



Education Savings Account Application



1 Grantor (Responsible Party): Mr. Mrs./Ms. Dr.

_____|_____|_____

First Name M.I. Last Name

Date of Birth (MM-DD-YYYY):

□□-□□-□□□□

Social Security Number:

□□□□-□□-□□□□

Physical / Street Address (required):

_____|_____|_____

City State Zip

Mailing Address (optional):

_____|_____|_____

City State Zip

Daytime Telephone:

(□□□)□□□-□□□□

Evening Telephone:

(□□□)□□□-□□□□

Mail completed forms and contributions to:

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

Note: For Saturna Brokerage Accounts, a separate, additional application is required. Please see the Saturna Brokerage brochure for more details.

Email:

*Make sure to complete all **6** steps or your application cannot be processed. Incomplete applications will be returned.*

Be sure to read the prospectus of any mutual fund you select.

2 Designated Beneficiary:

_____|_____|_____

First Name M.I. Last Name

Date of Birth (MM-DD-YYYY):

□□-□□-□□□□

Social Security Number:

□□□□-□□-□□□□

Street Address:

_____|_____|_____

City State Zip

Relationship:

In the event of my death or incapacity while the designated beneficiary is a minor under state law, the following person shall become the responsible party:

3 Initial Investment Selection (\$100 Minimum Per Fund):

<input type="checkbox"/> Amana Income	\$	_____
<input type="checkbox"/> Amana Growth	\$	_____
<input type="checkbox"/> Amana Developing World	\$	_____
<input type="checkbox"/> Sextant Growth	\$	_____
<input type="checkbox"/> Sextant International	\$	_____
<input type="checkbox"/> Sextant Core	\$	_____
<input type="checkbox"/> Sextant Short-Term Bond	\$	_____
<input type="checkbox"/> Sextant Bond Income	\$	_____

Please send separate checks payable to each fund selected.

Initial Contribution for tax year 20_____ .

Begin automatic investing (voided check attached):
\$25 Minimum Per Fund after initial contribution.

<input type="checkbox"/> Amana Income	\$	_____
<input type="checkbox"/> Amana Growth	\$	_____
<input type="checkbox"/> Amana Developing World	\$	_____
<input type="checkbox"/> Sextant Growth	\$	_____
<input type="checkbox"/> Sextant International	\$	_____
<input type="checkbox"/> Sextant Core	\$	_____
<input type="checkbox"/> Sextant Short-Term Bond	\$	_____
<input type="checkbox"/> Sextant Bond Income	\$	_____

every _____
(Specify period & date: i.e. "month on 15th")

4 Identification. Attach a legible photocopy of the Grantor's driver's license, passport or other government-issued identity document.

5 Complete IRS Form 5305-E on the next page. Please be sure to sign the back. Application is incomplete if not included.

6 Signature

I have full right, power, and 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. I have created the ESA (Educational IRA) by completing IRS Form 5305-E, which is attached to this Application. I acknowledge that I have received and read the current Prospectus(es) of any fund(s) being purchased. I understand no share certificates will be issued. 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 certify, under penalties of perjury, that I am not subject to backup withholding under the provisions of section 3406(a)(1)(C) of the Internal Revenue Code.

Signed: _____ **Date:** _____

Saturna Use Only

Accepted by: _____ Date: _____



Form **5305-E**
 (Rev. March 2002)
 Department of the Treasury
 Internal Revenue Service

Coverdell Education Savings Trust Account
 (Under section 530 of the Internal Revenue Code)

Do not file
 with the Internal
 Revenue Service

Name of grantor		Grantor's identification number	Check if amendment <input type="checkbox"/>
Name of designated beneficiary		Designated beneficiary's identification number	
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 Street, 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

The Custodian or Trustee may amend this Agreement in any respect (including retroactively) so that the Agreement may conform with applicable provisions of the Internal Revenue Code ("Code"), or with any other applicable law as in effect from time to time, or to make such other changes to this Agreement as the Custodian or Trustee deems advisable.

Article IX

The Trustee or Custodian may be removed or may resign at any time. As a condition of resignation or removal, a successor Trustee or Custodian shall be appointed, provided that any such successor shall satisfy the requirements of the Code.

Signature lines for Grantor's signature, Trustee's signature, and Witness' signature, each followed by a Date line. Includes a note: (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.

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.

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.

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.

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" in the block where the number is requested.

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.

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.

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.