



Coverdell Education

New Account Package

Account Requirements:

- ☐ Complete a [Coverdell Education Application](#).
- ☐ Complete a [Coverdell Education Booklet](#).
- ☐ Complete an [Account Transfer Form](#) (if transferring a new account to Siebert).
- ☐ Read and agree to the terms in the [Customer Agreement](#).

Forms Included in this Package:

Form CRS

Coverdell Education
Application

Coverdell Education
Booklet

Customer
Agreement

How to Submit your Application:

You may submit your completed and signed application package through one of the following methods:

Email: Newaccounts@siebert.com

Mail: Muriel Siebert & Co., LLC..
ATTN: NEW ACCOUNTS
15 Exchange Place, Suite 800
Jersey City, NJ 07302

Phone: (800) 872-0444

Fax: (212) 486-2784

Once your application has been processed, you will receive an email notification that includes your account number and online login instructions.

If you have any questions, please contact us at 800-872-0444 or service@siebert.com

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Muriel Siebert & Co., LLC. & Siebert Advisor NXT, LLC..

Muriel Siebert & Co., LLC.. ("MSCO") is a broker-dealer and its affiliate Siebert AdvisorNXT, LLC.. ("AdvisorNXT") is an investment adviser. Both are registered with the Securities and Exchange Commission (SEC). MSCO is also a member of the Financial Industry Regulatory Authority (FINRA), the New York Stock Exchange (NYSE) and the Securities Investor Protection Corporation (SIPC).

- **Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences.** Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

We offer both brokerage and investment advisory services.

Our **brokerage services** include buying and selling securities at your direction and providing you with investment recommendations, financial tools and planning services, and investor education from time to time or at your request. We offer mutual funds, exchange traded funds (ETFs), domestic and international equities, options, fixed income securities, certificates of deposit (CDs) and structured notes, unit investment trusts, and variable annuities. Unless we separately agree in writing, we do not monitor your brokerage account and you make the ultimate decision regarding the purchase or sale of investments.

Our **advisory services** include our asset allocation services using mutual funds and exchange traded funds (ETFs) and managed portfolios from in-house and third-party investment managers. ***Depending on which program you select, our asset allocation services are either "non-discretionary" or "discretionary"—meaning that either we will recommend investments to you and you will make the ultimate decision regarding the purchase or sale of investments (non-discretionary), or we will make the ultimate investment decisions without your signoff (discretionary). The third-party managers we make available to you will invest your account on a discretionary basis using mutual funds, ETFs, and other securities.*** All of our advisory services are offered through "wrap fee programs" (as described below) and either we or the third-party manager will monitor your advisory account and investments as standard services. At AdvisorNXT this service will be provided on a weekly basis. You must meet certain investment minimums to open an advisory account. Current account minimums may be accessed through your investment professional, or at www.siebert.com.

For Additional information regarding our broker dealer services please visit our website at www.siebert.com. For our advisory services visit www.siebert.com and refer to our latest [Brochure Form ADV Part 2-A, Items 4, 5 & 7](#).

Our affiliate Park-Wilshire Insurance offers a variety of insurance products, including fixed and immediate annuities and life insurance.

Conversation Starters. Ask your financial professional—

- ***Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?***
- ***How will you choose investments to recommend to me?***
- ***What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?***

What fees will I pay?

The fees you pay depend on whether you choose brokerage services, advisory services, or both.

For **brokerage services**, the principal fees and costs are transaction-based fees for recommendations and execution of securities trades. Depending on the investment product you select, these fees can include up-front commissions, as well as fees that are charged on an on-going basis for as long as you hold the investment ("trails"). If we buy a security from you or sell a security to you for our own account (as "principal"), we may mark the price up or down, which is a benefit to us. Because we are compensated for transactions, *we have an incentive to encourage you to trade more frequently and in greater amounts, and to trade with us as principal because we receive more revenue when you do so.*

You will also pay fees for custodial or administrative services, as well as fees and expenses that are included in the expense ratios of certain of your investments, including in mutual funds, ETFs, and variable annuities. **For additional information about the fees and costs for our brokerage services**, please visit www.siebert.com.

For **advisory services**, the principal fees and costs are the "wrap" program fee for the program you select. These fees are "asset-based" meaning that the fee is calculated as a percentage of the assets invested in your advisory account according to the fee schedule in your advisory agreement with us. This means that the more assets you invest in your account, the more you will pay in fees, and therefore *we have an incentive to encourage you to increase your advisory account assets.* **For additional information about the fees and costs for our advisory services please refer to our Siebert AdvisorNXT, LLC., brochure Form Part 2-A, Item 4.**

The annual wrap advisory fee includes all brokerage commissions, transaction fees, and other related costs and expenses except those inherent in a particular investment vehicle. The annual investment advisory fee is prorated and charged quarterly, in advance, based upon the market value of the assets under management as of the last day of the previous quarter. AdvisorNXT may change the fee at any time by giving 30 days' prior written notice.

Investment Advisory Fees for the initial period or the first quarter of service are calculated on a pro rata basis from the inception date of the account to the end of the first quarter. If assets are deposited into or withdrawn from an account after the inception of a quarter, the fee payable with respect to such assets may be adjusted on a pro rata basis for deposits and/or withdrawals occurring within such quarter and will be calculated in accordance with the advisory agreement based on the days remaining in the quarter.

In the **AdvisorNXT Robo Management program**, you may also pay miscellaneous fees that your account's custodian may charge, including wire fees, transfer fees, and other fees. **For additional information**, please see [Siebert AdvisorNXT, LLC.. Brochure Form Part 2-A Item 4.](#)

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

Conversation Starters. Ask your financial professional—

- ***Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?***
- ***What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?***

When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we must act in your best interest and not put our interest ahead of yours. **At the same time, the way we make money creates some conflicts with your interests.** You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means:

Examples of Ways We Make Money and Conflicts of Interest.

- **Proprietary Products:** We will earn higher fees, compensation, and other benefits when you invest in a product that we (or one of our affiliates) advise, manage, or sponsor, such as a mutual fund or structured CD. As such, we have an incentive to recommend (or to invest your assets in) those products over third-party products.
- **Third-Party Payments:** We receive payments from third party product sponsors and managers (or their affiliates) when we recommend or sell certain products. As such, we have an incentive to recommend (or to invest your assets in) products of third parties that pay us over products of third parties that do not pay us or pay us less.
- **Revenue Sharing:** Certain managers and sponsors (or their affiliates) share the revenue they earn when you invest in certain of their investment products (primarily mutual funds, unit investment trusts, cash sweep vehicles and variable annuities) with us. As such, we have an incentive to recommend (or to invest your assets in) products of sponsors and managers that share their revenue with us, over other products of sponsors or managers that do not share their revenue, or who share less.
- **Principal Trading:** We may buy or sell securities to you for our own account because we earn compensation (such as commission equivalents, mark-ups, mark-downs, and spreads).

For additional information, please refer to our [Siebert AdvisorNXT, LLC.. Brochure Form ADV Part 2-A](#), Section 4 and

7. **Conversation Starter.** Ask your financial professional—

- **How might your conflicts of interest affect me, and how will you address them?**
- **How do your financial professionals make money?**

The firm's financial professionals are principally compensated based on a percentage of the revenues that are produced by the clients they service.

In Advisory Accounts Siebert financial professionals are compensated based on the amount of client assets they service. The fee revenue generated is split between the firm and the financial professional based on a negotiated payout percentage.

In Brokerage Accounts the Firm's financial professionals are compensated based on sales commissions, as well as fees that are charged on an on-going basis for as long as you hold the investment. Also, Siebert financial professionals may buy a security from you or sell a security to you for our own account (as "principal"), and the price to you may be marked up or down. Finally, Siebert may be compensated by issuers of some financial instruments for selling their products. The revenue generated from all these activities is split between the firm and the financial professional based on a negotiated percentage.

- **Do you or your financial professionals have legal or disciplinary history?**

Yes. Visit [Investor.gov/CRS](https://investor.gov/CRS) or www.brokercheck.finra.org for a free and simple search tool to research us and our financial professionals. The Firm also provides a biography of your Investment Advisor Representative when opening an Advisory account. This document includes any legal and disciplinary history.

Conversation Starter. Ask your financial professional—

- ***As a financial professional, do you have any disciplinary history? For what type of conduct?***

Conversation Starter. Ask your financial professional—

- ***Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?***

For assisted accounts, a dedicated financial representative or investment advisor representative will be assigned to you. Should your dedicated representative no longer be available or should you request another representative, another qualified professional will be assigned.

For brokerage services that are self-directed, no financial services representative will be assigned to you. Our support services will include customer service and broker assisted representatives should you have questions regarding your account.

For both assisted and self-directed accounts, you will always have access to Principals of the firm should you have concerns about your assigned professional or any other matter. Please contact us at 800-872-0444 for any needs you may have concerning Muriel Siebert, Siebert AdvisorNXT or your account.

Coverdell Education Savings Account

Return Instructions:

New Accounts:

Email: newaccounts@siebert.com

Phone: 800.872.0444

Fax: 212.486.2784

Office Use Only:

A/C	Covered Call Writing Approved By:
Date:	Date O.D.D Sent:

Account Type (check one)

New	Rollover	Transfer
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Designated Beneficiary's Information

First Name	M.I.	Last Name		
Address		City	State	Zip
Daytime Phone Number	Mobile Phone Number	Email		
Social Security Number/Tax ID		Date of Birth		

Grantor's Information

First Name	M.I.	Last Name		
Address		City	State	Zip
Daytime Phone Number	Mobile Phone Number	Email		
Relationship to Designated Beneficiary	Social Security Number/Tax ID	Date of Birth		
Occupation	Employer	Type of Business		
Business Address (if different from above)		City	State	Zip

Check here if you want web access to place orders. Email Address: _____

Check here if you are an employee or affiliate of a securities exchange or a member firm of an exchange or the NASD. If so, please supply a letter of permission.

Check here if you are an officer, director or 10% stockholder of any publicly traded company. Please tell us the name at the company: _____

If you wish to authorize another party such as an investment advisor, to enter buy and sell orders for securities in your account, please check here and we will send you the necessary form to complete.

Responsible Individual Information

A Responsible Individual must be designated below and must be a parent or guardian of the Designated Beneficiary				
First Name	M.I.	Last Name		
Address		City	State	Zip
Daytime Phone Number	Mobile Phone Number	Email		
Relationship to Designated Beneficiary	Social Security Number/Tax ID	Date of Birth		

Death Beneficiary Information (In the event of the Designated Beneficiary's Death.)

First Name	M.I.	Last Name		
Relationship to Designated Beneficiary		Social Security Number/Tax ID		Date of Birth
Address		City	State	Zip

Percent of account due: _____ Primary or Contingent
(must total 100%)

First Name	M.I.	Last Name		
Relationship to Designated Beneficiary		Social Security Number/Tax ID		Date of Birth
Address		City	State	Zip

Percent of account due: _____ Primary or Contingent
(must total 100%)

Agreement and Signature

Important: Please read before signing. The signature of the Responsible Individual must be obtained if someone other than the Grantor will be the Responsible Individual

Pursuant to the establishment of my Coverdell Savings Account, Individual Retirement Account ("IRA"), Money Purchase Pension Plan Account, or Profit Sharing Plan Account with Trustar* Retirement Services, a trade name of Delaware Charter Guarantee & Trust Company ("Delaware Charter"), I hereby request that Muriel Siebert & Co., LLC ("Siebert"), open a brokerage account under the registration information shown above. I understand that securities prices may fluctuate and that all securities investments carry risk to varying degrees. I also understand the risks of the transactions I intend to execute in this account, and I have determined that I am able to bear these risks as they pertain to my plans and goals for retirement. I have received and read the Siebert Customer Agreement, and I agree to be bound by its terms as they apply to my retirement account, and as they may be amended from time to time. **IN PARTICULAR, I HAVE READ AND UNDERSTOOD THE PRE-DISPUTE ARBITRATION CLAUSE THAT IS SET FORTH IN THE CUSTOMER AGREEMENT.** If I have not yet received a copy of the Agreement, I will notify Siebert, and will not place any order in my account until I have received and read the Agreement. I understand Delaware Charter is not an investment advisor and does not supervise or control my investment representative. Delaware Charter does not endorse any particular investment. I agree to use independent judgment in making my investment decisions. I agree to resolve disputes with Delaware Charter through binding arbitration as outlined in the disclosure statement of Trustar. I certify that the above social security number is true and correct.

I understand the eligibility requirements for the type of deposit I am making and I state that I do qualify to make the deposit. I have received a copy of the Application, 5305-E Coverdell Education Savings Trust Account, Disclosure Statement, and Schedule of Trustee fees. By signing below I acknowledge that I have read and understand the terms and conditions which apply to this Coverdell Education Savings Account that are contained in the aforementioned documentation.

- ~~I assume complete responsibility for~~ contribute to a Coverdell Education Savings Account each year I make a contribution.
2. Certifying that I am qualified to assume the responsibilities of the Responsible Individual as set forth in this Agreement, if I am designated on this Application as the Responsible Individual

3. Ensuring that all contributions I make are within the limits set forth by the tax laws.
4. Managing and administering the account and authorizing transaction involving contributions and distributions, if I am designated on this Application as the Responsible Individual.

Grantor	Date
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Responsible Individual	Date
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Option Application and Agreement (Writing Covered Calls Only)

INSTRUCTIONS: If you wish to sell covered calls in your retirement account, please answer ALL questions below, then read and sign the Option Agreement. NOTE: Siebert retirement accounts are eligible for selling covered call options ONLY.

Covered Call Writing. Investment Objective: Income Overall Options Knowledge: Minimal Little Good Excellent

Annual Income from Employment		Annual Income from Other Sources		Net Worth (not including Residence)	
Liquid Net Worth	Age	Marital Status		Number of Dependents	

AGREEMENT: I hereby request that Siebert open an options trading account under the registration shown above. I certify that the information I have supplied in this application is wholly true and accurate. I understand that options trading is risky, and in particular I understand that in writing a covered call I may forfeit significant profits if the price of the underlying security increases. I have determined that I am able to bear these risks.

I have received and read the Option Agreement found in the Siebert Customer Agreement. I agree to be bound by the terms of the Option Agreement as it exists and as it may be amended from time to time. If I have not received a copy, I will notify Siebert before I place an option order.

I understand that upon approval of my application to trade options, Siebert will send me a copy of the Option Disclosure Document entitled "Characteristics and Risks of Standardized Options." I agree to refrain from placing any option order until I have received and read this disclosure.

Please read the statement above and referenced Option Agreement, then sign below.

Signature	Date
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Suitability Information

FINRA RULE 2111 REQUIREMENT

Return Instructions:

New Accounts:

Email: newaccounts@siebert.com

Phone: 800.872.0444

Fax: 212.486.2784

Employee Stock Plan Clients:

Email: shareplansupport@siebert.com

Phone: 800.993.2010

Fax: 402.342.2486

Please Note:

This information is required to open/update an account and is confidential. (Please see the Customer Agreement and the Definitions section below for explanations)

Financial Profile (For Joint Accounts, use combined total when applicable below.)

Name/Account Title	Account Number: (if known)	Social Security Number/Tax ID		
Annual Income (from all sources)				
Under \$25,000	\$25,000-\$50,000	\$50,001-\$100,000	Over \$100,000 specify: \$	
Estimated Net Worth (Excluding primary residence)				
Under \$50,000	\$50,000-\$100,000	\$100,001-\$500,000	Over \$500,000 specify: \$	
Liquid Net Worth (Including cash & marketable securities)				
Under \$50,000	\$50,000-\$100,000	\$100,001-\$500,000	Over \$500,000 specify: \$	
Fed Tax Bracket				
10%-15%	16%-27%	28%-33%	Over 33%	
Marital Status				
Widowed	Divorced	Single	Married/Legal Domestic Partnership	
Account Funding Source (from all sources)				
Asset Appreciation	Business Revenue	Inheritance	Legal/Insurance Settlement	
Sale of Assets	Savings from Earnings	Other:		
Annual Expenses (Recurring)				
Under \$50,000	\$50,000-\$100,000	\$100,001-\$250,000	\$250,001-\$500,000	Over \$500,000 specify: \$
Special Expenses (Future & non-recurring)				
Under \$50,000	\$50,000-\$100,000	\$100,001-\$250,000	Over \$250,000 specify: \$	
Time Frame (Req. for Special Expenses)				
Within 2 years	3-5 years	6-10 years	Long Term	
Dependents				
0	1	2	3+	

Decision Making Experience (check all that apply)

I consult with my broker	I make my own decisions	I consult with my family/friends	Additional Information:
Yes No	Yes No	Yes No	

Assets Held Away

(Provide total value of assets held away and percentages for each type of asset Total percentages must equal 100%.)

Total value of assets held away: \$				
Stocks	Bonds	Annuities	Mutual Funds	Alternative Investments
Short-Term	Foreign Security	Options	Variable Contracts	Limited Partnerships
Security Futures	Foreign Currency	Other	Total	

Investment Profile



Investment Objectives				
Please rank in order of importance 1-4 (See definitions below)				
Principal Protection _____	Income _____	Growth _____	Speculation _____	
Investment Purpose				
Save for Education	Save for Retirement	Save for short term goal(s)	Generate Income	
Accumulate Wealth	Preserve Wealth	Market Speculation	Other: _____	
Risk Tolerance (see definitions below)				
Moderate	Moderately Conservative	Conservative	Moderately Aggressive	Aggressive
Investment Time Horizon (see definitions below)				
Near Term	Very Short	Short	Intermediate	Long
General Investment Knowledge				
Limited	Good	Extensive		
Investment Experience				
0-5 yrs	5-10 yrs	10-20 yrs	20+ yrs	

Definitions

Investment Objectives	
<p>Your investment goal(s) based on your risk tolerance and time horizon.</p> <ul style="list-style-type: none"> • Protection of Principal: Relatively lower risk investments with the goal of preserving the money invested • Income: Investments with regular payments of interests, dividends or other income • Growth: Investments with a history of future potential for capital gains, but with a higher risk of loss • Speculation: Investments with the possibility of large profits, but also pose a higher than average possibility of loss 	<ul style="list-style-type: none"> • Moderate: generally investing for the long term, with a mix of asset classes; willing to accept some risk for long term good return with investments that may go up less than the markets as a whole, but should also go down less when markets decline • Moderately Aggressive: willing to take on more downside risk than the markets in order to achieve long term performance better than the markets. More emphasis on making money than on preventing loss • Aggressive: looking to substantially outperform the market and willing to accept significant risk (losses of 40% or more in a quarter) to do so. No emphasis on preventing loss
Risk Tolerance:	
<p>The degree of uncertainty that you can handle in regard to a negative change in the value of your portfolio.</p> <ul style="list-style-type: none"> • Conservative: willing to forego upside potential to avoid downside fluctuations • Moderately Conservative: adverse to large short-term downside fluctuations, seek more return with a little less income 	<p>Investment Time Horizon</p> <p>The total length of time that you expect to hold a security or portfolio.</p> <ul style="list-style-type: none"> • Near term: immediate liquidity • Very short: six months • Intermediate: three to ten years • Long: greater than ten years

Suitability Agreement

I certify that the suitability selections above are true to the best of my knowledge and may be used to by Muriel Siebert & Co., LLC.. to determine my income needs and desired risk exposure, which is used to aid in security selection. I understand that I must update my suitability information with Muriel Siebert & Co., LLC.. if any changes occur.

Signature	Date
	
Signature	Date
	

Principal Approval

Approved	Date

An overhead photograph of four students (three men and one woman) sitting around a light-colored round table in a study area. They are all focused on their work, with open books, a laptop, and various papers spread across the table. The students are dressed in casual attire. The background is a plain, light-colored floor. A semi-transparent blue rectangular overlay is positioned on the right side of the image, containing the text 'Siebert COVERDELL EDUCATION SAVINGS ACCOUNT' in white.

Siebert

**COVERDELL EDUCATION
SAVINGS ACCOUNT**

About the Coverdell Education Savings Account

A Coverdell education savings trust account (Coverdell Account) is a trust that is created to help pay the qualified education expenses of the designated beneficiary of the account. The Coverdell Account provides a unique savings vehicle where distributions of contributions and earnings are potentially tax free if used to pay for certain education expenses.

DEFINITIONS

Custodian - Maintains the IRA on behalf of the designated beneficiary.

Depositor - Establishes the IRA for the benefit of a designated beneficiary. The grantor does not have to be a family member. The depositor can also be a responsible individual.

Designated Beneficiary - Individual under age 18 who is named in the document and will receive the benefit of funds in the account.

Responsible Individual - Usually the parent or guardian of the designated beneficiary. In some cases, the designated beneficiary can become the Responsible Individual at the age of majority. The grantor can also be the Responsible Individual.

Contributor - The depositor is the initial contributor, but any eligible individual, including the designated beneficiary, can contribute to the account.

Death Designated Beneficiary - person or entity named to receive the assets upon the death of the designated beneficiary.

Replacement Designated Beneficiary - Qualified family member who replaces the original designated beneficiary.

Half-time Student - The requirement that a student be at least a half-time student applies to room and board only. A half-time student is defined as one who 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 school where the student is enrolled.

Eligible Educational Institution - If the post-secondary educational institution is eligible to participate in a student aid program administered by the Department of Education, then it is an eligible educational institution. In addition to eligible post-secondary educational institutions, elementary and secondary schools (kindergarten through grade 12) are included in the definition of eligible educational institutions.

ELIGIBILITY

The beneficiary must be under age 18 when original contributions are made to the account. The contributor must meet modified adjusted gross income (MAGI) requirements to fund a Coverdell account. Entities can contribute and the MAGI limits do not apply. For an individual, including married filing a separate return, the contribution is reduced with MAGI between \$95,000 - \$110,000. For contributors who are married filing a joint return, the contribution is reduced with MAGI between \$190,000 - \$220,000. The contributor does not have to have earned income to make a contribution. A grandparent receiving pension benefits only could use a portion of the money to contribute to the Coverdell account. Age limits for contributions, distributions, and rollovers do not apply to individuals with special needs.

CONTRIBUTIONS

The most that can be contributed during a given year for a designated beneficiary is \$2,000, excluding rollovers from another Coverdell account. A designated beneficiary can have more than one account, but the total annual contribution to all accounts combined cannot exceed \$2,000. Contributions must be made by tax filing deadlines, not including extensions. Contributions must be made in cash and are not tax deductible.

DISTRIBUTIONS

Distributions from a Coverdell account are tax free if the distribution is used to pay for qualified education expenses at an eligible educational institution. Qualified education expenses include tuition, fees, books, supplies, equipment, academic tutoring, special needs services, uniforms, transportation, educational computer technology including internet access, and room and board in certain situations (the student must be enrolled at least as a half-time student at an eligible educational institution). The beneficiary must report the amount of the distribution on form 1040.

EXCESS CONTRIBUTIONS

In the event of an excess contribution, the excess will be returned to the designated beneficiary. The excess contribution must be withdrawn by the first day of the sixth month following the taxable year (May 31st), or it will be subject to a six percent excise tax. The excise tax will be imposed for each year the excess contribution remains in the account.

ROLLOVERS

Any amount withdrawn from a Coverdell account and rolled over to another Coverdell account for the benefit of the same beneficiary or an eligible member of the beneficiary's family is not taxable. Within 30 days after the date the beneficiary attains age 30 or dies, any assets remaining in the account must either be distributed or rolled to a qualified family member's Coverdell account. Almost any relative will qualify as long as he or she is under age 30. Only one rollover is permitted per Coverdell account per 12 months, and rollovers must be completed within 60 days of receipt of the withdrawal. Also, rollovers must be in cash.

INVESTMENTS

The contributor usually chooses the initial investment for the account. Afterwards, the responsible individual has the power to change the initial investment and make decisions about investments for subsequent contributions.



Coverdell Education Withdrawal Form

Email: newaccounts@siebert.com | Phone: 800.872.0444 | Fax: 212.486.2784

Name & Information

Designated Beneficiary:					
First Name	M.I.	Last Name	Account Number		
Address		City	State	Zip	
Phone Number	Social Security Number/Tax ID		Date of Birth		
Responsible Individual:					
First Name	M.I.	Last Name	Account Number		

Distribution Reason

General	Qualified education expenses or any distribution taken for any reason other than those listed below. For example, a direct payment to the educational DISTRIBUTION facility for education expenses of the Designated Beneficiary would be included in this category and reported to the IRS on Form 1099-Q.
Age 30	Designated beneficiary has attained the age of 30.
Transfer	If the distribution was made directly (trustee-to-trustee transfer) from one Coverdell Education Savings Account (ESA) to another Coverdell ESA. A transfer is reported to the IRS on Form 1099-Q by checking box 4. Transfer to SIEBERT Coverdell ESA Account # _____
Disability	If the distribution was made after the Designated Beneficiary was disabled. Check this box only if the disability renders the Designated Beneficiary unable to engage in any substantial gainful activity and it is medically determined that the condition will last continuously for at least 12 months or lead to his or her death. Disability distributions are reported to the IRS on Form 1099-Q.
Death	If this distribution will be made to a death beneficiary, proof, in a form acceptable to the Trustee or Custodian, must be provided to verify entitlement to receive the distribution. Death distributions are reported to the IRS on Form 1099-Q.
Excess Contribution	If an excess contribution was made to the Coverdell ESA, you must take the appropriate steps to remove the distribution. Depending upon when you take the necessary corrective action and the amount of the excess contribution, there may be an IRS excess contribution penalty and or tax. The removal of excess contributions is reported to the IRS on Form 1099-Q. If you selected excess contribution, is the excess contribution being removed on or before May 31 of the year following the year for which the contribution was made? No Yes Was the excess contribution made during the prior year? Yes No Earnings Attributable to Excess: _____
Prohibited Transaction	If a prohibited transaction as defined in IRC Section 530(e) has occurred, there may be an IRS penalty. If the prohibited transaction is not timely corrected, an additional penalty may apply. Prohibited transactions are reported to the IRS on Form 1099-Q.

Payment Instructions

Please pay	all or	part of the Coverdell ESA identified above.
1. Distribution Amount:	Entire Amount	Specify Amount \$ _____
2. Distribution Type:	Check	Journal to Siebert Account: Account Number _____
3. Frequency:	One-Time	Monthly Quarterly

Please make a payment from the Coverdell ESA identified above to:

First Name	M.I.	Last Name	Account Number		
Address		City	State	Zip	

Is the recipient the Coverdell ESA Designated Beneficiary? Yes No

Your Distribution

SECURITIES TO BE LIQUIDATED:

Name of Investment	Number of Shares in Account	Number of Shares to be Liquidated	Liquidate Immediately

NOT APPLICABLE

Basis & Earnings Information

Of the total Net Distribution Amount (as shown above), the distribution consists of the following: (The earnings (or loss) on the gross amount distributed from a Coverdell ESA are calculated using the earnings ratio described in Proposed Regulations Section 1.529-3 and Notice 2001-81.)



Basis: \$ _____

Earnings: \$ _____

Signature And Date

The signature of the Coverdell ESA Responsible Individual is required to certify that the information provided is true and correct and that the Designated Beneficiary is aware of all the circumstances affecting this Coverdell ESA withdrawal.

I certify that I am the proper party to authorize payment(s) from this Coverdell ESA and that all information provided by me is true and accurate. No tax advice has been given to me by the Trustee or Custodian. All decisions regarding this withdrawal are my own. I expressly assume the responsibility for any adverse consequences which may arise from this withdrawal and I agree that the Trustee or Custodian shall in no way be held responsible.

Coverdell ESA Responsible Individual	Date
	
Authorized Signature of Trustee or Custodian	Date
	

Office use only - Do not complete.	
Gross Cash Distributed	_____
Fees	_____
Federal Tax Withholding	_____
State Tax Withholding	_____
Net Distribution	_____

COVERDELL ESA CUSTODIAL ACCOUNT AGREEMENT

Form 5305-EA under section 530 of the Internal Revenue Code.

FORM (Rev. October 2016)

The depositor whose name appears on the application is establishing a Coverdell Education Savings Account under section 530 for the benefit of the designated beneficiary whose name appears on the application exclusively to pay for the qualified elementary, secondary, and higher education expenses, within the meaning of section 530(b)(2), of such designated beneficiary.

The depositor has assigned the custodial account the sum indicated on the application.

The depositor and the custodian make the following agreement:

ARTICLE I

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

ARTICLE II

No part of the custodial account funds may be invested in life insurance contracts, nor may the assets of the custodial account be commingled with other property except in a common trust fund or a common investment fund (within the meaning of section 530(b)(1)(D)).

ARTICLE III

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

ARTICLE IV

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

ARTICLE V

The "responsible individual" named by the depositor shall be a parent or guardian of the designated beneficiary. The custodial account shall have only one responsible individual at any time. If the responsible individual becomes incapacitated or dies while the designated beneficiary is a minor under state law, the successor responsible individual shall be the person named to succeed in that capacity by the preceding responsible individual in a witnessed writing or, if no successor is so named, the successor responsible individual shall be the designated beneficiary's other parent or successor guardian. Unless otherwise directed by checking the option on the application, at the time that the designated beneficiary attains the age of majority under state law, the designated beneficiary becomes the responsible individual. If a family member under the age of majority under state law becomes the designated beneficiary by reason of being a named death beneficiary, the responsible individual shall be such designated beneficiary's parent or guardian.

ARTICLE VI

(See the application and section 10.06 of this agreement for information regarding the responsible individual's ability to change the designated beneficiary named by the depositor.)

ARTICLE VII

1. The depositor agrees to provide the custodian with all information necessary to prepare any reports required by section 530(h).
2. The custodian agrees to submit to the Internal Revenue Service (IRS) and responsible individual the reports prescribed by the IRS.

ARTICLE VIII

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

ARTICLE IX

This agreement will be amended as necessary to comply with the provisions of the Code and the related regulations. Other amendments may be made with the consent of the depositor and custodian whose signatures appear on the application.

ARTICLE X

- 10.01 **Notices and Change of Address** – Any required notice regarding this Coverdell ESA will be considered effective when the custodian sends it to the intended recipient at the last address that the custodian has in its records. Any notice to be given to the custodian will be considered effective when the custodian actually receives it. The responsible individual must notify the custodian of any change of address.
- 10.02 **Representations and Responsibilities** – The depositor and the responsible individual represent and warrant to the custodian that any information the depositor and responsible individual have given or will give the custodian with respect to this agreement is complete and accurate. Further, the depositor and the responsible individual agree that any directions they give the custodian, or action they take will be proper under this agreement, and that the custodian is entitled to rely upon any such information or directions. If the custodian fails to receive directions regarding any transaction, receives ambiguous directions regarding any transaction, or if the custodian, in good faith, believes that any transaction requested is in dispute, the custodian reserves the right to take no action until further

clarification acceptable to the custodian is received from the responsible individual or the appropriate government or judicial authority. The custodian will not be liable for acting upon any instructions given by the responsible individual named on the application prior to the time the custodian receives appropriate written notice that the designated beneficiary has met the requirements for assuming control of the Coverdell ESA, or that a new responsible individual has been appointed. The custodian will not be responsible for losses of any kind that may result from the depositor's and responsible individual's directions to it or the depositor's and responsible individual's actions, or failures to act. The depositor and responsible individual agree to reimburse the custodian for any loss the custodian may incur as a result of such directions, actions or failures to act. The custodian will not be responsible for any penalties, taxes, judgments, or expenses incurred in connection with this Coverdell ESA. The custodian has no duty to determine whether the contributions or distributions comply with the Code, regulations, rulings, or this agreement.

The responsible individual will have 60 days after receiving any documents, statements, or other information from the custodian to notify the custodian in writing of any errors or inaccuracies reflected in these documents, statements, or other information. If the custodian is not notified within 60 days, the documents, statements, or other information will be deemed correct and accurate, and the custodian will have no further liability or obligation for such documents, statements, other information, or the transactions described therein.

By performing services under this agreement the custodian is acting as the responsible individual's agent. The depositor, responsible individual, and designated beneficiary acknowledge and agree that nothing in this agreement will be construed as conferring fiduciary status upon the custodian. The custodian will not be required to perform any additional services unless specifically agreed to under the terms and conditions of this agreement, or as required under the Code and the regulations promulgated thereunder with respect to Coverdell ESAs. The designated beneficiary, depositor, and responsible individual agree to indemnify and hold the custodian harmless for any and all claims, actions, proceedings, damages, judgments, liabilities, costs, and expenses, including attorney's fees arising from or in connection with this agreement.

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

To the extent written instructions or notices are required under this agreement, the custodian may accept or provide such information in any other form permitted by the Code or applicable regulations including, but not limited to, electronic communication.

- 10.03 Disclosure of Account Information** – The custodian may use agents and/or subcontractors to assist in administering this Coverdell ESA. The custodian may release nonpublic personal information regarding this Coverdell ESA to such providers as necessary to provide the products and services made available under this agreement, and to evaluate its business operations and analyze potential product, service, or process improvements.
- 10.04 Service Fees** – The custodian has the right to charge an annual service fee or other designated fees (e.g., a transfer, rollover, or termination fee) for maintaining this Coverdell ESA. In addition, the custodian has the right to be reimbursed for all reasonable

expenses, including legal expenses, incurred in connection with the administration of this Coverdell ESA. The custodian may charge the depositor or responsible individual separately for any fees or expenses, or may deduct the amount of the fees or expenses from the assets in this Coverdell ESA at the custodian's discretion. The custodian reserves the right to charge any additional fee after giving the responsible individual 30 days' notice. Fees such as subtransfer agent fees or commissions may be paid to the custodian by third parties for assistance in performing certain transactions with respect to this Coverdell ESA.

Any brokerage commissions attributable to the assets in the Coverdell ESA will be charged to the Coverdell ESA. The responsible individual, depositor or designated beneficiary cannot reimburse the Coverdell ESA for those commissions.

- 10.05 Investment of Amounts in the Coverdell ESA** – The responsible individual has exclusive responsibility for and control over the investment of the assets of this Coverdell ESA. All transactions will be subject to any and all restrictions or limitations, direct or indirect, that are imposed by the custodian's charter, articles of incorporation, or bylaws; any and all applicable federal and state laws and regulations; the rules, regulations, customs, and usages of any exchange, market, or clearinghouse where the transaction is executed; the custodian's policies and practices; and this agreement. The custodian will have no discretion to direct any investment in this Coverdell ESA. The custodian assumes no responsibility for rendering investment advice with respect to this Coverdell ESA, nor will the custodian offer any opinion or judgment to the responsible individual or depositor on matters concerning the value or suitability of any investment or proposed investment for this Coverdell ESA. In the absence of instructions from the responsible individual or depositor, or if the instructions are not in a form acceptable to the custodian, the custodian will have the right to hold any uninvested amounts in cash, and the custodian will have no responsibility to invest uninvested cash unless and until directed by the responsible individual. The custodian will not exercise the voting rights and other shareholder rights with respect to investments in this Coverdell ESA unless timely, written directions are provided and are acceptable to the custodian.

The responsible individual will select the investment for the Coverdell ESA assets from those investments that the custodian is authorized by its charter, articles of incorporation, or bylaws to offer and does in fact offer for Coverdell ESAs (e.g., term share accounts, passbook accounts, certificates of deposit, money market accounts).

- 10.06 Beneficiaries** – Unless indicated otherwise on the application, the responsible individual may not change the designated beneficiary. If the depositor has indicated on the application that the responsible individual may change the beneficiary designated under this agreement and the responsible individual chooses to do so, the responsible individual must designate a member of the family (as defined in IRC Section 529(e)(2)) of the existing designated beneficiary. This designation can only be made on a form prescribed by the custodian.

The depositor or responsible individual may designate one or more persons or entities as death beneficiaries of this Coverdell ESA. This designation can only be made on a form provided by or acceptable to the custodian, and it will only be effective when it is filed with the custodian during the lifetime of the designated beneficiary. Each beneficiary designation filed with the custodian will cancel all previous designations. The consent of a death beneficiary will not be required in order to revoke a death beneficiary designation. If

both primary and contingent death beneficiaries have been named, and no primary death beneficiary survives the designated beneficiary, the contingent death beneficiaries will acquire the designated share of this Coverdell ESA. If a death beneficiary is not designated with respect to this Coverdell ESA, or if all of the primary and contingent death beneficiaries predecease the designated beneficiary, the designated beneficiary's estate will be the death beneficiary.

If the designated beneficiary dies before receiving all of the amounts in this Coverdell ESA, the custodian will have no obligation to pay to the death beneficiaries until such time the custodian is notified of the designated beneficiary's death by receiving a valid death certificate. Any balance remaining in the Coverdell ESA upon the death of the designated beneficiary will be distributed within 30 days of the designated beneficiary's death, unless a qualified family member under age 30 is named as a death beneficiary. If the death beneficiary is a qualified family member under age 30, that individual will become the designated beneficiary as of the original designated beneficiary's date of death. Qualified family members are defined in IRC Section 529(e)(2).

The custodian may, for any reason (e.g., due to limitations of its charter or bylaws), require a qualified family member who becomes the designated beneficiary to take a total distribution of the Coverdell ESA by December 31 of the year following the year of the original designated beneficiary's death.

- 10.07 Termination of Agreement, Resignation, or Removal of Custodian –** Either the custodian or the responsible individual may terminate this agreement at any time by giving written notice to the other. The custodian can resign as custodian at any time effective 30 days after sending written notice of its resignation to the responsible individual. Upon receipt of that notice, the responsible individual must make arrangements to transfer the Coverdell ESA to another financial organization. If the responsible individual does not complete a transfer of the Coverdell ESA within 30 days from the date the custodian sends the notice to the responsible individual, the custodian has the right to transfer the Coverdell ESA assets to a successor Coverdell ESA trustee or custodian that the custodian chooses in its sole discretion, or the custodian may pay the Coverdell ESA balance to the designated beneficiary in a single sum. The custodian will not be liable for any actions or failures to act on the part of any successor trustee or custodian, nor for any tax consequences the designated beneficiary may incur that result from the transfer or distribution of the Coverdell ESA assets pursuant to this section.

If this agreement is terminated, the custodian may charge the Coverdell ESA a reasonable amount of money that it believes is necessary to cover any associated costs, including but not limited to one or more of the following.

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

If the custodian is a nonbank custodian required to comply with Regulations section 1.408-2(e) and fails to do so or the custodian is not keeping the records, making the returns or sending the statements as are required by forms or regulations, the IRS may require the custodian to substitute another trustee or custodian.

The custodian may establish a policy requiring distribution of the entire balance of this Coverdell ESA to the designated beneficiary in cash or property if the balance of this Coverdell ESA drops below the minimum balance required under the applicable investment or policy established.

- 10.08 Successor Custodian –** If the custodian's organization changes its name, reorganizes, merges with another organization (or comes under the control of any federal or state agency), or if the entire organization (or any portion that includes this Coverdell ESA) is bought by another organization, that organization (or agency) will automatically become the trustee or custodian of this Coverdell ESA, but only if it is the type of organization authorized to serve as a Coverdell ESA trustee or custodian.

- 10.09 Amendments –** The custodian has the right to amend this agreement at any time. Any amendment the custodian makes to comply with the Internal Revenue Code and related regulations does not require the consent of either the responsible individual or the depositor. The responsible individual will be deemed to have consented to any other amendment unless, within 30 days from the date the custodian sends the amendment, the responsible individual notifies the custodian in writing that the responsible individual does not consent.

- 10.10 Withdrawals or Transfers –** All requests for withdrawal or transfer will be in writing on a form provided by or acceptable to the custodian. The method of distribution must be specified in writing or in any other method acceptable to the custodian. The tax identification number of the designated beneficiary or death beneficiary must be provided to the custodian before the custodian is obligated to make a distribution. Withdrawals will be subject to all applicable tax and other laws and regulations, including but not limited to possible early distribution penalty taxes, surrender charges, and withholding requirements.

- 10.11 Transfers From Other Plans –** The custodian can receive amounts transferred to the Coverdell ESA from the trustee or custodian of another Coverdell ESA.

- 10.12 Liquidation of Assets –** The custodian has the right to liquidate assets in the Coverdell ESA if necessary to make distributions or to pay fees, expenses, taxes, penalties, or surrender charges properly chargeable against the Coverdell ESA. If the responsible individual fails to direct the custodian as to which assets to liquidate, the custodian will decide, in its complete and sole discretion, and the responsible individual agrees not to hold the custodian liable for any adverse consequences that result from the custodian's decision.

- 10.13 Restrictions on the Fund –** Neither the responsible individual, the designated beneficiary (nor anyone acting on behalf of the designated beneficiary), the depositor nor any contributor may sell, transfer or pledge any interest in the Coverdell ESA in any manner whatsoever, except as provided by law or this agreement.

The assets in the Coverdell ESA will not be responsible for the debts, contracts, or torts of the responsible individual, the designated beneficiary, the depositor, or any person entitled to distributions under this agreement.

- 10.14 What Law Applies –** This agreement is subject to all applicable federal and state laws and regulations. If it is necessary to apply any state law to interpret and administer this agreement, the law of the custodian's domicile will govern.

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

GENERAL INSTRUCTIONS

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

WHAT'S NEW

Military death gratuity – Families of soldiers who receive military death benefits may contribute, subject to certain limitations, up to 100 percent of such benefits into an educational savings account. Publication 970, *Tax Benefits for Education*, explains the rules for rolling over the military death gratuity and lists eligible family members.

PURPOSE OF FORM

Form 5305-EA is a model custodial account agreement that meets the requirements of section 530(b)(1) and has been pre-approved by the IRS. A Coverdell education savings account (ESA) is established after the form is fully executed by both the depositor and the custodian. This account must be created in the United States for the exclusive purpose of paying the qualified elementary, secondary, and higher education expenses of the designated beneficiary.

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

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

DEFINITIONS

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

Depositor – The depositor is the person who establishes the custodial account.

Designated Beneficiary – The designated beneficiary is the individual on whose behalf the custodial account has been established.

Family Member – Family members of the designated beneficiary include his or her spouse, child, grandchild, sibling, parent, niece or nephew, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law, and the spouse of any such individual. A first cousin, but not his or her spouse, is also a “family member.”

Responsible Individual – The responsible individual, generally, is a parent or guardian of the designated beneficiary. However, under certain circumstances, the responsible individual may be the designated beneficiary.

IDENTIFICATION NUMBERS

The depositor and designated beneficiary's social security numbers will serve as their identification numbers. If the depositor is a nonresident alien and does not have an identification number, write “Foreign” on the return for which is filed to report the depositor's information. The designated beneficiary's social security number is the identification number of his or her Coverdell ESA. If the designated beneficiary is a nonresident alien, the designated beneficiary's individual taxpayer identification number is the identification number of his or her Coverdell ESA. An employer identification number (EIN) is required only for a Coverdell ESA for which a return is filed to report unrelated business income. An EIN is required for a common fund created for Coverdell ESAs.

SPECIFIC INSTRUCTIONS

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

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

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

DISCLOSURE STATEMENT

REQUIREMENTS OF A COVERDELL ESA

A. **Cash Contributions** – A Coverdell ESA contribution must be in cash.

B. **Maximum Contribution** – The total amount that may be contributed to any and all Coverdell ESAs on behalf of a designated beneficiary is \$2,000 per year, excluding rollover and transfer contributions.

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

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

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

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

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

C. **Eligible Custodians** – The custodian of the Coverdell ESA must be a bank, savings and loan association, credit union, or person or entity approved by the Secretary of the Treasury.

D. **Commingling Assets** – The assets of the Coverdell ESA cannot be commingled with other property except in a common trust fund or common investment fund.

E. **Life Insurance** – No portion of the Coverdell ESA may be invested in life insurance contracts.

F. **Collectibles** – The assets of the Coverdell ESA may not be invested in collectibles (within the meaning of Internal Revenue Code (IRC) Sec. 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or other tangible personal property specified by the Internal Revenue Service (IRS). However, specially minted United States gold and silver coins, and certain state-issued coins are permissible investments. Platinum coins and certain gold, silver, platinum or palladium bullion (as described in IRC Sec. 408(m)(3)) are also permitted as Coverdell ESA investments.

G. **Required Distributions** – Except in the case of a special needs beneficiary, the assets of the Coverdell ESA are required to be distributed to the designated beneficiary within 30 days of the designated beneficiary's attainment of age 30. The designated beneficiary will be subject to both income tax and an additional 10 percent penalty tax on the portion of the distribution that represents earnings, if the designated beneficiary does not have any qualified education expenses in that year.

Any balance remaining in the Coverdell ESA upon the death of the designated beneficiary will be distributed within 30 days of the designated beneficiary's death, unless a death beneficiary is named and the death beneficiary is a qualified family member under age 30. If the death beneficiary is a qualified family member under age 30, that individual will become the designated beneficiary as of the date of death. Qualified family members include the designated beneficiary's child, grandchild, or stepchild, brother, sister, stepbrother, or stepsister, nephew or niece, parents, stepparents, or grandparents, uncle or aunt, spouses of all the family members listed above, cousin, and the designated beneficiary's spouse.

If a qualified family member becomes the designated beneficiary, the custodian, if it so chooses for any reason (e.g., due to limitations of its charter or bylaws), may require a total distribution of the Coverdell ESA by December 31 of the year following the year of the original designated beneficiary's death.

H. **Responsible Individual** – The responsible individual is generally the parent or guardian of the designated beneficiary. However, the financial organization may establish a policy that permits someone other than the designated beneficiary's parent or legal guardian to serve as the responsible individual. Unless otherwise indicated on the application, the responsible individual may not change the designated beneficiary. If the depositor has indicated on the application that the responsible individual may change the designated beneficiary, the responsible individual may change the designated beneficiary to another member of the designated beneficiary's family. The responsible individual will perform the following duties.

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

INCOME TAX CONSEQUENCES OF ESTABLISHING A COVERDELL ESA

A. **Contributions Not Deducted** – No deduction is allowed for Coverdell ESA contributions, including transfer and rollover contributions.

B. **Contribution Deadline** – The deadline for making a Coverdell ESA contribution is the depositor's tax return due date (not including extensions). The depositor may designate a contribution as a contribution for the preceding taxable year in a manner acceptable to the custodian. For example, if the depositor is a calendar-year filer and makes a Coverdell ESA contribution on or before the tax filing deadline, the contribution is considered to have been made for the previous tax year if the depositor designates it as such.

C. **Excess Contributions** – An excess contribution is any amount that is contributed to the Coverdell ESA that exceeds the eligible contribution limit. If the excess is not corrected timely, an additional penalty tax of six percent will be imposed on the excess amount. The procedure for correcting the excess is determined by the timeliness of the correction as identified below.

1. **Removal Before the Deadline.** The responsible individual should remove the excess contribution along with the earnings attributable to the excess, before June 1 of the year following the year for which the excess was made. An excess withdrawn by this deadline is not taxable upon distribution, but the designated beneficiary must include the earnings attributable to the excess in his or her taxable income for the year in which the excess contribution was made. The six percent excess contribution penalty tax will be avoided.

2. **Failure to Remove Before the Deadline.** Excess Coverdell ESA contributions that are not removed before June 1 of the year following the year for which the excess was made, are treated as contributions for the next calendar year. If, however, additional contributions are made for that year and the total amount results in an excess, the excess amount will be subject to a six percent penalty tax if not removed timely.

If additional contributions have been made for the next year, the amount of the excess equals the excess contribution for the current year, plus the excess contributions remaining from the preceding year, reduced by any distributions made during the current year.

The designated beneficiary must file IRS form 5329 to report and remit any additional penalty taxes to the IRS.

D. **Tax-Deferred Earnings** – The investment earnings of the Coverdell ESA are not subject to federal income tax as they accumulate in the Coverdell ESA. In addition, distributions of the Coverdell ESA earnings will be free from federal income tax if the distributions are taken to pay for qualified education expenses, as discussed below.

E. **Taxation of Distributions** – The taxation of distributions from the Coverdell ESA depends on whether or not the distributions are used for qualified education expenses.

1. **Qualified Education Expenses.** The designated beneficiary may take tax-free distributions from a Coverdell ESA to pay for elementary, secondary or post-secondary education expenses at an eligible educational institution. Such expenses include tuition, fees, books, supplies, special needs services, room and board, uniforms, transportation, academic tutoring and supplementary items or services (including extended day programs). Also qualifying are expenses for the purchase of computer technology or equipment, Internet access and related services, if such technology, equipment or services are to be used by the designated beneficiary or designated beneficiary's family during any of the years the designated beneficiary is in school. Qualified expenses may also include amounts contributed to a qualified tuition program.

2. **Nonqualifying Distributions.** If a designated beneficiary withdraws amounts from a Coverdell ESA that exceed the qualified education expenses for the same year, or the distributions are not used for qualified education expenses, a portion of the distributions will be taxable. The amount in excess of the qualified education expenses is taxable pro rata, based on the earnings and the basis in the account.

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

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

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

F. **Income Tax Withholding** – Any withdrawal from the Coverdell ESA is not subject to federal income tax withholding.

G. **Rollovers** – Coverdell ESA amounts may be rolled over to another Coverdell ESA of the same designated beneficiary or that of a qualified family member, provided that all of the applicable rollover rules are followed. Rollover is a term used to describe a tax-free movement of cash to a Coverdell ESA from another Coverdell ESA. The rollover rules are generally summarized below. These transactions are often complex. For questions regarding a rollover, please see a competent tax advisor.

1. **Coverdell ESA-to-Coverdell ESA Rollovers.** Assets distributed from a Coverdell ESA may be rolled over to another Coverdell ESA of the same designated beneficiary or that of a qualifying family member if the requirements of IRC Sec. 530(d)(5) are met. A proper Coverdell ESA-to-Coverdell ESA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received.

Effective for distributions occurring on or after January 1, 2015, the responsible individual is permitted to roll over only one distribution from a Coverdell ESA in a 12-month period, regardless of the number of Coverdell ESAs owned by the designated beneficiary. A distribution may be rolled over to the same Coverdell ESA or to another Coverdell ESA that is eligible to receive the rollover. For more information on rollover limitations, you may wish to obtain IRS Publication 970, *Tax Benefits for Education*, from the IRS or refer to the IRS website at www.irs.gov.

2. **Qualified Family Member.** A Coverdell ESA may be rolled to another Coverdell ESA of the same designated beneficiary or to a Coverdell ESA maintained for the benefit of a qualified family member of the designated beneficiary, who is under the age of 30. The age 30 limitation does not apply to qualified family members who are special needs beneficiaries. Qualified family members of the designated beneficiary include the designated beneficiary's child, grandchild, or stepchild, brother, sister, stepbrother, or stepsister, nephew or niece, parents, stepparents, or grandparents, uncle or aunt, spouses of all the family members listed above, cousin, and designated beneficiary's spouse.

3. **Rollover of Military Death Benefits.** If a designated beneficiary receives or has received a military death gratuity or a payment from the Servicemembers' Group Life Insurance (SGLI) program, the designated beneficiary may be able to roll over the proceeds to the Coverdell ESA. The rollover contribution amount is limited to the sum of the death benefits or SGLI payment received, less any such amount that was rolled over to a Roth IRA. Proceeds must be rolled over within one year of receipt of the gratuity or SGLI payment for deaths occurring on or after June 17, 2008. Any amount that is rolled over under this provision is considered nontaxable basis in the Coverdell ESA.

LIMITATIONS AND RESTRICTIONS

- A. **Gift Tax** – Transfers of Coverdell ESA assets to a death designated beneficiary made during the designated beneficiary's life and at his or her request or because of the designated beneficiary's failure to instruct otherwise, may be subject to federal gift tax under IRC Sec. 2501.
- B. **Prohibited Transactions** – If the responsible individual engages in a prohibited transaction with the Coverdell ESA as described in IRC Sec. 4975, the Coverdell ESA will lose its tax-deferred status and the designated beneficiary must include the value of the earnings in his or her account in his or her gross income for the year.
- C. **Pledging** – If the responsible individual pledges any portion of the Coverdell ESA as collateral for a loan, the amount so pledged will be treated as a distribution and may be included in the designated beneficiary's gross income for that year to the extent that it represents earnings.

OTHER

- A. **IRS Plan Approval** – The agreement used to establish this Coverdell ESA has been approved by the IRS. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.
- B. **Additional Information** – Additional information on Coverdell ESAs may be obtained from the District Office of the IRS. In particular IRS Publication 970, *Tax Benefits for Education*, may be obtained by calling 1-800-TAX-FORM, or by visiting www.irs.gov on the Internet.
- C. **Important Information About Procedures for Opening a New Account** – To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial organizations to obtain, verify, and record information that identifies each person who opens an account. Therefore, when the depositor opens an account, he or she is required to provide his or her name, residential address, date of birth, and identification number. The custodian may require other information that will allow them to identify the depositor.



Coverdell Eligibility Requirements

- I understand the eligibility requirements of the Coverdell ESA Deposit I am making and I state that I do qualify to make the deposit.
- I have received a copy of the Application, 5305-E Plan Agreement Disclosure Statement.
- I understand the terms and conditions which apply to this coverdell ESA are contained in this Application and the 5305-EA Plan Agreement and I agree to be bound by those terms and conditions.
- The signature of the responsible individual shall be obtained if someone older than the depositor will be the responsible individual

I assume responsibility for:

1. Determining that I am eligible to contribute to a Coverdell ESA each year I make a contribution.
2. Insuring that all contributions I make are within the limits set forth by the tax laws.
3. Certifying that I am qualified to assume the responsibilities as a responsible individual as set forth in this Agreement, if I am designated on this Application as the responsible individual.
4. Managing and Administering the account and authorizing transactions involving contributions and distributions, if I am designated on the Account Application as the responsible Individual.

Beneficiary Notification

If neither primary nor contingent is indicated, the individual or entity will be deemed to be a primary beneficiary. If more than one primary beneficiary is designated and no distribution percentages are indicated, the beneficiaries will be deemed to own equal share percentages in the IRA. Multiple contingent beneficiaries with no share percentage indicated will also be deemed to share equally.

If any primary or contingent beneficiary dies before me, his or her interest and the interest of his or her heirs shall terminate completely, and the percentage share of any remaining beneficiary(ies) shall be increased on a pro rata basis. If no primary beneficiary(ies) survive me, the contingent beneficiary(ies) shall acquire the designated share of my IRA.

Financial Disclosure Statement

The amount of money that will be available at any period of time whether the first year, the end of five years, or upon attaining age 60, 65 or 70 will depend on the following:

(a) amount of contributions; (b) total years of participation; (c) earnings from such account including interest, dividends, realized and unrealized losses; (d) expenses incurred for brokerage commissions and custodian fees; and (e) due to the numerous modes of investments that you may choose, neither a guaranteed return or a projected amount can be practically furnished.

Custodial Fees: Muriel Siebert & Co., LLC.. ("Siebert") has established the following fee schedule for its IRAs.

Annual maintenance fee: None

Minimum balance: \$30.00 below \$10,000

Recharacterization fee: \$25.00

IRA Termination fee: \$95.00

Returned check fee: \$25.00

In addition, Siebert charges fees as outlined in the customer agreement that may pertain to your account. Siebert reserves the right to institute new fees and charges or to change any of the administrative fees or charges.

You have the option to pay for any custodial fees separately from the retirement account (IRA) itself. If, however, payment is not made separately, the fees will be automatically charged to your account, or as directed by you in writing, charged against another account over which you have investment authority. When separately billed and paid, such fees are deductible to the extent that they constitute ordinary and necessary expenses for the management of the IRA, but are subject to the 2% floor on miscellaneous itemized deductions.

Brokerage Commissions: Commissions shall be charged as outlined in Siebert's commission schedule.

Other Expenses: Any taxes of any kind which may be imposed with respect to the IRA and any reasonable expenses incurred by Siebert in the management of the assets under the traditional IRA together with any fees referred to above, shall be paid by you, or if not timely paid, will be charged against your account, or as directed by you in writing, charged against another account over which you have investment authority.



Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
Employee Plans

March 15, 2021

Muriel Siebert & Co.,
LLC.. Attn.: Michael
Colombino 9464 Wilshire
Blvd Beverly Hills, CA
90212

Re: Muriel Siebert & Co.,
Nonbank Trustee Approval Letter
Control # 911755238

Dear Mr. Colombino:

In a letter dated November 16, 2020, as supplemented by correspondence dated March 4, 2021, your authorized representative requested, pursuant to section 1.408-2(e) of the federal Income Tax Regulations ("Regulations"), a written Notice of Approval that Muriel Siebert & Co., LLC.. may act as a passive or nonpassive nonbank trustee or custodian with respect to Archer medical savings accounts ("Archer MSAs") under section 220, health savings accounts under section 223, plans qualified under section 401 (a), custodial accounts under section 403(b)(7), individual retirement accounts ("IRAs") under section 408 (including accounts described in sections 408(c), 408(h), 408(k) and 408(p)), Roth IRAs under section 408A, eligible deferred compensation plans under section 457(b) and Coverdell education savings accounts under section 530 of the Internal Revenue Code ("Code").

Section 220(d)(1)(B) of the Code provides that for purposes of this section, the trustee of an Archer MSA must be a bank (as defined in section 408(n)), an insurance company (as defined in section 816), or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section. Q & A-10 of Notice 96-53, 1996-2 C. B. 219, provides that persons other than banks, insurance companies, or previously approved IRA trustees or custodians may request approval to be a trustee or custodian in accordance with the procedures set forth in section 1.408-2(e) of the Regulations.

Section 223(d)(1)(B) of the Code provides that the trustee of a health savings account must be a bank (as defined in section 408(n)), an insurance company (as defined in section 816), or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section. Section 223(d)(4)(E) provides, in general, that rules similar to section 408(h) (dealing with custodial accounts) also apply to health savings accounts.

Section 401(f)(1) of the Code provides that a custodial account shall be treated as a qualified trust under section 401 if such custodial account would, except for the fact it is not a trust, constitute a qualified trust under this section. Section 401(f)(2) provides that the custodian must be a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will hold the assets will be consistent with the requirements of section 401. Section 401(f) also provides that in the case of a custodial account treated as a qualified trust, the person holding the assets of such account shall be treated as the trustee thereof.

Section 1.401(f)-1(b) of the Regulations provides that a custodial account is treated as a qualified trust under section 401 of the Code if the custodial account would, except for the fact that it is not a trust, constitute a qualified trust under section 401, and the custodian is either a bank or another person who demonstrates, to the satisfaction of the Commissioner, that the manner in which the assets are held will be consistent with the requirements of section 401. It further provides that the demonstration must be made in the same manner as the demonstration required by section 1.408-2(e).

Section 403(b)(7) of the Code requires that for amounts paid by an employer to a custodial account to be treated as amounts contributed to an annuity contract for his employee, the custodial account must satisfy the requirements of section 401(f)(2).

Section 408(a)(2) of the Code requires that the trustee of an IRA must be a bank (as defined in section 408(n)) or such other person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will administer the IRA will be consistent with the requirements of section 408.

Section 408(h) of the Code provides that a custodial account shall be treated as a trust under this section if the assets of such account are held by a bank (as defined in subsection (n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will administer the account will be consistent with the requirements of this section, and if the custodial account would, except for the fact that it is not a trust, constitute an IRA described in subsection (a). Section 408(h) also provides that, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

Section 408A of the Code provides, in general, that a Roth IRA shall be treated in the same manner as an individual retirement plan. Section 408A(b) provides that a Roth IRA is an individual retirement plan as defined in section 7701(a)(37)(A). Section 7701(a)(37)(A) defines an individual retirement plan as an individual retirement account described in section 408.

Section 457(g) of the Code provides that plan assets and income of governmental eligible deferred compensation plans must be held in trust. Section 457(g)(3) provides

that custodial accounts and contracts described in section 401 (f) shall be treated as trusts under rules similar to the rules under section 401 (f).

Section 1.457-8(a)(3) of the Regulations provides that for purposes of the trust requirements of section 457(g)(1), a custodial account will be treated as a trust if the custodian is a bank, as described in section 408(n), or a person who meets the nonbank trustee requirements of paragraph (a)(3)(ii)(B) of this section, and the account meets the requirements of paragraphs (a)(1) and (2) of this section, other than the requirement that it be a trust. Paragraph (a)(3)(ii)(B) provides that the custodian of a custodial account may be a person other than a bank only if the person demonstrates to the satisfaction of the Commissioner that the manner in which the person will administer the custodial account will be consistent with requirements of sections 457(g)(1) and 457(g)(3). To do so, the person must demonstrate that the requirements of section 1.408-2(e)(2)-(6), relating to nonbank trustees, are met.

Section 530(b)(1)(B) of the Code requires that the trustee of a Coverdell education savings account must be a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which that person will administer the trust will be consistent with the requirements of this section or who has so demonstrated with respect to any individual retirement plan.

Section 530(9) of the Code provides that, for purposes of this section, a custodial account shall be treated as a trust if the assets of such account are held by a bank (as defined in section 408(n)) or another person who demonstrates, to the satisfaction of the Secretary, that the manner in which he will administer the account will be consistent with the requirements of this section, and if the custodial account would, except for the fact that it is not a trust, constitute an account described in subsection (b)(1). For purposes of Title 26 (i.e., the Code), in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

The Regulations at section 1.408-2(e) contain the requirements that must be satisfied in order to act as a custodian for purposes of sections 220, 223, 401, 403(b)(7), 408(a), 408(h), 408A, 457(b), and 530 of the Code. Section 1.408-2(e)(1) requires a person to file a written application with the Commissioner demonstrating that it meets sections 1.408-2(e)(2) through (6).

Based on all the information submitted to this office and all the representations made in the application, we have concluded that Muriel Siebert & Co., LLC.. meets the requirements of section 1.408-2(e) of the Regulations and, therefore, is approved to act as a passive or non-passive nonbank trustee or custodian of Archer MSAs under section 220, health savings accounts under section 223, plans qualified under section 401 (a), custodial accounts under section 403(b)(7), IRAs under section 408 (including accounts described in sections 408(c), 408(h), 408(k) and 408(p)), Roth IRAs under section 408A, eligible deferred compensation plans under section 457(b) and Coverdell education savings accounts under section 530 of the Code.

This Notice of Approval authorizes Muriel Siebert & Co., LLC.. to act as a passive or non-passive nonbank trustee or custodian. When Muriel Siebert & Co., LLC.. acts as a passive nonbank trustee or custodian (within the meaning of section 1.408-2(e)(6)(i)(A) of the Regulations), it is authorized only to acquire and hold particular investments specified by the trust instrument or custodial agreement. As a passive nonbank trustee or custodian, it cannot have the discretion under the written trust instrument or custodial agreement to direct investments of the trust (or custodial) funds.

Muriel Siebert & Co., LLC.. may not act as a trustee or custodian unless it undertakes to act only under trust instruments or custodial agreements that contain a provision to the effect that the grantor is to substitute another trustee or custodian upon notification by the Commissioner that such substitution is required because Muriel Siebert & Co., LLC.. has failed to comply with the requirements of section 1.408-2(e) of the Regulations or is not keeping such records, or making such returns or rendering such statements as are required by forms or Regulations. For example, one such form is Form 990-T for IRAs that have \$1,000 or more of unrelated business taxable income that is subject to tax by section 511(b)(1) of the Code.

Muriel Siebert & Co., LLC.. is required by section 1.408-2(e)(6)(iv) of the Regulations to notify the Commissioner of Internal Revenue, Attn: SE:T:EP:RA, Internal Revenue Service, 1111 Constitution Ave., NW, Washington, D.C. 20224, in writing, of any change that affects the continuing accuracy of any representations made in its application. Further, the continued approval of Muriel Siebert & Co., LLC.. to act as a passive or non-passive nonbank trustee or custodian of Archer MSAs under section 220, health savings accounts under section 223, plans qualified under section 401 (a), custodial accounts under section 403(b)(7), IRAs under section 408 (including accounts described in sections 408(c), 408(h), 408(k) and 408(p)), Roth IRAs under section 408A, eligible deferred compensation plans under section 457(b) and Coverdell education savings accounts under section 530 of the Code is contingent upon the continued satisfaction of the criteria set forth in section 1.408-2(e).

This Notice of Approval letter is not transferable to any other entity. An entity that is a member of a controlled group of corporations, within the meaning of section 1563(a) of the Code, may not rely on an approval letter issued to another member of the same controlled group. Furthermore, any entity that goes through an acquisition, merger, consolidation or other type of reorganization may not necessarily be able to rely on the approval letter issued to such entity prior to the acquisition, merger, consolidation or other type of reorganization. Such entity may have to apply for a new Notice of Approval in accordance with section 1.408-2(e) of the Regulations.

This letter constitutes a notice that Muriel Siebert & Co., LLC.. may act as a passive or non-passive nonbank trustee or custodian of Archer MSAs under section 220, health savings accounts under section 223, plans qualified under section 401 (a), custodial accounts under section 403(b)(7), IRAs under section 408 (including accounts described in sections 408(c), 408(h), 408(k) and 408(p)), Roth IRAs under section

408A, eligible deferred compensation plans under section 457(b) and Coverdell education savings accounts under section 530 of the Code and does not bear upon its capacity to act as a trustee or custodian under any other applicable law. This is not an endorsement of any investment or retirement plan. The Internal Revenue Service ("Service") does not review or approve investments and it does not recommend retirement plans.

This Notice of Approval is effective as of the date of this letter and will remain in effect until withdrawn by Muriel Siebert & Co., LLC.. or revoked by the Service. This Notice of Approval does not authorize Muriel Siebert & Co., LLC.. to accept any fiduciary account before this notice becomes effective.

In accordance with the power of attorney on file in this office, a copy of this letter is being sent to your authorized representative.

Sincerely,

Sherri M. Edelman

Sherri M. Edelman, Manager
Employee Plans Technical Group 1

Cc:

Barbara R. Van Zomeren
Ascensus
415 8th Ave NE
Brainerd, MN 56401

Customer Agreement

Muriel Siebert & Co., LLC..

Please retain for your records.

By maintaining your account at Muriel Siebert & Co., LLC.. you have agreed to be bound by the terms and conditions below as they apply to your account, and as they may be amended from time to time. The most current version of this agreement is always available at www.Siebert.com or you may obtain a copy free of charge by calling 800-872-0444.

1. **Application Approval and Account Ownership:** An account will be opened for you in the requested registration once your application has been approved. You certify that sole ownership of the account vests in that person(s) or entity as stated in your application, and that no other party holds any interest in the account. Muriel Siebert & Co., LLC.. may reject your application and refuse to open an account as requested for any reason.

2. **Legal Age and Accuracy of Information:** You certify that you are of legal age in the state or country where you reside, and that the information you have supplied in your application is wholly true and accurate.

3. **Changes in Affiliation or Financial Condition:** Except as disclosed in your application, you certify that you are not an employee or affiliate of any securities exchange or FINRA, or of any member firm of a securities exchange or FINRA, or an officer, director, or 10% stockholder of any publicly traded company. You agree to inform Muriel Siebert & Co., LLC.. immediately of any change in this regard. You also agree to advise Muriel Siebert & Co., LLC.. of any material change in your financial condition or investment objectives, prior to entering any order after such change takes place.

4. **Privacy Policy:** Muriel Siebert & Co., LLC.. restricts access to your personal and account information to those employees and agents who need to know that information to provide products or services to you. Muriel Siebert & Co., LLC.. maintains physical, electronic and procedural safeguards to protect your nonpublic, personal information. Muriel Siebert & Co., LLC.. does not disclose any nonpublic, personal information about our current and former customers to anyone, except as permitted by law. Muriel Siebert & Co., LLC.. collects nonpublic, personal information about you from the following sources:

- Information we receive from you on applications or other forms.
- Information about your transactions with others or us.
- Information we receive from a consumer-reporting agency.
- If you decide to close your account(s) or become an inactive customer, we shall continue to adhere to these same policies and procedures.

If you decide to close your account(s) or become an inactive customer, we shall continue to adhere to these same policies and procedures.

You authorize Muriel Siebert & Co., LLC.. to obtain a credit report or bank reference for you at any time, and to verify the information you have provided on your application (for

example, by contacting your employer). At your written request, Muriel Siebert & Co., LLC.. will provide the name and address of any credit reporting agency used.

You authorize Muriel Siebert & Co., LLC.. to release information contained on your application to such agencies. Muriel Siebert & Co., LLC.. may also be required to release information regarding your account to the government or regulatory authorities. Under the provisions of SEC Rule 14b-1, Muriel Siebert & Co., LLC.. shall also release your name and address to issuers of any securities held in your account so that you may receive any important information about them; you agree to notify Muriel Siebert & Co., LLC.. in writing if you object to this arrangement.

5. **I authorize you to contact me for discussion and/or review of my investment decisions and of my positions and funds held in my account.**

6. **Applicable Rules and Regulations:** All transactions shall be subject to the rules, regulations, customs and usages of the exchange, market, or clearing house where executed, and to all applicable SRO rules, and federal and state laws and regulations.

7. **Deposits and Restrictions on Order Entry:** Muriel Siebert & Co., LLC.. reserves the right to demand a deposit of funds or other adequate collateral prior to accepting any order to buy or sell securities. In consideration of credit risk and other factors, Muriel Siebert & Co., LLC.. may also, at its sole discretion, take any or all of the following steps: require full payment for any purchase prior to accepting an order; require cleared funds prior to accepting any order; refuse to accept any order to buy or sell any security; and place trading restrictions on your account, without prior notice to you. Accounts maintaining credit balances with no trades for an entire year may stop earning interest.

8. **Payment for Order Flow:** Muriel Siebert & Co., LLC.. has consistently handled its customers' orders with the goal of the best execution at a low cost. In all cases, we seek to direct orders so that they are executed promptly and at the best price. We monitor and compare the quality of executions to comply with both industry regulations and with our business goal of getting the best price for our customers. Muriel Siebert & Co., LLC.. may receive negligible payments for order flow. The various option exchanges may also pay for order flow. We shall continue to direct our option order flow to the market with the tightest spread and most volume, with the help of our agent dealers. Muriel Siebert & Co., LLC.. may share revenue from certain executions based upon a number of factors including, but not limited to: size of the order, the NBBO in the security at the time of execution, time of order entry, whether the order is executable at the time of entry, and whether or not an order is price improved. Muriel Siebert & Co., LLC.. directs a portion of our order flow to our own market-making desk. We stand to realize 100% of profits or losses generated from this order flow while acting as principal. Muriel Siebert & Co., LLC.. engages in proprietary trading, particularly in fixed income securities, and has procedures in place to prioritize and protect customer transactions.

9. **Order Routing and Confirmation:** You authorize Muriel Siebert & Co., LLC.. to direct your orders to any appropriate market in the execution of your security transactions, including option transactions. Muriel Siebert & Co., LLC.. may notify clients of trades through email, postal confirm, online access to activity, and order status pages. Reports on execution of trades in your account shall be deemed accepted if you have not notified Muriel Siebert & Co., LLC.. in writing with your objections within five (5) business days after the order has been executed. Muriel Siebert & Co., LLC.. has the right at its sole discretion to reject any order placed and has the right to refuse any orders sent through the mail or voicemail.
10. **Payment of Indebtedness upon Demand:** You are liable at all times for payment of any debit balance or other obligation owing to Muriel Siebert & Co., LLC.. Muriel Siebert & Co., LLC.. may, at its own discretion, make any such debit balance or other obligation immediately due and payable.
11. **Security for Indebtedness:** All monies, securities, and other property which Muriel Siebert & Co., LLC.. may hold, carry or maintain for any account in which you have an interest, now or in the future, are subject to a lien for the discharge of all your indebtedness and liability to Muriel Siebert & Co., LLC.. Muriel Siebert & Co., LLC.. reserves the right to transfer all or any part of such monies, securities, and other property from any one of your accounts to any other of your accounts, should Muriel Siebert & Co., LLC.. deem such action necessary for its protection.
12. **Liquidation:** Muriel Siebert & Co., LLC.. reserves the right, at any time and as it deems necessary for its own protection, to sell, assign, or deliver securities or other property in your account, and to buy any securities or other property which may be short in your account, and otherwise to cancel any transaction, open order, or other commitment in your account, whether all or in part. Muriel Siebert & Co., LLC.. reserves the sole right to determine all particulars of any such action, including which securities to sell or buy, the sequence of the liquidating transactions, whether to place market, limit, or stop orders, on which exchange or market to execute the transaction, and whether at public auction or private sale, with Muriel Siebert & Co., LLC.. also reserving the right to purchase any of the aforesaid property for its own account at such sale, free of any right of redemption. Muriel Siebert & Co., LLC.. may take such action without prior announcement, demand or call of any kind to you or your personal representatives, it nevertheless being understood that prior notice does not constitute a waiver of Muriel Siebert & Co., LLC..' right to take whatever action it deems necessary without further notice of any kind to you. Circumstances where Muriel Siebert & Co., LLC.. has the right (but is not required) to take such action include: your death, incapacity or incompetency; a filing by you or for you of a petition for bankruptcy or the appointment of a receiver; an attachment levied against your account; a failure to pay for a purchase or to deliver a security; a margin deficiency or inadequate collateral for an obligation; or the closing of your account by Muriel Siebert & Co., LLC.. In the event your account is liquidated, in whole or in part, you agree to be liable for and pay any resulting deficiency upon demand.
13. **Costs and Expenses:** You shall reimburse Muriel Siebert & Co., LLC.. for the costs of collecting any unpaid deficiency in your account, including reasonable attorneys' fees. Muriel Siebert & Co., LLC.. shall also be entitled to reimbursement for all reasonable expenses for any extraordinary services incurred in connection with your account, including but not limited to attachment, interpleader, garnishment, restraining orders, injunctions, tax liens and levies.
14. **Late Payment in Cash Accounts:** In the absence of any specific demand otherwise, payment for purchases in a cash account is due on settlement date. If you fail to pay in timely fashion, Muriel Siebert & Co., LLC.. may liquidate the purchase and other security positions, as necessary, to meet your overdue obligation. Muriel Siebert & Co., LLC.. may charge interest and/or a reasonable fee for the cost of carrying any overdue debit balance after settlement date.
15. **Late Delivery of Securities Sold:** Any security sold 'long', if not on deposit in your account, must be delivered in good form by settlement date. If securities are not received by Muriel Siebert & Co., LLC.. in a timely fashion, your sale transaction may be canceled, your account bought in, or the security borrowed on your behalf. Muriel Siebert & Co., LLC.. reserves the right to charge your account the appropriate commission and/or a reasonable fee if any of these actions are undertaken. Any resultant trading loss is your sole responsibility.
16. **Commissions and Fees:** We reserve the right to update our commissions and fees periodically and without prior notice. You may view our fee schedule online, or by calling 800- 872-0444. Your account will be charged commission, markup/markdown, or commission equivalent for securities transactions and fees for certain services rendered, and you agree to pay these charges as they exist at the time. Retirement plan and corporate service plan accounts are subject to plan-specific fees and charges. Muriel Siebert & Co., LLC.. overall fees can be broken down as the following:
 - 801- **Service Fees** – To offset the costs of providing custodial, bookkeeping, and other maintenance services. Muriel Siebert & Co., LLC.. may, at its own discretion, waive this fee.
 - 802- **Retirement Account Fees** – Please consult with customer service for details as they apply to your account.
 - 803- **Annual Maintenance Fee** – Your account is subject to an annual maintenance fee that may be waived based on activity, and household equity.
- 16A. **Foreign Currency Wire Transfers:** Muriel Siebert & Co., LLC.. seeks to direct wire transfer payments so that they are submitted accurately and received promptly by its customers. Muriel Siebert & Co., LLC.. has entered into an agreement with a third party provider to facilitate foreign currency transactions for Muriel Siebert & Co., LLC.. customers who request the receipt of funds in a currency other than US Dollars. The third party provider charges a fee for its foreign currency conversion services which is passed through to the customer by Muriel Siebert & Co., LLC.. A portion of this fee is retained by Muriel Siebert & Co., LLC.. The nature and source of any such remuneration in connection with a specific transaction will be disclosed to you upon written request.

17. **Non-Individual Accounts:**
 - a) **Joint Accounts:** If this account is owned jointly, then all account owners agree that each account owner is jointly and severally liable for all obligations of the account. Any account owner shall have full authority, acting alone and without notice to other account owners, to take any and all actions in the account as though he or she were the sole owner, including the authority to enter orders, to receive confirmations, statements, demands, notices, and communications of every kind, and to make, modify and terminate agreements with Muriel Siebert & Co., LLC.. on behalf of the joint account. The account owners further authorize Muriel Siebert & Co., LLC.. to follow the instructions of any one account owner in every respect concerning the joint account.
 - b) **Fiduciary Accounts:** If this is a fiduciary account, the account owners will designate responsible and/or authorized parties as required by Muriel Siebert & Co., LLC.. Muriel Siebert & Co., LLC.. nevertheless reserves the right, at its sole discretion and for its own protection, to require the written consent of all account owners before acting upon the instruction of any one owner or authorized agent.
18. **Presumption of Receipt of Communications:** You agree to notify Muriel Siebert & Co., LLC.. in a timely fashion of any change in your name, address, phone number, or email address. Communications that Muriel Siebert & Co., LLC.. may send to you, whether by mail, email, telegraph, messenger, or otherwise, shall be considered as delivered to you, whether actually received or not. Reports of the execution of orders and statements of your account shall be deemed conclusive if not objected to, in writing, within five days and ten days, respectively, after transmittal to you by mail or other means.
By agreeing to receive electronic documentation, you receive all electronic documents/communication such as electronic trade confirmations, all account statements, tax documents, proxy, prospectus, financial reports, and other documentation. Unless you advise us that you require paper confirmations and/or statements, you agree to any costs associated with delivery of those confirmations and/or statements. You understand that you are responsible for logging on and accessing these documents directly from our website, www.siebert.com.
19. **Duplication of Orders:** You understand and agree that when changing the limit price or other aspect of any outstanding order, you must advise Muriel Siebert & Co., LLC.. at the same time to cancel the original order. You accept responsibility for any errors, including duplicate executions that might arise from your failure to do so.
20. **Electronic Recording:** Muriel Siebert & Co., LLC.. may record your conversations with its employees in the Trading Department and other areas. You consent to such recording.
21. **Hold on Deposited Funds:** Any funds deposited by check or other monetary instrument into your account may be withdrawn only after a reasonable number of business days have passed to allow the funds to clear. The number of business days shall be set by Muriel Siebert & Co., LLC.. and may vary with the type of instrument and other considerations.
22. **Your Responsibility to Know Your Securities:** Certain securities may require that you take action by a specified date. Examples of such securities include warrants, stock rights, convertible and/or redeemable bonds and preferred shares, and securities subject to tender or exchange offers. Muriel Siebert & Co., LLC.. shall make reasonable efforts to forward to street name holders any written notices or materials that have been provided to Muriel Siebert & Co., LLC.. in timely fashion by the issuers, transfer agents, or other parties, (Muriel Siebert & Co., LLC.. does not receive and therefore cannot forward any such materials for securities held in safekeeping). The final responsibility, however, for knowing the characteristics of these securities, the terms of their conversion, tender, redemption or exchange, and the expiration dates thereof, is yours. Muriel Siebert & Co., LLC.. is neither obligated to notify you of impending expiration or redemption dates, nor to take any action whatsoever regarding these securities. In the event such security is about to expire worthless or be redeemed for significantly less than its fair market value, and Muriel Siebert & Co., LLC.. has not received instructions from you, Muriel Siebert & Co., LLC.. reserves the right, but is not required, to take whatever action Muriel Siebert & Co., LLC.. may deem appropriate and to charge your account commissions or fees, if any.
23. **Control and Restricted Securities:** You agree to notify Muriel Siebert & Co., LLC.. prior to placing an order to sell 'control' or 'restricted' securities, as defined under Rule 144 or 145(d) of the Securities Act of 1933, and to provide any documents necessary to clear legal transfer as Muriel Siebert & Co., LLC.. may request. You understand and accept that such securities may not be sold or transferred, or proceeds released, until legal transfer is complete, and that as a result of these requirements delays may occur. You agree to hold Muriel Siebert & Co., LLC.. harmless for any losses you may realize, directly or indirectly, as a result of such delays.
24. **Losses Due to Extraordinary Events:** You agree to hold Muriel Siebert & Co., LLC.. harmless for any losses due to extraordinary events, including, but not limited to, losses arising directly or indirectly from war, weather, natural disaster, government restrictions, the loss of data processing services or communications, exchange or market rulings, trading suspensions and disruptions of orderly trading.
25. **Account Protection:** Muriel Siebert & Co., LLC.. is a Member of SIPC, which protects securities customers of its members up to \$500,000, including \$250,000 for claims for cash. Coverage does not protect against loss of market value of securities. An explanatory brochure is available upon request at <http://www.sipc.org> or 202-371-8300. Muriel Siebert & Co., LLC.. has purchased, from a major London insurer, \$20,000,000 per account in additional protection, \$50,000,000 aggregate. Coverage does not protect against loss of market value of securities. Details on account protection are also available at <http://www.siebert.com>.

26. **Market Data:** Muriel Siebert & Co., LLC.. provides its customers with a range of financial information, including wire service news, last sale pricing, market quotes, trading volumes, etc., which Muriel Siebert & Co., LLC.. purchases from independent vendors. Although Muriel Siebert & Co., LLC.. believes the information to be reliable, Muriel Siebert & Co., LLC.. cannot guarantee the accuracy of the data nor their uninterrupted provision.

You agree to hold Muriel Siebert & Co., LLC.. harmless for any losses arising from your reliance upon these data.

27. **Termination of Account:** Either you or Muriel Siebert & Co., LLC.. may close your account at any time by giving notice upon the other. Muriel Siebert & Co., LLC.. may also elect not to terminate your account entirely but to end certain account features or trading privileges. Upon termination whether by you or by Muriel Siebert & Co., LLC., you will be liable upon demand for any debit balance or other deficiency owing to Muriel Siebert & Co., LLC..

28. **Online Account Agreement:** In regard to your authorization of Muriel Siebert & Co., LLC.. to access and effect transactions in your account(s) online, you agree to abide by all terms and conditions set forth below:

- 1.1 "We", or "us", includes Muriel Siebert & Co., LLC.. and Broadridge Financial Solutions
- 1.2 "You" or "your." Each person who logs on to this online securities trading system (the OLST System) or a designee of any person who does so.
- 1.3 Service. The online trading services are provided through the subscription account with Broadridge Financial Solutions.
- 1.4 User ID. Your alpha-numeric code, which is required for you to access your account through the service.
- 1.5 Service Provider. "Broadridge Financial Solutions"

Terms:

- a. Online Service. You shall use the service only in accordance with this agreement and any additional services offered through the service in the future will only be used in accordance with this agreement.
- b. You shall be the only authorized user of the service under this agreement. You shall be responsible for the confidentiality and use of your account number, User ID, and password. You understand that you shall be solely responsible for all orders entered through the service using your account number, User ID, and password.
- c. You agree to use the service for lawful purposes only. Any use in violation of any applicable law or regulation is prohibited. You agree to indemnify and hold harmless the service provider and us from any claims resulting from your use of the service by anyone authorized by you who damage us or the service provider or any third party.
- d. You further understand and agree that, as a condition of using the service to place orders and/or send information, you shall immediately notify us if: (a) an order has been placed through the service and you have not received an order number; (b) an order has been placed through the service and you have not received an accurate acknowledgment (whether through hard copy, electronic, or verbal means) of the order or of its execution; (c) you have received acknowledgment (whether through hard copy, electronic, or verbal means) of an execution for an order which you did not place or any similar conflict; or (d) you become aware

of any unauthorized use of your account number, User ID, or password.

- e. If you fail to notify us as soon as practicable when any of the above conditions occur, neither of us nor any of our officers, employees, agents, affiliates, subsidiaries, or the service provider can or will have any responsibility or liability to you or to any person whose claim may arise through you for any claims with respect to the handling, mishandling, or loss of any order.
- f. You further agree that we, our affiliates, or the service provider will not be liable for any consequential, incidental, special, or indirect damage (including lost profits, trading losses and damages) that result from inconvenience, delay or loss of the use of the service even if we have been advised of the possibility of such damages.
- g. You agree that we, our affiliates, or the service provider will not be liable for any losses resulting from a cause over which we or our affiliates or the service provider does not have direct control, including but not limited to the failure of electronic or mechanical equipment or communication lines, telephone, or other interconnect problems (e.g. if you are unable to access your online service provider), unauthorized access, theft, operator errors, severe weather, earthquakes, floods and strikes or other labor problems.
- h. We offer you various ways of accessing your account. You agree that should you experience any problems in reaching us through any particular method, you will attempt to use alternate methods to communicate with us.
- i. You agree that we may modify the service or change the terms to this agreement, in whole or in part, upon notice through the service and/or in writing.
- j. You understand that each participating national securities exchange or association asserts a proprietary interest in all of the market data it furnishes to the parties that disseminate the data. You also understand that neither any participating national securities exchange or association nor any supplier of market data guarantees the timeliness, sequence, accuracy, or completeness of market data or any other market information, or messages disseminated by any party. Neither of us, nor the service provider, nor any disseminating party shall be liable in any way, and you agree to indemnify and hold harmless us, the service provider, and such disseminating party, for
 - (a) any inaccuracy, error, or delay in, or omission of
 - (i) any such data, information, or message, or the transmission or such inaccuracy, error, delay, or omission,
 - (ii) non- performance, or (iii) interruption of any such data, information, or message, due either to any negligent act or omission by us, the service provider, or any disseminating party or to any "force majeure" (i.e., flood, extraordinary weather conditions, earthquake, or other act of God, fire, war, insurrection, riot, labor dispute, accident, action of government, communications, power failure or equipment or software malfunction) or any other cause beyond the reasonable control of us, service provider or any disseminating party. You understand that the terms of this agreement may be enforced directly against you by the national securities exchanges and associations providing market data or the service provider. You shall use real-time quotes only for your individual use and shall not furnish such data to any other person or entity.

- k. We and/or our agents, or the service provider will not be liable for losses caused directly or indirectly by government restriction, exchange or market rulings, suspension of trading, computer or telephone failure, war, earthquakes, strikes or any other conditions beyond or out of the service providers control.
- l. The service provider and third party supplier of services on this system has the right to assert and enforce the provisions of this agreement directly on its own behalf as a third party beneficiary.
- m. The express warranties and express representation set forth in this agreement are in lieu of, and WE AND SERVICE PROVIDER DISCLAIM, ANY AND ALL OTHER WARRANTIES, CONDITIONS, OR REPRESENTATIONS (EXPRESS OR IMPLIED, ORAL OR WRITTEN), WITH RESPECT TO THE OLST SYSTEM, FUNCTIONALITY OF ANY PART THEREOF, MODIFICATIONS THERETO, INCLUDING ANY AND ALL IMPLIED WARRANTIES OR CONDITIONS OF TITLE, NONINFRINGEMENT, MERCHANTABILITY, OR FITNESS OR SUITABILITY FOR ANY PURPOSE (WHETHER OR NOT WE OR SERVICE PROVIDER KNOW, HAVE ANY REASON TO KNOW, HAVE BEEN ADVISED, OR ARE OTHERWISE IN FACT AWARE OF ANY SUCH PURPOSE), WHETHER ALLEGED TO ARISE BY LAW, BY REASON OF CUSTOM OR USAGE IN THE TRADE, OR BY COURSE OF DEALING. NEITHER OF US, NOR SERVICE PROVIDER, MAKE ANY WARRANTY THAT OLST SERVICES WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR FREE. WE AND SERVICE PROVIDER EXPRESSLY DISCLAIM ANY WARRANTY OR REPRESENTATION WITH RESPECT TO ANY TRANSACTIONS EXECUTED THROUGH THE OLST SYSTEM, with the exception of the "Online Account Agreement" section of the Muriel Siebert & Co., LLC.. Agreement signed by you on account opening and as may be amended from time to time. This agreement remains in full force and effect in conjunction with this OLST system agreement.
- n. You understand that we and the service provider will not be liable for any losses resulting from a cause over which we or service provider do not have direct control, including but not limited to the failure of electronic or mechanical equipment or communication lines, inaccessibility of any service providers, unauthorized access, theft, operator errors, severe weather, earthquakes, floods and strikes, or other labor problems. Neither us nor the service provider shall be liable for any loss, injury, claim, liability, or any kind of resulting in any way from (a) any errors in or omissions in the services provided by the OLST system, or any services available or not included therein, (b) the unavailability or interruption of the services or any features thereof, (c) the content of material available through the services, or (f) any delay, inconvenience, or failure in performance, including but not limited to events arising from acts or omission of unaffiliated third parties, acts of god, or unforeseen illegal actions of another.
- o. YOU AGREE THAT CLAIMS ARISING OUT OF OR RELATING TO THE OLST SYSTEM, MODIFICATIONS THERETO, TRAINING THEREFORE, OR ANY RELATED BUGS SHALL NOT EXCEED THE AMOUNT OF THE ACTUAL DIRECT DAMAGES TO YOU INDIVIDUALLY, AND SHALL BE LIMITED ONLY TO AMOUNT PAID BY YOU, IF ANY, FOR SUCH SERVICES.
- p. NEITHER WE NOR THE SERVICE PROVIDER SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT, PUNITIVE, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND WHATSOEVER (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, LOSS OF REVENUE OR PROFITS, COST OF REPLACEMENT OF SERVICE, TRADING LOSSES, FAILURE TO REALIZE SAVINGS OR OTHER BENEFITS, LOSS OF DATA OR USE, DAMAGE TO EQUIPMENT AND CLAIMS AGAINST THE LICENSEE BY ANY THIRD PERSON) IN ANY WAY DUE TO, RESULTING FROM, OR ARISING IN CONNECTION WITH THE OLST SYSTEM, OR OUR FAILURE TO PERFORM OUR OBLIGATIONS, REGARDLESS OF ANY NEGLIGENCE.
- q. You acknowledge that the provisions of this agreement were negotiated to reflect an informed, voluntary allocation between us, of all known and unknown risks associated with this agreement. The warranty disclaimers and limitations in this agreement are intended to limit the circumstances of liability. The remedy limitations and the limitations of liability are separately intended to limit the forms of relief available to the parties.
29. **Separability:** If any court or regulatory body finds a provision of this agreement to be invalid or unenforceable, only that provision will be deemed invalid or unenforceable, with all other provisions of the agreement remaining in full force and effect.
30. **Assignment and Succession:** This agreement shall inure to Muriel Siebert & Co., LLC.. successors and assigns, and shall be binding upon your heirs, executors, administrators, successors, and assigns.
31. **Amendment of this Agreement:** Muriel Siebert & Co., LLC.. reserves the right to modify or terminate this agreement at any time. I agree to consult the Muriel Siebert & Co., LLC.. web site regularly for up-to-date information about the services offered and associated fees and charges.
32. **Governing Law:** This is a Florida contract and shall be construed and governed in accordance with the laws of the State of Florida, the courts of which shall have exclusive jurisdiction over any actions cognizable hereunder.
33. **ARBITRATION:** With respect to the pre-dispute arbitration agreement that follows, please note that:
- (1) All parties to this agreement are giving up the right to sue each other in court, including the right to a jury trial, except as provided by the rules of the arbitration forum in which a claim is filed.
 - (2) Arbitration awards are generally final and binding upon the parties. A party's ability to have a court reverse or modify an arbitration award is very limited.
 - (3) The ability of the parties to obtain documents, witness statements and other discover is generally more limited in arbitration than in court proceedings.
 - (4) The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
 - (5) The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.

- 6) The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- 7) The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until:

- (1) The class certification is denied;
- (2) The class is decertified;
- (3) The customer is excluded from the class by the court.

Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.

ARBITRATION AGREEMENT

Except as provided herein, any dispute, claim or controversy relating to this account shall be settled by arbitration in accordance with either the rules of FINRA or the SEC.

Notwithstanding the foregoing it is further agreed that Muriel Siebert & Co., LLC.. may at its sole option decline arbitration and elect to pursue its legal remedies as to any claim arising out of the failure of the undersigned to pay any indebtedness due to Muriel Siebert & Co., LLC.. Initiation of arbitration proceedings may be made by written demand for arbitration or notice of intention to arbitrate, served by either party upon the other, specifying the rules which are to apply to the arbitration.

The rules of some arbitration forums may impose time limits on bringing claims to arbitration, and, in some cases, claims that are ineligible for arbitration may be brought in court. The parties agree that the rules of the arbitration forum in which a claim is brought, and any amendments thereunto, are incorporated into the agreement.

MARGIN AGREEMENT

34. **Risk and Suitability:** When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from Muriel Siebert & Co., LLC.. If you choose to borrow funds from Muriel Siebert & Co., LLC., you will open a margin account with Muriel Siebert & Co., LLC.. The securities purchased are Muriel Siebert & Co., LLC.. collateral for the loan to you. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and, as a result, Muriel Siebert & Co., LLC.. can take action, such as issue a margin call and/or sell securities or other assets in any of your accounts, in order to maintain the required equity in the account.

It is important that you fully understand the risks involved in trading securities on margin. Although Muriel Siebert & Co., LLC.. may try to accommodate you, these risks include the following:

- You can lose more funds than you deposit in the margin account.
- A decline in the value of securities that are purchased on margin may require you to provide additional funds to
- Muriel Siebert & Co., LLC.. to avoid the forced sale of those securities or other securities or assets in your account(s).
- Muriel Siebert & Co., LLC.. can force the sale of securities or other assets in your account(s). If the equity in your account falls below Muriel Siebert & Co., LLC.. maintenance margin requirements, Muriel Siebert & Co., LLC.. can sell the securities or other assets in any of your accounts held at Muriel Siebert & Co., LLC.. to cover the margin deficiency. You also will be responsible for any short fall in the account after such a sale.
- Muriel Siebert & Co., LLC.. can sell your securities or other assets without contacting you. Some investors mistakenly believe that their broker must contact them for a margin call to be valid, and that their broker cannot liquidate securities or other assets in their accounts to meet the call unless their broker has contacted them first. This is not the case. Muriel Siebert & Co., LLC.. may attempt to notify its customers of margin calls, but it is not required to do so. However, even if Muriel Siebert & Co., LLC.. has contacted a customer and provided a specific date by which the customer can meet a margin call, Muriel Siebert & Co., LLC.. can still take necessary steps to protect its financial interests, including immediately selling the securities without notice to the customer.
- You are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call. Because the securities are collateral for the margin loan, Muriel Siebert & Co., LLC.. has the right to decide which securities to sell in order to protect its interests. Muriel Siebert & Co., LLC.. will attempt to liquidate on a "Last-In-First-Out-Basis."
- Muriel Siebert & Co., LLC.. can increase its "house" maintenance margin requirements at any time and is not required to provide you advance written notice. These changes in firm policy often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause Muriel Siebert & Co., LLC.. to liquidate or sell securities in your account(s).
- You are not entitled to an extension of time on a margin call. While an extension of time to meet margin requirements may be available to customers under certain conditions, a customer does not have a right to the extension.

Your application for a margin account is subject to the approval of, and may be reject

35. **Pledge of Securities:** All money, securities and other property held, carried, or maintained for you by Muriel Siebert & Co., LLC.. in your margin or short account may be pledged, repledged, hypothecated or rehypothecated, separately or together with the property of others, in an amount equal to the balance you owe to Muriel Siebert & Co., LLC., or for a greater amount. Muriel Siebert & Co., LLC.. may do so without retaining in its possession or under its control for delivery a like amount of securities or other property.

36. **Security for Indebtedness:** In your Customer Agreement with Muriel Siebert & Co., LLC.. you grant a lien on all securities and other property held in any Muriel Siebert & Co., LLC.. account in which you have an interest, now or in the future, for the discharge of all your debts and other obligations owing to Muriel Siebert & Co., LLC.. This lien also secures any debit balance in your margin or short account, and extends to securities and other property that may not be acceptable as margin collateral under Muriel Siebert & Co., LLC.. rules or Federal Reserve Board regulations. together with the property of others, in an amount equal to the balance you owe to Muriel Siebert & Co., LLC., or for a greater amount. Muriel Siebert & Co., LLC.. may do so without retaining in its possession or under its control for delivery a like amount of securities or other property.
 37. **Margin Maintenance:** You agree to maintain at all times such margins as may be required by Muriel Siebert & Co., LLC., self-regulatory organizations (SRO), and/ or federal authorities. Muriel Siebert & Co., LLC.. reserves the right at any time to demand the deposit of additional collateral for any debit balance or other obligation that you maintain in your account. Muriel Siebert & Co., LLC.. may set higher initial and maintenance requirements at our sole discretion, typically for accounts holding a concentrated position or a position in a thinly traded or volatile issue. Current market conditions and your financial situation may also be taken into consideration in setting requirements.
 38. **Margin Calls:** It is Muriel Siebert & Co., LLC.. general policy to issue calls for the deposit of additional collateral whenever an account falls under requirements. If an account remains in a deficiency on the stated deadline of the call, it is Muriel Siebert & Co., LLC.. general policy to liquidate sufficient securities to meet the terms of the call. These policies notwithstanding, Muriel Siebert & Co., LLC.. reserves the right to exercise its discretion, where permitted by regulation, in determining whether to issue a call and under what terms, and whether to liquidate securities at the specified deadline or at another time, with or without notice to you.
 39. **Liquidations in Margin Accounts:** Because security prices can change quickly in volatile markets and there may be no opportunity to issue a margin call, Muriel Siebert & Co., LLC.. must reserve the right in its sole discretion to close positions in your account and take whatever action it deems necessary for its own protection, without prior notice, demand, or call to you. Muriel Siebert & Co., LLC.. may take such action in consideration of market conditions, such as a sudden decline in the price of a security, as well as other factors, and also in instances when a prior call for additional collateral (or similar notice) has been issued, it being understood that such prior notice does not constitute a waiver of Muriel Siebert & Co., LLC.. right to close positions and cancel orders in your account without further notice of any kind to you.
 40. **Short Sales:** You agree that when entering an order to sell a security 'short' you will designate the order as such. You understand and accept that any proceeds from short sales may not be released to you and do not earn interest. You agree that short sales are subject to certain regulatory rules and may not be executed under certain market conditions. Muriel Siebert & Co., LLC.. cannot guarantee shares will be available to facilitate a short sale and we may charge a fee to borrow the shares for delivery to the buyer. By submitting a short sale order you agree to pay all charges for borrowing the shares. You agree that we may, at our discretion and without notice, "buy in" securities to cover any short security position in your account. We may take this action either on a regular, cash or next-day settlement basis. If you are unable to cover a short security position for any reason so that we can ultimately deliver the security back to the lender (to whom we are obligated), you agree to reimburse Muriel Siebert & Co., LLC.. for any losses realized as a result of your failure to deliver the security in a timely manner.
 41. **Truth in Lending Disclosure:** In accordance with Rule 10b-16 of the SEC Act of 1934 the following disclosure is set forth:
Interest Rates on Debit Balances:
The interest rate charged by Muriel Siebert & Co., LLC.. on your debit balance is based on a base rate determined by Muriel Siebert & Co., LLC., which is influenced by money market conditions, including the Prime Rate, Call Money, and Treasury Bills. The Muriel Siebert & Co., LLC.. Base Rate is subject to change without notice, and is applied against your debit balance as determined by Muriel Siebert & Co., LLC..
 42. **Interest Charges:** Interest is charged to your account and is computed by adding the daily interest computations. Each daily interest computation is made by multiplying the net debit balance by the interest rate then in effect and dividing by 360. If the Muriel Siebert & Co., LLC.. Base Rate changes during the month, or your debit balance fluctuates during the month, the rate displayed on your statement is the average interest rate. For periods when the Base Interest Rate is unchanged, but the debit balance fluctuates between the tiers, the rate displayed on your statement is the average interest rate.
The net debit balance on any given day is the sum of the settled debit balance in the margin account minus any free credit in the cash account. (Short account balances and segregated dividends are not included.)
The average net debit balance is the sum of all daily balances divided by the number of days on which there was a net debit balance. The average interest rate is computed by multiplying the total interest charge by 360 and dividing by the average net debit balance and by the number of days on which there was a net debit balance. If the method used to calculate debit changes, Muriel Siebert & Co., LLC.. will provide you with written notice at least thirty days in advance.
 43. **Margin Requirements:** Margin requirements are set forth in Section 58, at the end of this document.
- ## OPTION AGREEMENT
44. **Risk and Suitability:** You acknowledge that option trading is risky. In particular, you are aware that:
 - The seller of a covered call option may forfeit significant profits if the price of the underlying security increases.
 - The purchaser of an option may lose the total amount paid to acquire the option.
 - The seller of an uncovered option may sustain substantial, sometimes sudden loss, and the risk in selling an uncovered call option is unlimited.
 - You certify that you have weighed these risks against your financial situation and investment objectives, and have determined that you are able to sustain the losses that might arise from options trading. If any material change in your financial situation or your investment objectives should occur you agree to notify Muriel Siebert & Co., LLC.. before you enter your next option order.
 45. **Application Approval:** Your application is subject to Muriel Siebert & Co., LLC.. review. You will be notified in writing of the type of option transactions, if any, for which your account has been approved.

46. **Option Disclosure Document:** Prior to or upon approval of your application, Muriel Siebert & Co., LLC.. will send you a brochure entitled Characteristics and Risks of Standardized Options, published by the Options Clearing Corp. You agree to read this document and any supplements prior to placing any options order in your account.
47. **Applicable Rules and Regulations:** You agree that all option-related transactions in your account shall be governed by the rules, regulations, customs and practices of the exchange where executed, the Options Clearing Corporation (OCC), FINRA, and any other applicable regulatory agency or exchange.
48. **Position and Exercise Limits:** You agree, whether acting alone or in concert with others, to be bound by the position and exercise limits for option contracts as fixed from time to time by the appropriate regulatory authorities.
49. **Prior Agreements:** All option transactions in this account shall be subject to the terms and limitations of the Customer Agreement and Margin Agreement, as set forth above and as amended from time to time. In the event of any conflict between the other agreements and this Option Agreement, the latter shall control; and where there is no conflict each provision of each agreement shall apply.
50. **Requirements:** You agree to abide by Muriel Siebert & Co., LLC.. requirements for options transactions, as well as the requirements set by federal and other regulatory bodies. Muriel Siebert & Co., LLC..' requirements are set forth in Section 61 at the end of this document. You agree that Muriel Siebert & Co., LLC.. may make any deficiency arising from an option transaction immediately due and payable.
51. **Liquidations in Option Accounts:** As stated in Sections 11 and 38 above, you acknowledged and accepted Muriel Siebert & Co., LLC.. right to close securities transactions and take whatever action in your account Muriel Siebert & Co., LLC.. deems necessary for its own protection, without prior notice to you. Particular actions that Muriel Siebert & Co., LLC.. may undertake in your option account include, but are not limited to: buying to close an option position that may be short in your account, or selling a long option to close; hedging an option position through buying or selling short the underlying security, or through a spreading transaction; canceling open orders in your account; and risking any or all securities underlying options purchased for your account. Circumstances where Muriel Siebert & Co., LLC.. may, but is not required to, undertake such action include: the sudden increase in the price of the underlying security of a short, uncovered option in your account; a transaction for which your account has not been approved; a transaction for which the equity in your account is, in Muriel Siebert & Co., LLC.. sole judgment, insufficient; a transaction that violates Muriel Siebert & Co., LLC.. maintenance minimums; your failure to meet a margin or collateral call; notice of your death. Muriel Siebert & Co., LLC.. failure to take action in one instance does not constitute a waiver of Muriel Siebert & Co., LLC..' right to take action in other instances.
52. **Restrictions on Orders:** Muriel Siebert & Co., LLC.. reserves the right, for any reason and without prior notice to you, to restrict your account to certain types of option transactions, to refuse any order, or to cancel your option trading privileges altogether.
53. **Exchange Restrictions:** From time to time option exchanges may restrict trading or exercise privileges for certain classes of options. Although such restrictions could result in financial loss to you, you agree to hold Muriel Siebert & Co., LLC.., the Chicago Board Options Exchange (CBOE) and other organized exchanges, the OCC and FINRA harmless for any acts made in accordance with their constitutions, policies, customs, rules and regulations, and interpretations thereof.
54. **Exercise:** You agree to abide by Muriel Siebert & Co., LLC.. deadline of 4:15 PM Eastern Time for submitting exercise notices. You further agree to meet in full any settlement obligation arising from exercise, including commissions and/or fees.
55. **Exercise at Expiration:** Muriel Siebert & Co., LLC.. is under no obligation to advise you of an upcoming expiration date for any option you may hold in your account, nor is Muriel Siebert & Co., LLC.. required to take action at expiration with respect to your option positions. In some instances, however, your options may be exercised at expiration without your specific instruction to do so, in a manner determined by the Options Clearing Corp (OCC). An equity option that is in the money by \$.01 or more at expiration, or an index option that is \$.01 or more in the money at expiration, is subject to automatic exercise by the OCC. These values are set by the OCC and may change from time to time, without notice, and you accept the responsibility to know these values and how they affect your option transactions. You also acknowledge and accept the following:
- In the event an equity option is automatically exercised in your account, Muriel Siebert & Co., LLC.. reserves the right to close the resulting position once trading resumes. Any loss that might arise from such action is your sole responsibility and obligation to Muriel Siebert & Co., LLC..
 - If you are holding an option at expiration that meets or exceeds OCC minimums for automatic exercise, and you do not wish to exercise, then you must notify Muriel Siebert & Co., LLC.. of your 'contrary intent' by 4:15 PM Eastern Time on the last trading day before expiration (expiration is generally the Saturday following the third Friday of the month).
 - If you are holding an option at expiration that falls under OCC minimums for automatic exercise, and you nevertheless do wish to exercise, then you must notify Muriel Siebert & Co., LLC.. of your 'contrary intent' by 4:15 PM Eastern Time on the last trading day before expiration.
 - You agree to hold Muriel Siebert & Co., LLC.. harmless for any loss or damage that may result from your failure to instruct Muriel Siebert & Co., LLC.. regarding the exercise of valuable options at expiration.
56. **Assignment:** All American-style short option positions are liable for assignment at any time. Muriel Siebert & Co., LLC.. uses an automated random selection system to allocate an assignment among accounts holding a short position in the assigned option, including accounts that opened a short position on the day of assignment.
57. **Special Statement for Writers of Uncovered Option:** There are special risks associated with uncovered option writing which expose the investor to potentially significant loss. This type of strategy may therefore not be suitable for all customers approved for options transactions.
- a. The potential loss of uncovered call writing is unlimited. The writer of an uncovered call is in an extremely risky position, and may incur large losses if the value of the underlying instrument increases the above exercise price.

- b. As with writing uncovered calls, the risk of writing uncovered put options is substantial. The writer of an uncovered put option bears a risk of loss if the value of the underlying instrument declines below the exercise price. Such loss could be substantial if there is a significant decline in the value of the underlying instrument.
- c. Uncovered option writing is thus suitable only for the knowledgeable investor who understands the risks, has the financial capacity and willingness to incur potentially substantial losses, and has sufficient liquid assets to meet applicable margin requirements. In this regard, if the value of the underlying instrument moves against an uncovered writer's option position, Muriel Siebert & Co., LLC.. may request significant additional margin payments. If an investor does not make such margin payments, Muriel Siebert & Co., LLC.. may liquidate stock or option positions in the investor's account, with little or no prior notice, in accordance with the investor's margin agreement with Muriel Siebert & Co., LLC..
- d. For combination writing, where the investor writes both a put and a call on the same underlying instrument, the potential risk is unlimited.
- e. If a secondary market in options were to become unavailable, investors could not engage in closing transactions, and an option writer would remain obligated until expiration or assignment.
- f. The writer of an American-style option is subject to being assigned an exercise at any time after the account has written the option until the option expires. By contrast; the writer of a European-style option is subject to exercise assignment only during the exercise period.

58. **UNRESOLVED ISSUES:** An inquiry or complaint, which is not resolved to your satisfaction, may be directed to the Muriel Siebert & Co., LLC.. Compliance Department at 15 Exchange Place, Suite 800, Jersey City, NJ 07302 or 800-872-0444.
59. **TRANSFER ON DEATH ACCOUNTS:** You are responsible for complying with all regulations as they are in force in your state of residence. TOD accounts are only available to individuals, not retirement or fiduciary accounts.
60. **MARGIN RATES:** *Please note lower rates are currently available and may apply. For more details call 800-872-0444. The base rate is subject to change without notice. Current margin rates are continuously updated at www.siebert.com.

Debit Balance	Interest Rate*
Up to \$25,000	Base Rate + 1.00%
\$25,000 - \$99,999	Base Rate
100,000 - \$249,999	Base Rate - .25%
\$250,000+	Base Rate - .50%

61. **MARGIN AND OPTION REQUIREMENTS:** Stocks & Corporate Bonds Margin requirements as set forth below are subject to change without notice. Muriel Siebert & Co., LLC.. reserves the right in its sole judgment to adjust inflated SMA at any time.

Stocks & Corporate Bonds

	Initial	Maintenance	Minimum Account Equity
Stocks below \$5.00 per share and all non-marginable stocks	100%	100%	N/A
Marginable stocks \$5.00 per share to below \$10.00	50%	Long: 50% Short: the greater of 35% or \$5.00 per share	\$2,000
Marginable stocks \$10.00 per share and above	50%	Long: 30% Short: the greater of 35% or \$5.00 per share	\$2,000
Listed Convertible Bonds rated BBB and above by S&P	50%	30%	\$2,000
Listed Non-Convertible Bonds rated BBB and above by S&P	30%	30%	\$2,000

- Margin accounts should have at least three different securities as margin collateral.
- An account with a concentrated position or less than three positions may be subject to higher margin requirements at Muriel Siebert & Co., LLC..' discretion.
- Not all stocks trading at or above \$5 per share are margin eligible. Please contact Muriel Siebert & Co., LLC.. margin department with questions regarding particular issues.
- Liquidating transactions are not an appropriate method of meeting initial margin calls unless executed on the same day as the new commitment.
- Bonds rated lower than BBB may have higher requirements or may not be margin eligible.
- Accounts that have a pattern of day trading may be subject to higher minimums by regulation.

Options

- The short position of an option spread must expire before or at the same time as the long position.
- Any cash balances used to meet minimum equity and/or maintenance requirements will not earn interest.

	Initial & Maintenance	Minimum Account Equity
Naked Equity and Narrow Based Index Options	20% of the underlying security market value plus the option premium less any out-of-the-money amount. Minimum is 10% of market value of underlying security plus option premium.	\$50,000
Naked and Broad Based Options	15% of the underlying index value plus the option premium less any out-of-the-money amount. Minimum is 10% of underlying index plus option premium.	\$50,000
Short Straddle	The greater of the two requirements, as computed under short options, above, plus the premium of other side.	\$50,000
Equity Debit Spread	Amount of Debit.	\$5,000
Equity Credit Spread	Difference between strike price times the number of spread contracts multiplied by 100 or number of shares per contract.	\$5,000
Index Debit Spread	If the strike prices differ by 10 points or more, requirement is amount of debit. If strike prices differ by less than 10 points, requirement is amount of debit plus 10 points less the difference in strike prices times 100, multiplied by the number of contracts.	\$10,000

IMPORTANT INFORMATION YOU NEED TO KNOW ABOUT OPENING A NEW ACCOUNT

Customer Identification Program Notice:

To help the government fight the funding of terrorism and money laundering activities, federal law requires financial institutions to obtain, verify, and record information that identifies each person who opens an account.

This Notice answers some questions about our Customer Identification Program.

What types of information will I need to provide?

When you open an account, we are required to collect information such as the following from you:

- ☐ Your name
- ☐ Date of birth
- ☐ Address
- ☐ Identification number:
 - U.S. Citizen: taxpayer identification number (social security number or TIN employer identification number) You may also need to show your driver's license or other identifying documents. If you currently do not have a U.S. residence, we will also require a copy of your unexpired passport with photo.
 - Non-U.S. Citizen: taxpayer identification number, an unexpired passport with photo and number, and country of issuance, alien identification card number, or unexpired government-issued identification showing nationality, residence, and a photograph of you. You may also need to show your driver's license or other identifying documents.

A corporation, partnership, trust or other legal entity may need to provide other information, such as its principal place of business, local office, employer identification number, certified articles of incorporation, government-issued business license, a partnership agreement, or a trust agreement.

U.S. Department of the Treasury, Securities and Exchange Commission, and FINRA rules already require you to provide most of this information. These rules also may require you to provide additional information, such as your net worth, annual income, occupation, employment information, investment experience and objectives, and risk tolerance.

What happens if I don't provide the information requested or my identity can't be verified?

We may not be able to open an account or carry out transactions for you. If we have already opened an account for you, we may have to close it.

We thank you for your patience and hope that you will support the financial industry's efforts to deny terrorists and money launderers access to America's financial system.

Siebert

800.872.0444

www.siebert.com