



New Account Agreement

Education Savings Account

For office use only

Reg# _____

SBS# _____



If you have questions or need help filling out this form, call us toll-free any time at **1-800-SATURNA (1-800-728-8762)**. Be sure you complete all steps or your application cannot be processed.

Mail completed forms and contributions to:
(Email or fax is not accepted)

Saturna Capital
P.O. Box N
Bellingham, WA 98227-0596

Section A. Account Holder Information

Responsible Party (Must be parent or legal guardian of designated beneficiary)

Citizenship

Full Legal Name

Preferred Salutation (optional): ☐ Mr. ☐ Mrs. ☐ Ms. ☐ Dr.

☐ US Citizen

☐ US Resident Alien

Social Security Number or Tax ID Number

Date of Birth (MM-DD-YYYY)

ID Type: ☐ Driver's License ☐ Passport ☐ State ID ☐ Other Government ID

State/Country of Issuance



Identification. Please attach a legible photocopy of each owner's driver's license, passport, or other government-issued identity document.

Physical / Street Address (Required - P.O. boxes are not accepted)

City	State	Zip

Mailing Address (optional)

City	State	Zip

Preferred Phone

Alternate Phone

--	--

Email:

--

Designated Beneficiary

Full Legal Name

Relationship

--

--

Social Security Number or Tax ID Number

Date of Birth (MM-DD-YYYY)

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Physical / Street Address (Required - P.O. boxes are not accepted)

City	State	Zip

Section B. Investment Selection

Investment Selection Instructions

Step 1: Make an investment selection.

Step 2: Indicate the dollar amount or percentage for each fund selection.

Step 3: Make separate checks payable to each selection.

Continued on next page.

Section B. Investment Selection *(continued)*

Investment Allocation*

	Current tax year		Previous tax year
<input type="checkbox"/> Amana Growth <i>Institutional</i>	\$	or	\$
<input type="checkbox"/> Amana Developing World <i>Institutional</i>	\$	or	\$
<input type="checkbox"/> Amana Income <i>Institutional</i>	\$	or	\$
<input type="checkbox"/> Amana Participation <i>Institutional</i>	\$	or	\$
<input type="checkbox"/> Sextant Growth <i>Z Shares</i>	\$	or	\$
<input type="checkbox"/> Sextant International <i>Z Shares</i>	\$	or	\$
<input type="checkbox"/> Sextant Core	\$	or	\$
<input type="checkbox"/> Sextant Global High Income	\$	or	\$
<input type="checkbox"/> Sextant Short-Term Bond	\$	or	\$
<input type="checkbox"/> Sextant Bond Income	\$	or	\$
<input type="checkbox"/> Saturna Sustainable Equity	\$	or	\$
<input type="checkbox"/> Saturna Sustainable Bond	\$	or	\$

* To link a bank account and/or set up automatic investment, complete the *Saturna Electronic Funds Transfer Form* (found on www.saturna.com/forms#/saturna-capital)

Section C. Signature

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

By signing this document, I certify that:

- I have full right, power, authority and legal capacity to establish an Education Savings Account and to make the investments selected.
- I understand and agree to all terms and conditions set forth in this Saturna Capital Education Savings Account Application and Custodial Agreement.
- I have read and understood the ESA Brochure (Disclosure Statement) at least seven days prior to my signing this document.
- I authorize Saturna Capital and/or its affiliates (Saturna Trust Company, Saturna Brokerage Services, Saturna Investment Trust, and/or Amana Mutual Funds Trust, together "Saturna") to verify my identity through an identity verification service and to use information provided by that service to determine whether to establish my account, or, once my account is opened, whether to maintain my account or limit services. If, after making reasonable efforts, Saturna is unable to verify my identity, I understand Saturna is authorized to take any action permitted by law, including closing my account and redeeming my account at the net asset value calculated the day the account is closed.
- I authorize telephone and/or internet exchange and redemption services to be automatically activated when my account is opened. I will contact Saturna in writing to terminate these services. Additional documents may be required.
- I authorize Saturna and its employees to act on any instructions believed to be genuine for any service authorized on this form. Saturna has reasonable procedures to verify the identity of the shareowner and when these procedures are followed, Saturna and its employees are not liable for losses that may occur from acting on such instructions.
- I have read and agree to be bound by the terms of the Prospectus(es) or Summary Prospectus(es) of the mutual fund(s) I have selected.
- I understand that my property may be transferred to the appropriate state if no activity occurs in the account within the time period specified by state law.
- I understand no share certificates will be issued.
- I certify, under penalty of perjury, that my Social Security Number is correct and that I am not subject to backup withholding under the provisions of § 3406(a)(1)(C) of the Internal Revenue Code.

Responsible Party (Must be parent or legal guardian of designated beneficiary)

Print Name

Date (MM-DD-YYYY):

Signature

*Please note:
Saturna cannot accept digital signatures.*

Coverdell Education Savings Trust Account

(Under section 530 of the Internal Revenue Code)

Do not file
with the Internal
Revenue Service

Name of grantor

Check if amendment ☐

Name of designated beneficiary

Address of designated beneficiary

Date of birth of designated beneficiary

Name of responsible individual (generally the parent or guardian of the designated beneficiary)

Address of responsible individual

Name of trustee

Saturna Trust Company

Address or principal place of business of trustee

1300 N. State St., Bellingham, WA 98225

The grantor named above is establishing a Coverdell education savings trust account under section 530 for the benefit of the designated beneficiary 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 grantor has assigned the trust _____ dollars (\$ _____) in cash.

The grantor and the trustee make the following agreement:

Article I

The trustee 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 trust account funds may be invested in life insurance contracts, nor may the assets of the trust 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 grantor shall have the power to direct the trustee regarding the investment of the above-listed amount assigned to the trust (including earnings thereon) in the investment choices offered by the trustee. The responsible individual, however, shall have the power to redirect the trustee regarding the investment of such amounts, as well as the power to direct the trustee regarding the investment of all additional contributions (including earnings thereon) to the trust. In the event that the responsible individual does not direct the trustee regarding the investment of additional contributions (including earnings thereon), the initial investment direction of the grantor also will govern all additional contributions made to the trust account until such time as the responsible individual otherwise directs the trustee. Unless otherwise provided in this agreement, the responsible individual also shall have the power to direct the trustee regarding the administration, management, and distribution of the account.

Article V

The "responsible individual" named by the grantor shall be a parent or guardian of the designated beneficiary. The trust 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 below, 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.

☐ **Option** (*This provision is effective only if checked*): The responsible individual shall continue to serve as the responsible individual for the trust after the designated beneficiary attains the age of majority under state law and until such time as all assets have been distributed from the trust and the trust terminates. If the responsible individual becomes incapacitated or dies after the designated beneficiary reaches the age of majority under state law, the responsible individual shall be the designated beneficiary.

Article VI

The responsible individual ☐ may or ☐ **may not** change the beneficiary designated under this agreement to another member of the designated beneficiary's family described in section 529(e)(2) in accordance with the trustee's procedures.

Article VII

1. The grantor agrees to provide the trustee with all information necessary to prepare any reports required by section 530(h).
2. The trustee 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 grantor and trustee whose signatures appear below.

Article X

Article X may be used for any additional provisions. If no other provisions will be added, draw a line through this space. If provisions are added, they must comply with applicable requirements of state law and the Internal Revenue Code.

Grantor's signature _____ Date _____

Trustee's signature _____ Date _____

Witness' signature _____ Date _____

(Use only if signature of the grantor or the trustee is required to be witnessed.)

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-E is a model trust 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 grantor and the trustee. 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 custodial account, see **Form 5305-EA**, Coverdell Education Savings Custodial Account.

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

Definitions

Trustee. The trustee 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 trustee. Any person who may serve as a trustee of a traditional IRA may serve as the trustee of a Coverdell ESA.

Grantor. The grantor is the person who establishes the trust account.

Designated beneficiary. The designated beneficiary is the individual on whose behalf the trust 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 grantor and designated beneficiary's social security numbers will serve as their identification numbers. If the grantor is a nonresident alien and does not have an identification number, write "Foreign" on the return for which is filed to report the grantor'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 grantor and trustee 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 trustee, trustee's fees, state law requirements, treatment of excess contributions, and prohibited transactions with the grantor, designated beneficiary, or responsible individual, etc. Attach additional pages as necessary.

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