of Western & Southern Financial Group or any of its affiliates.
- ☐ 10. Purchases by any employees of BNY Mellon Asset Servicing Inc. who provide services for Touchstone.

*\*Immediate family members are defined as the spouse, parents, siblings, domestic partner, natural or adopted children, mother-in-law, father-in-law, brother-in-law and sister-in-law of a registered representative or employee. The term "employee" is deemed to include current and retired employees.*

The undersigned hereby agrees to notify Touchstone Securities, Inc. in writing of any change in the foregoing certification and agrees not to purchase additional shares under this privilege unless entitled to do so. The undersigned understands that this privilege may be modified or terminated by Touchstone at any time, and agrees that this privilege is subject to the current Prospectus and Statement of Additional Information of each Touchstone Fund including the condition that shares purchased may not be resold except through redemption or repurchase by Touchstone Securities, Inc.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Fund Approval

\_\_\_\_\_  
Date

## 6 BANK INFORMATION

This privilege will only be granted upon confirmation of your entitlement.

Complete this Section if adding bank information or adding a systematic option.

Please allow 10 business days from the time your account is established for this option to be available.

Bank Account Type: ☐ Checking (Please attach a voided check – no deposit slips)  
☐ Savings (Please attach a pre-printed deposit slip)

☐ Please use my enclosed investment check to establish bank account options on my account in lieu of other acceptable documents named above.

Bank Name

Name(s) on Bank Account

Bank Account Number

9-digit Routing Number (Please verify with your bank)

**Note:** Bank information provided must be for the responsible individual only

Jane Smith  
1234 Main Street  
Anywhere, USA 12345

Date 0123

\$ \_\_\_\_\_

Dollars

For \_\_\_\_\_

123456789 1234567890 0123

Routing # Account #

## 7 AUTOMATIC INVESTMENT PLAN

### Pre-Authorized Investment Plan — Automatic Investing

I authorize you to withdraw the amount indicated below (\$100 initial minimum per Touchstone Fund; \$50 subsequent per Fund) from my checking or savings account, beginning in the month of \_\_\_\_\_ and invest this amount in shares of the Touchstone Fund listed below.

**Note:** Annual contribution limit is \$2,000.

**(Please complete the Pre-Authorized Investment Plan Agreement below and Section 4.)**

#### Initial

\$ \_\_\_\_\_ into the \_\_\_\_\_ Fund on or about \_\_\_\_\_  
(\$100 initial minimum) (date)  
☐ Monthly ☐ Quarterly ☐ Semi-annually ☐ Annually

#### Subsequent

\$ \_\_\_\_\_ into the \_\_\_\_\_ Fund on or about \_\_\_\_\_  
(\$50 initial minimum) (date)  
☐ Monthly ☐ Quarterly ☐ Semi-annually ☐ Annually

#### Initial

\$ \_\_\_\_\_ into the \_\_\_\_\_ Fund on or about \_\_\_\_\_  
(\$100 initial minimum) (date)  
☐ Monthly ☐ Quarterly ☐ Semi-annually ☐ Annually

#### Subsequent

\$ \_\_\_\_\_ into the \_\_\_\_\_ Fund on or about \_\_\_\_\_  
(\$50 initial minimum) (date)  
☐ Monthly ☐ Quarterly ☐ Semi-annually ☐ Annually

### Pre-Authorized Investment Plan Agreement

I agree that if the draft is not honored by my bank upon presentation, Touchstone Investments may discontinue this service. I also authorize Touchstone Investments to liquidate sufficient shares of the Touchstone Fund to make up any deficiency, including costs resulting from a dishonored draft. I understand that this plan may be discontinued at any time by Touchstone Investments or by myself by written notice to Touchstone Investments received no later than ten business days prior to the above designated investment date.

Please note that each draft (per Touchstone Fund account) will be treated as a separate item by your bank. If you would like to purchase shares in more than the two Touchstone Funds listed above, please attach a separate sheet with the information requested above for each additional Touchstone Fund.

I (We) further agree that if any such draft or debt instruction is dishonored, whether with or without cause and whether intentionally or inadvertently, the bank, Touchstone, the Fund(s) and the Transfer Agent shall be under no liability whatsoever.

Responsible Individual (please print)

Signature

## 8 TERMS AND CONDITIONS

I hereby establish this Coverdell ESA Account for the benefit of the named Designated Beneficiary under the terms and conditions contained in this Coverdell ESA Adoption Agreement and the Coverdell ESA Custodial Agreement (which constitutes a binding agreement). I agree that the Coverdell ESA Account becomes effective only upon written acceptance by the Custodian and that such written acceptance will consist of a confirmation of transaction statement.

I agree that the Custodian may amend (add to, delete from or revise) any term of the Coverdell ESA Custodial Agreement at any time by notice to me and that my sole remedy if I disagree with the amendment is to transfer funds in the Coverdell ESA Account to another custodian.

Each contribution to the Coverdell ESA Account will be invested in accordance with the written instructions provided with respect to that contribution. In the event that this is a rollover contribution, the undersigned hereby irrevocably elects to treat the contribution as a rollover contribution.

I acknowledge receiving and reading the following: (1) the Coverdell ESA Adoption Agreement; the Coverdell ESA Custodial Agreement; (iii) the Coverdell ESA Summary Disclosure; and (iv) the Privacy Policy of the Custodian. I also acknowledge receiving and reading the current prospectus for each Mutual Fund that is an Eligible Investment that I have designated for investment.

**Custodial Fee:** \$15 annual maintenance fee per social security number per account type.

The Custodial Fee may be paid by the Contributor or Responsible Individual at account opening or subsequently with respect to any calendar year. If the Custodial Fee is not paid at account opening or if it is not paid by the date in a given calendar year that the Custodian sets for collection of the Custodial Fee, the Custodian is authorized to deduct the Custodial Fee from the Coverdell ESA Account when it is due, or, if earlier in a given calendar year, the date the Coverdell ESA Account is closed.

The Custodian reserves the right to change the Custodial Fee, but will give at least 30 days written notice to the Responsible Individual. The Custodian will keep records, identify and file returns and provide other information concerning the Coverdell ESA Account as required of custodians by any applicable provisions of the Code and IRS regulations.

**Telephone Redemptions:** If I elected to have the ability to redeem Investments via telephone, I understand that the telephone redemption privilege will apply to my Custodial ESA Account. If I have telephone redemption privileges, I agree that neither the Custodian, the Sponsor, nor their transfer agent, their agents, officers, trustees, directors or employees will be liable for any loss, liability or expense for acting, or refusing to act on instructions given under the telephone redemption privileges that are reasonably believed to be genuine and I accept the risk of loss.

**Involuntary Liquidations and Distributions:** I have read Article X, Section J. of the Coverdell ESA Custodial Agreement. I acknowledge that certain circumstances beyond the control of the Custodian may occur, which result in a liquidation of Mutual Funds that are Eligible Investment in which the Coverdell ESA Account is invested, or which result in the liquidation of Investments of the Coverdell ESA Account. I acknowledge that at Article X, Section J. of the Coverdell ESA Custodial Agreement, I have authorized the Custodian, following such occurrences, to act in its discretion with regard to the disposition of the liquidation proceeds if it does not receive clear instructions regarding the placement of the liquidation proceeds that it can practicably carry out, including distributing the liquidation proceeds to the Designated Beneficiary.

**Certification If Designated Death Beneficiary Has Been Named:** If I have named a Designated Death Beneficiary, the information I furnished in connection with that designation, including in particular but without limitation the Social Security Number, the date of birth and the relationship of the individual to the Designated Beneficiary, is true, correct and complete.

**9 TAXPAYER  
I.D. NUMBER  
CERTIFICATION/  
SIGNATURES**

**TIN Certification By Contributor and Responsible Individual:** I certify under penalties of perjury that the Designated Beneficiary is a US person (including a US resident alien) and that the Social Security Numbers filled in on this Application Form for myself, the Responsible Individual and the Designated Beneficiary are true, correct and complete and that these numbers are the Taxpayer Identification Numbers of the respective individuals. (Foreign persons must use the appropriate Form W-8.)

**Custodian's Customer Identification Program Statement:** To help the U.S. government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions (such as the Custodian) to obtain, verify, and record information that identifies persons opening accounts. To comply, the Custodian requires the name, address, date of birth and government-issued identification number (generally, a Social Security Number) of the Contributor and the Responsible Individual (if the Responsible Individual is different from the Contributor) and other information that may help the Custodian to identify the Contributor and, if applicable, Responsible Individual. The Custodian may ask for copies of related documentation and the Custodian may consult third-party databases to help verify the identity of the Depositor and, if applicable, the Responsible Individual.

**Under penalties of perjury, I (we) certify that:**

1. The number shown on this form is my (our) correct taxpayer identification number(s), (or I am (we are) waiting for a number to be issued to me (us)); and
  2. I am (We are) not subject to backup withholding because:
    - a. I am (We are) exempt from backup withholding; or
    - b. I (We) have not been notified by the Internal Revenue Service (IRS) that I am (we are) subject to backup withholding as a result of a failure to report all interest or dividends; or
    - c. The IRS has notified me (us) that I am (we are) no longer subject to backup withholding; and
  3. I am (We are) a U.S. citizen or other U.S. person (as defined in the Form W-9 instructions found at [www.irs.gov](http://www.irs.gov)).
  4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.
- Cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

**The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.**

Contributor's Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Responsible Individual Signature \_\_\_\_\_

Date \_\_\_\_\_

**Custodian: BNY Mellon Investment Servicing Trust Company, 4400 Computer Drive, Westborough, MA 01581.**

**Mail to the following:**

**First Class Mail:**

Touchstone Investments  
P.O. Box 534467  
Pittsburgh, PA 15253-4467

**Overnight Mail:**

Touchstone Investments  
Attention: 534467  
500 Ross Street, 154-0520  
Pittsburgh, PA 15262  
800.543.0407

**Customer Service:**

800.543.0407

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**A RESPONSIBLE INDIVIDUAL**

(Parent or  
Legal Guardian  
Information)

Please Print

Name\*

Cell Phone Number

Street Address (required)\*

Alternate Phone Number

City\*

State\*

Zip Code\*

Social Security Number\*

Date of Birth\*

Mailing/P.O. Box Address

City

State

Zip Code

**B DESIGNATED BENEFICIARY**

(Child Information)

Please Print

Name\*

Street Address (required)\*

City\*

State\*

Zip Code\*

Social Security Number\*

Date of Birth\*

**C TRANSFER INFORMATION**

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

- ☐ Immediately liquidate all assets and send the cash proceeds.
- ☐ Liquidate all investments at maturity and send cash proceeds. Maturity date\* \_\_\_\_\_.
- ☐ Liquidate the investments listed below at maturity and send cash proceeds. Maturity date\* \_\_\_\_\_.
- ☐ Partial distribution of \$\_\_\_\_\_ (amount to be transferred).
- ☐ Other \_\_\_\_\_

Investment

Existing Account Number (non-Touchstone)

Investment

Existing Account Number (non-Touchstone)

*\*Note: If you wish to have proceeds transferred immediately and they have not matured, you may incur a redemption penalty. We cannot accept requests to transfer assets more than 60 days before their maturity.*

**COMPLETE IF TRANSFERRING FROM AN ELIGIBLE FAMILY MEMBER'S COVERDELL ESA** (This option is only available if you are the Responsible Individual listed on the account.)

Family Members Name

Relationship

Social Security Number

Date of Birth

## D CURRENT CUSTODIAN

Please attach your most recent statement. Note: your current custodian may require a Medallion Signature Guarantee to process your transfer request. Please see the Participant Authorization section (Section F) for an explanation of the Medallion Signature Guarantee.

\_\_\_\_\_  
Name of Current Custodian

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Contact Name

\_\_\_\_\_  
Telephone Number

## E INVESTMENT SELECTION INSTRUCTIONS

### Investment Selection

Please complete the Investment Selection on pages i and ii at the end of this application.

**Note:** This application will not be processed unless accompanied by the Investment Selection Form.

## F RESPONSIBLE INDIVIDUAL AUTHORIZATION

I authorize the transfer of assets as noted above to Touchstone Investments Coverdell ESA and authorize the current custodian, Touchstone Investments and BNY Mellon Investment Servicing Trust Company to process this request on my behalf. I understand it is my responsibility to insure the prompt transfer of assets by the current custodian. I have read and understand all information on this form and hereby provide the applicable authorization.

\_\_\_\_\_  
Responsible Individual Signature

\_\_\_\_\_  
Date

**Place Medallion Guarantee Stamp Here**

Medallion Signature Guarantee Stamp and Signature (If required by your current custodian or transfer agent): An eligible guarantor is a domestic bank or trust company, securities broker/dealer, clearing agency or savings association that participates in a medallion program recognized by the Securities Transfer Agents Association. The three recognized medallion programs are the Securities Transfer Agents Medallion Program (known as STAMP), Stock Exchanges Medallion Program (SEMP), and the Medallion Signature Program (MSP). A notarization from a notary public is NOT an acceptable substitute for a signature guarantee.

### Mail to the following:

#### First Class Mail:

Touchstone Investments  
P.O. Box 534467  
Pittsburgh, PA 15253-4467

#### Overnight Mail:

Touchstone Investments  
Attention: 534467  
500 Ross Street, 154-0520  
Pittsburgh, PA 15262  
800.543.0407

#### Customer Service:

800.543.0407





Use this form to certify the eligibility of a rollover contribution. Rules regarding rollovers and their tax implications are complex. Please refer to IRS Publication 970 or a professional tax advisor for more information.

**RESPONSIBLE INDIVIDUAL** (The parent or guardian of the Designated Beneficiary)

*Please Print*

\_\_\_\_\_  
Name

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Date of Birth

**DESIGNATED BENEFICIARY**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Date of Birth

\_\_\_\_\_  
Account Number

**ROLLOVER INVESTMENT**

- ☐ **60 Day Rollover – (Coverdell ESA in the same Designated Beneficiary's name)** This is a distribution of all or part of the account balance from another Coverdell ESA that was registered to the same Designated Beneficiary and is being rolled over within 60 days of receipt.
- ☐ **60 Day Rollover – (Eligible Family Member's Coverdell ESA)** This is a distribution of all or part of the account balance from a Coverdell ESA that was held in another family member's name and is being rolled over within 60 days of receipt.

**CERTIFICATION**

I, as the Responsible Individual for the above referenced account, certify the following statements are true and correct:

The investment is an eligible Coverdell ESA rollover contribution that is being rolled over

1. Within the required timeframe, and
2. Includes only Coverdell ESA eligible assets, and
3. Is from another Coverdell ESA account in which the above-named Designated Beneficiary was either the original Designated Beneficiary or was an eligible family member of the Designated Beneficiary.

The property received from the distributing Coverdell ESA is the same property that is being rolled over into this Coverdell ESA.

I understand that this rollover contribution is irrevocable. I agree that I, as the Responsible Individual, am solely responsible for all tax consequences of this rollover contribution. I also agree that neither the Custodian nor Touchstone Investments shall have responsibility for any such tax consequences or any consequences resulting from this amount being ineligible for rollover.

I have read, understand, and agree to be legally bound by the terms of this form. I also understand that the Custodian will rely on this form when accepting this rollover contribution.

\_\_\_\_\_  
Signature of Responsible Individual

\_\_\_\_\_  
Date

**Mail to the following:**

**First Class Mail:**

Touchstone Investments  
P.O. Box 534467  
Pittsburgh, PA 15253-4467

**Overnight Mail:**

Touchstone Investments  
Attention: 534467  
500 Ross Street, 154-0520  
Pittsburgh, PA 15262  
800.543.0407

**Customer Service:**

800.543.0407

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| FACTS                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                 | WHAT DOES BNY MELLON INVESTMENT SERVICING TRUST COMPANY DO WITH YOUR PERSONAL INFORMATION? |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------------------|
| Why?                                                                                                                                                                             | Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information.<br><br>Please read this notice carefully to understand what we do.                                                                                                                         |                                                                                            |                             |
| What?                                                                                                                                                                            | The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"><li>• Social Security number</li><li>• Account balances</li><li>• Transaction history</li><li>• Account transactions</li><li>• Retirement assets</li></ul><br>When you are no longer our customer, we continue to share your information as described in this notice. |                                                                                            |                             |
| How?                                                                                                                                                                             | All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons BNY Mellon Investment Servicing Trust Company chooses to share; and whether you can limit this sharing.                                                                                                        |                                                                                            |                             |
| Reasons we can share your personal information                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Does BNY Mellon Investment Servicing Trust Company share?                                  | Can you limit this sharing? |
| For our everyday business purposes—such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus |                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Yes                                                                                        | No                          |
| For our marketing purposes—to offer our products and services to you                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                 | No                                                                                         | No                          |
| For joint marketing with other financial companies                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                 | No                                                                                         | No                          |
| For our affiliates' everyday business purposes—information about your transactions and experiences                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Yes                                                                                        | No                          |
| For our affiliates' everyday business purposes—information about your creditworthiness                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                 | No                                                                                         | No                          |
| For our affiliates to market to you                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                 | No                                                                                         | No                          |
| For nonaffiliates to market to you                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                 | No                                                                                         | No                          |
| Questions?                                                                                                                                                                       | Call 855-649-0623                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                            |                             |

## Who we are

Who is providing this notice?

BNY Mellon Investment Servicing Trust Company, custodian for self-directed savings and retirement accounts, such as Individual Retirement Accounts, Qualified Plans and 403(b)(7) Plans, and for mutual fund Wrap Product and Global Cash Portal accounts

## What we do

How does BNY Mellon Investment Servicing Trust Company protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

How does BNY Mellon Investment Servicing Trust Company collect my personal information?

We collect your personal information, for example, when you

- Open an account or deposit funds
- Make deposits or withdrawals from your account
- Provide account information
- Give us your contact information
- Show your government-issued ID

We also collect your personal information from affiliates or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- Sharing for affiliates' everyday business purposes—information about your creditworthiness
- Affiliates from using your information to market to you
- Sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

## Definitions

Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies.

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- BNY Mellon Investment Servicing Trust Company does not share information with nonaffiliates so they can market to you.

Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- BNY Mellon Investment Servicing Trust Company doesn't jointly market.

## Other important information

This notice applies to individual consumers who are customers or former customers. This notice replaces all previous notices of our consumer privacy policy, and may be amended at any time. We will keep you informed of changes or amendments as required by law.

## **PRIVACY PROTECTION POLICY**

---

### **We Respect Your Privacy**

Thank you for your decision to invest with us. Touchstone and its affiliates have always placed a high value on the trust and confidence our clients place in us. We believe that confidence must be earned and validated through time. In today's world, when technology allows the sharing of information at light speeds, trust must be reinforced by our sincere pledge to take the steps necessary to ensure that the information you share with us is treated with respect and confidentiality.

### **Our Pledge to Our Clients**

- We collect only the information we need to service your account and administer our business.
- We are committed to keeping your information confidential and we place strict limits and controls on the use and sharing of your information.
- We make every effort to ensure the accuracy of your information.

### **We Collect the Following Nonpublic Personal Information About You**

- Information we receive from you on or in applications or other forms, correspondence, or conversations, including, but not limited to, your name, address, phone number, social security number, assets, income and date of birth; and
- Information about your transactions with us, our affiliates, or others, including, but not limited to, your account number and balance, payment history, parties to transactions, cost basis information, and other financial information.

### **Categories of Information We Disclose and Parties to Whom We Disclose**

We do not disclose any nonpublic personal information about our current or former clients to nonaffiliated third parties, except as required or permitted by law.

### **We Place Strict Limits and Controls on the Use and Sharing of Your Information**

- We restrict access to nonpublic personal information about you to authorized employees who need the information to administer your business.
- We maintain physical, electronic and procedural safeguards that comply with federal standards to protect this information.
- We do not disclose any nonpublic personal information about our current or former clients to anyone, except as required or permitted by law or as described in this document.
- We will not sell your personal information to anyone.

### **We May Provide Information to Service Your Account**

Sometimes it is necessary to provide information about you to various companies such as transfer agents, custodians, broker-dealers and marketing service firms to facilitate the servicing of your account. These organizations have a legitimate business need to see some of your personal information in order for us to provide service to you. We may disclose to these various companies the information that we collect as described above. We require that these companies, including our own subsidiaries and affiliates, strictly maintain the confidentiality of this information and abide by all applicable laws. Companies within our corporate family that may receive this information are financial service providers and insurance companies. We do not permit these associated companies to sell the information for their own purposes, and we never sell our customer information.

This policy is applicable to the following affiliated companies: Touchstone Funds Group Trust, Touchstone Strategic Trust, Touchstone Variable Series Trust, Touchstone Securities, Inc.\* and W&S Brokerage Services, Inc.

\*Touchstone Securities, Inc. serves as the underwriter to the Touchstone Funds and is a registered broker-dealer and member FINRA and SIPC.  
A Member of Western & Southern Financial Group

**The Privacy Protection Policy is not part of the Application.**

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## A INVESTMENT SELECTION

Please check the appropriate box(es) to identify the accompanying paperwork to be used with this Investment Selection Form.

The investment minimums shown below are applicable to classes A, C and S.

Class R6 has an investment minimum of \$50,000 regardless of account type.

☐ **1. New Account Application**

Minimum initial investment is \$2,500 per Fund or \$100 per Fund with Automatic Investment Plan or \$1,000 for Custodial Account under a Uniform Gifts/Transfer to Minors Act (UGMA/UTMA). Indicate your investment amount in the Fund(s) and Class(es) on the following page. If no class is indicated, Class A shares will be purchased. If you choose to invest using the Automatic Investment Plan, complete Section G on Page 8 of the New Account Application.

☐ **2. Transfer of Assets Form**

Deposit the proceeds into my existing Touchstone IRA. Existing Touchstone Account Number: \_\_\_\_\_

Minimum initial investment is \$1,000 for retirement accounts. Indicate your investment amount in the Fund(s) and Class(es) on the following page. If no class is indicated, Class A shares will be purchased.

☐ **3. SIMPLE IRA – Transfer of Assets Form**

Minimum initial investment is \$1,000 for retirement accounts. Indicate your investment amount in the Fund(s) and Class(es) on the following page. If no class is indicated, Class A shares will be purchased.

Existing Touchstone Account Number: \_\_\_\_\_

☐ **4. Coverdell Education Savings (ESA) – Transfer of Assets Form**

Minimum initial investment is \$1,000 per Fund. Indicate your investment amount in the Fund(s) and Class(es) below. If no class is indicated, Class A shares will be purchased.

Existing Touchstone Account Number: \_\_\_\_\_

☐ **5. SIMPLE IRA Account**

Minimum initial investment is \$1,000 per Fund (or \$100 per Fund if payroll deduction plan) for retirement accounts. Indicate your investment amount in the Fund(s) and Class(es) on the following page. If no class is indicated, Class A shares will be purchased.

☐ **6. Individual Retirement Account IRA  
Traditional IRA, SEP IRA, Roth IRA**

Minimum initial investment is \$1,000 per Fund (or \$100 per Fund if Automatic Investment Plan). Indicate your investment amount in the Fund(s) and Class(es) on the following page. If no class is indicated, Class A shares will be purchased.

☐ **7. Inherited IRA for Non-Spouse, Trust, Estate or Entity Beneficiary**

Transfer proceeds from existing Touchstone IRA account number \_\_\_\_\_ into new Inherited IRA. Indicate your investment amount in the Fund(s) and Class(es) on the following page. If no class is indicated, the existing share class will be retained.

☐ **8. Coverdell Education Savings Account**

Minimum initial investment is \$1,000 per Fund (or \$100 per Fund if Automatic Investment Plan). Indicate your investment amount in the Fund(s) and Class(es) on the following page. If no class is indicated, Class A shares will be purchased.

☐ **9. Non-Custodial – Transfer of Assets Form**

Deposit the proceeds into my existing Touchstone account. Existing Touchstone Account Number: \_\_\_\_\_

Minimum initial investment is \$2,500. Indicate your investment amount in the Fund(s) and Class(es) on the following page. If no class is indicated, Class A shares will be purchased.

**TOUCHSTONE FUND**

| <b>U.S. EQUITY FUNDS</b>         | Dollar<br>Amount | or | Percent | Class A<br>Shares             | Class C<br>Shares             | Class R6<br>Shares*           | Class S<br>Shares |
|----------------------------------|------------------|----|---------|-------------------------------|-------------------------------|-------------------------------|-------------------|
| Dividend Equity Fund             | \$               |    | %       | <input type="checkbox"/> 6410 | <input type="checkbox"/> 6411 | <input type="checkbox"/> 6414 |                   |
| Dynamic Large Cap Growth         | \$               |    | %       | <input type="checkbox"/> 91   | <input type="checkbox"/> 90   | <input type="checkbox"/> 114  |                   |
| Focused Fund                     | \$               |    | %       | <input type="checkbox"/> 2911 | <input type="checkbox"/> 2912 |                               |                   |
| Large Cap Fund                   | \$               |    | %       | <input type="checkbox"/> 416  | <input type="checkbox"/> 466  |                               |                   |
| Large Cap Focused Fund           | \$               |    | %       | <input type="checkbox"/> 6400 | <input type="checkbox"/> 6401 | <input type="checkbox"/> 6405 |                   |
| Large Company Growth Fund        | \$               |    | %       | <input type="checkbox"/> 420  | <input type="checkbox"/> 470  |                               |                   |
| Mid Cap Fund                     | \$               |    | %       | <input type="checkbox"/> 350  | <input type="checkbox"/> 351  | <input type="checkbox"/> 355  |                   |
| Mid Cap Growth Fund              | \$               |    | %       | <input type="checkbox"/> 42   | <input type="checkbox"/> 43   | <input type="checkbox"/> 44   |                   |
| Mid Cap Value Fund               | \$               |    | %       | <input type="checkbox"/> 402  | <input type="checkbox"/> 452  |                               |                   |
| Sands Capital Select Growth Fund | \$               |    | %       | <input type="checkbox"/> 411  | <input type="checkbox"/> 461  | <input type="checkbox"/> 346  |                   |
| Small Cap Fund                   | \$               |    | %       | <input type="checkbox"/> 405  | <input type="checkbox"/> 455  |                               |                   |
| Small Cap Value Fund             | \$               |    | %       | <input type="checkbox"/> 35   | <input type="checkbox"/> 36   |                               |                   |
| Small Company Fund               | \$               |    | %       | <input type="checkbox"/> 6500 | <input type="checkbox"/> 6501 | <input type="checkbox"/> 6503 |                   |
| Value Fund                       | \$               |    | %       | <input type="checkbox"/> 2884 | <input type="checkbox"/> 2885 | <input type="checkbox"/> 3044 |                   |

**INTERNATIONAL/GLOBAL EQUITY FUNDS**

|                                                |    |  |   |                               |                               |                              |  |
|------------------------------------------------|----|--|---|-------------------------------|-------------------------------|------------------------------|--|
| International Value Fund                       | \$ |  | % | <input type="checkbox"/> 6300 | <input type="checkbox"/> 6301 |                              |  |
| Non-US Equity Fund                             | \$ |  | % | <input type="checkbox"/> 29   | <input type="checkbox"/> 28   |                              |  |
| Sands Capital Emerging Markets Growth Fund     | \$ |  | % | <input type="checkbox"/> 535  | <input type="checkbox"/> 545  | <input type="checkbox"/> 525 |  |
| Sands Capital International Growth Equity Fund | \$ |  | % | <input type="checkbox"/> 66   | <input type="checkbox"/> 67   | <input type="checkbox"/> 71  |  |

**INCOME FUNDS**

|                                        |    |  |   |                               |                               |                               |                               |
|----------------------------------------|----|--|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Active Bond Fund                       | \$ |  | % | <input type="checkbox"/> 52   | <input type="checkbox"/> 53   |                               |                               |
| Ares Credit Opportunities Fund         | \$ |  | % | <input type="checkbox"/> 414  | <input type="checkbox"/> 464  | <input type="checkbox"/> 574  |                               |
| Core Municipal Bond Fund**             | \$ |  | % | <input type="checkbox"/> 9    | <input type="checkbox"/> 14   |                               |                               |
| Flexible Income Fund                   | \$ |  | % | <input type="checkbox"/> 2769 | <input type="checkbox"/> 2771 |                               |                               |
| High Yield Fund                        | \$ |  | % | <input type="checkbox"/> 54   | <input type="checkbox"/> 55   |                               |                               |
| Strategic Income Fund                  | \$ |  | % | <input type="checkbox"/> 6510 | <input type="checkbox"/> 6511 |                               |                               |
| Ultra Short Duration Fixed Income Fund | \$ |  | % | <input type="checkbox"/> 2896 | <input type="checkbox"/> 2897 |                               | <input type="checkbox"/> 2894 |
| US Quality Bond Fund                   | \$ |  | % | <input type="checkbox"/> 409  | <input type="checkbox"/> 459  | <input type="checkbox"/> 1560 |                               |

**MULTI-ASSET FUNDS**

|               |    |  |   |                               |                               |                               |  |
|---------------|----|--|---|-------------------------------|-------------------------------|-------------------------------|--|
| Balanced Fund | \$ |  | % | <input type="checkbox"/> 6200 | <input type="checkbox"/> 6201 | <input type="checkbox"/> 6204 |  |
|---------------|----|--|---|-------------------------------|-------------------------------|-------------------------------|--|

**Must equal 100%**

**OTHER** \_\_\_\_\_ \$ \_\_\_\_\_

Total investment of \$ \_\_\_\_\_. Please make check payable to Touchstone Investments.

\*Class R6 investment minimum is \$50,000.

\*\*Fund is not available in Traditional, Rollover, Roth, SEP, SIMPLE IRAs and Coverdell ESA's.