



Your guide to Coverdell Education Savings Accounts

**Coverdell Education Savings Account Disclosure Statement
and Custodial Agreement**

Disclosure Statement

Your guide to Coverdell Education Savings Accounts

This section of the guide is the Disclosure Statement describing your Ameriprise Financial Services, LLC. Coverdell Education Savings Account as required by federal law.

Ameriprise Trust Company acts as custodian for Coverdell Education Savings Accounts offered by Ameriprise Financial Services, LLC. Coverdell Education Savings Accounts are established for the purpose of paying qualified education expenses of a designated child. The IRS describes the child for whom the account is being maintained as the “designated beneficiary.” Your Coverdell Education Savings Account holds investments which are offered and made available through Ameriprise Financial Services, LLC. or its affiliated companies in the regular course of business. These accounts are governed by the Custodial Account Agreement, which appears on page 18 of this guide.

Your Coverdell Education Savings Account can hold a variety of investments and products.

In this booklet, “you,” “your” and “responsible individual” refers to the individual who establishes and has the exclusive authority to manage and control the Coverdell Education Savings Accounts. The term “designated beneficiary” is used to refer to the individual on whose behalf the Coverdell Education Savings Account is established and maintained. The term “depositor” refers to any individual who makes a contribution to the Coverdell Education Savings Account. And finally, “we,” “us” and “our” refer to Ameriprise Financial, Inc., Ameriprise Trust Company, or Ameriprise Financial Services, LLC. Ameriprise Trust Company and Ameriprise Financial Services, LLC. are subsidiaries of Ameriprise Financial, LLC.

Ameriprise Financial Services, LLC. is not a bank. The securities it offers are not backed or guaranteed by any bank or insured by the FDIC. Ameriprise Financial Services, LLC. is a member of SIPC.

Your right to cancel the Coverdell Education Savings Account

You may cancel this Coverdell Education Savings Account on or before seven days after it is opened (the date you sign the Coverdell Education Savings Account Investment Application). You may cancel your Coverdell Education Savings Account by writing to us by first-class, certified or registered mail.

- If you have a Brokerage account, mail to: Ameriprise Brokerage, 70400 Ameriprise Financial Center, Minneapolis, MN 55474.

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- Otherwise, mail to: Ameriprise Financial Services, LLC.
70100 Ameriprise Financial Center, Minneapolis, MN 55474.

If you write, be sure:

- your letter is properly addressed and stamped; and
- the postmark and certification or registration date are no longer than seven days after the date you opened the Coverdell Education Savings Account or received financial disclosure, whichever is later.

If you cancel your Coverdell Education Savings Account within the required time period, we will refund your full contribution, including sales and brokerage charges (if any), and any fees paid separately. However, you will not receive any earnings on the contribution.

Your Coverdell Education Savings Account cannot be forfeited

The balance of your Coverdell Education Savings Account will be clearly identified as yours and is nonforfeitable. It will not be commingled with any other client's property except in a common investment fund. Your Coverdell Education Savings Account funds cannot be invested in life insurance.

Your Coverdell Education Savings Account is tax-exempt

Your Coverdell Education Savings Account is generally exempt from tax. This means that your Coverdell Education Savings Account is not taxed on its investment earnings (income and capital gains) as they occur. Distributions from your Coverdell Education Savings Account are generally tax-free if the distributions are used for qualified education expenses. Further, the Coverdell Education Savings Account loses its tax-exempt status if you engage in a "prohibited transaction" described later in this guide.

Controlling your Coverdell Education Savings Account

The responsible individual will have the exclusive authority to manage and control the investments of the Coverdell Education Savings Account, as well as the administration and distribution of the account. The responsible individual must be the parent or legal guardian of the beneficiary of the Coverdell Education Savings Account.

The Coverdell Education Savings Account shall have only one responsible individual at a time. The responsible individual may choose another individual who is a parent or legal guardian of the designated beneficiary to succeed the responsible individual in that capacity. In addition, the responsible individual may name the designated beneficiary as successor responsible individual upon the designated beneficiary's attainment of age of majority under state law or any later date before the designated beneficiary's attainment of age 30. At age 30, the designated beneficiary will automatically receive control of the assets (unless the qualified beneficiary qualifies as a Special Needs Beneficiary, as defined on the following page), if not previously named as responsible individual (see page 11 for more information regarding automatic distribution at age 30).

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Designating the child

The responsible individual shall designate the child for whom the Coverdell Education Savings Account is established. Each Coverdell Education Savings Account may have only one child who is the designated beneficiary.

The responsible individual may, in writing, change or replace the designated beneficiary named under the Coverdell Education Savings Account to another member of the designated beneficiary's family (see page 12 for the potential federal gift tax consequences of designated beneficiary for whom the Coverdell Education Savings Account is maintained). Members of the designated beneficiary's family include the designated beneficiary's: children and their descendants, stepchildren and their descendants, siblings and their children, parents and grandparents, stepparents, spouse of the child, spouses of all the above and first cousins. If the newly designated beneficiary is an individual to whom the responsible individual is not a parent or legal guardian, the responsible individual must name a successor responsible individual who is the newly designated beneficiary's parent or legal guardian, or if the designated beneficiary has reached the age of majority under state law, the child.

The responsible individual may also designate other members of the designated beneficiary's family (as defined above) as beneficiary to receive the assets of the Coverdell Education Savings Account if the designated beneficiary dies before all assets have been distributed. For more information, see page 11.

Special Needs Beneficiary

Certain age restrictions that apply to making contributions, required distributions and naming a successor beneficiary do not apply to a Special Needs Beneficiary. A Special Needs Beneficiary includes individuals, who because of a physical, mental or emotional condition (including a demonstrable learning disability), require additional time to complete his or her education. Any requirements for being a Special Needs Beneficiary specified in an IRS regulation or ruling defining this term must also be satisfied.

Making contributions

You can choose to invest Coverdell Education Savings Account contributions in any investments made available through Ameriprise Financial Services, LLC, or its affiliated companies. All contributions must be in cash unless they are transferred or rolled over from another Coverdell Education Savings Account of the designated beneficiary or a member of the designated beneficiary's family. We cannot determine if a contribution made to the Coverdell Education Savings Account is eligible or if it brings your contributions for that year over the eligible limit. Our accepting a contribution doesn't mean it's automatically eligible; you must make sure your contributions meet the requirements explained in this guide.

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Once a contribution is deposited into the designated beneficiary's Coverdell Education Savings Account, the individual making the contribution has absolutely no investment authority or management control with respect to that contribution or any earnings thereon; unless, however, the individual making the contribution is also the responsible individual who, under the Custodial Agreement, is named as the individual with exclusive authority to manage and control the account.

Annual contribution limit. The total annual contribution limit per designated beneficiary is \$2,000. This contribution limit applies to all the Coverdell Education Savings Accounts held on behalf of a designated beneficiary. In other words, if a designated beneficiary has more than one Coverdell Education Savings Account established on his or her behalf, the total amount that may be contributed to all the designated beneficiary's Coverdell Education Savings Accounts may not exceed \$2,000 a year. Although the designated beneficiary may be eligible to receive a \$2,000 contribution, the individual making the contribution may not be eligible to make a \$2,000 contribution. See "Who may contribute," below, for more information.

Time period for making contributions. Contributions for a particular year must be made for a given tax year by the due date for filing your tax return for that year (excluding extensions). For most people, this will be April 15. **Note:** In the year the designated beneficiary attains age 18, the contribution for that year must be made and applied to the plan before the designated beneficiary's 18th birthday (unless the designated beneficiary qualifies as a Special Needs Beneficiary).

Age limit. No contributions may be made to the Coverdell Education Savings Account after the date on which the designated beneficiary turns age 18, unless the designated beneficiary is a Special Needs Beneficiary.

Who may contribute. Anyone may contribute to the Coverdell Education Savings Account — parents, grandparents, other family members, friends, and the designated beneficiary himself or herself, as long as the individual making the contribution has a modified adjusted gross income (MAGI)* for the year of the contribution within certain IRS limits. Contributions may also be made by corporations or tax-exempt organizations. Entities that make contributions are not subject to the income limitations.

* MAGI is the depositor's adjusted gross income (as reported on the last line of page 1 of the depositor's Federal income tax return — Form 1040 or Form 1040A), but modified by including any foreign earned income, foreign housing costs, or income from sources in Guam, American Samoa, the Northern Mariana islands, and Puerto Rico which are otherwise excluded from gross income under Section 911, 931, or 933 of the Internal Revenue Code.

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An individual may contribute up to \$2,000 to a designated beneficiary's Coverdell Education Savings Account if the individual's MAGI for the tax year is no more than \$95,000 (single filers) and \$190,000 (joint filers). The \$2,000 contribution limit is, however, reduced or phased out as described below, for individuals with a MAGI between \$95,000 and \$110,000 (single filers) and \$190,000 and \$220,000 (joint filers). Individuals with a MAGI above \$110,000 (single filers) and \$220,000 (joint filers) are not eligible to make any Coverdell Education Savings Account contributions.

If a contributor's MAGI is between \$190,000 and \$220,000 (joint filers) or \$95,000 and \$110,000 (single filers), the maximum contribution that an individual may make to a designated beneficiary's Coverdell Education Savings Account is determined using the following formulas:

For joint filers with a MAGI between \$190,000 and \$220,000:

$$\left(\frac{\$30,000 - \text{EMAGI}^*}{\$30,000} \right) \times \$2,000 = \text{Contribution Limit}$$

(*EMAGI is the amount by which your MAGI exceeds \$190,000.)

For single filers with MAGI between \$95,000 and \$110,000:

$$\left(\frac{\$15,000 - \text{EMAGI}^*}{\$15,000} \right) \times \$2,000 = \text{Contribution Limit}$$

(*EMAGI is the amount by which your MAGI exceeds \$95,000.)

Example: A taxpayer filing a single return with a MAGI of \$96,500 in a tax year could make a maximum contribution per designated beneficiary of \$1,800 that year.

$$\begin{aligned} \text{EMAGI} &= \$96,500 - \$95,000 \text{ or } \$1,500 \\ \left(\frac{\$15,000 - \$1,500}{\$15,000} \right) \times \$2,000 &= \$1,800 \end{aligned}$$

Income tax treatment of contributions. Contributions to a Coverdell Education Savings Account are not deductible. See page 12 for information regarding federal estate and gift tax rules.

Redemption of U.S. Savings Bonds. Certain individuals (i.e., parents of the designated beneficiary, the designated beneficiary, and the designated beneficiary's spouse) may be eligible to redeem qualified U.S. Savings Bonds and exclude the redemption amount from their gross income, if the proceeds from the redemption are used to make a contribution to the designated beneficiary's Coverdell Education Savings Account.

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Excess contributions

Generally, an excess contribution is the amount contributed to a Coverdell Education Savings Account that is not eligible to be in the Coverdell Education Savings Account. An excess contribution can occur under a variety of situations. For example, an excess Coverdell Education Savings Account contribution occurs when:

- yearly contributions exceed the annual \$2,000 limit;
- contributions are made after the designated beneficiary turns age 18, unless the designated beneficiary is a Special Needs Beneficiary;
- an ineligible rollover is made.

Excess contributions must be removed or IRS penalties may apply. If you withdraw an excess contribution, we cannot refund any administrative and sales charges you paid on the excess amount. You assume the risk of a loss on your investment.

Penalty tax on excess contributions. Excess contributions that are not removed in a timely manner are subject to a 6% excise tax for each year the excess remains in the Coverdell Education Savings Account at the close of the tax year (December 31). The penalty tax is imposed on the designated beneficiary, and is reported and paid to the IRS on IRS Form 5329.

Timely correction. The 6% excise tax described above, may be avoided by withdrawing the excess amount and all earnings attributable to it by May 31 of the year following the tax year of the contribution (no extensions). The excess amount removed is not includible in the designated beneficiary's gross income, however, any earnings attributable to the excess are taxable to the designated beneficiary (but not subject to the usual 10% penalty tax described on page 10) in the year in which the excess contribution is made.

Late correction. If an excess contribution situation is not corrected in a timely manner as described above, it may be corrected later. However, correcting the excess later may result in additional income taxes and penalty taxes.

An excess contribution may be corrected in a later year by:

1. Withdrawing the excess amount after the May 31 deadline as described above. In this case, earnings on the excess are not withdrawn. The excess contribution is included in the designated beneficiary's gross income on a pro rate basis in the year of the distribution (see taxable distributions on page 10). The taxable portion of the distribution is also subject to a 10% penalty tax. In addition, the excess amount is subject to the 6% excess contribution excise tax for each year the excess remains in the Coverdell Education Savings Account at the close of the tax year (December 31).

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2. Contributing less than the maximum in future years to offset the excess amount in the current year. In this case, no distributions are made. However, the excess amount is subject to the 6% excess contribution excise tax for each year the excess remains in the Coverdell Education Savings Account at the close of the tax year (December 31).

Rollovers and transfers

Rollovers. A rollover is the movement of assets from one Coverdell Education Savings Account to another Coverdell Education Savings Account. A rollover is not subject to the annual contribution limits described on page 4. Although rollovers are generally reportable transactions to the IRS, it is a tax-free transaction for the designated beneficiary, if amounts are rolled over in accordance with the IRS rules discussed below. Rollovers that do not meet certain requirements are subject to the distribution tax treatment described on page 10 and the excess contribution tax treatment described on page 6.

To be eligible for tax-free rollover treatment:

- The rollover contribution must come from another Coverdell Education Savings Account of the designated beneficiary or a Coverdell Education Savings Account of another family member of the designated beneficiary (see page 3 for definition of family member).
- The designated beneficiary receiving the rollover must be under 30 or if over 30, qualify as a Special Needs Designated Beneficiary.
- The rollover contribution must be deposited into the receiving Coverdell Education Savings Account within 60 days of receiving the distribution from the distributing Coverdell Education Savings Account.
- The rollover contribution must be the only rollover made from the distributing Coverdell Education Savings Account within the last 12 months.

Transfers. Like a rollover, a transfer involves the movement of assets between Coverdell Education Savings Account and is not subject to the annual contribution limits described on page 4. A transfer can also involve a change in beneficiary from one designated beneficiary to another eligible designated beneficiary as long as the designated beneficiary receiving the transfer is under 30, or if over 30, qualifies as a Special Needs Designated Beneficiary. Transfers may be accomplished at any time and as often as you wish with no tax reporting to the IRS or adverse tax consequences. If you transfer your Coverdell Education Savings Account from Ameriprise Trust Company, we will do an accounting and give the new custodian or trustee all proceeds from the Coverdell Education Savings Account. We will also provide any records within reason.

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Transfers pursuant to divorce. If the designated beneficiary for whom the Coverdell Education Savings Account is established becomes divorced prior to age 30, all or part of the designated beneficiary's Coverdell Education Savings Account may be transferred to a Coverdell Education Savings Account on behalf of the designated beneficiary's spouse or former spouse under a divorce decree or separation instrument. Such a transfer from one Coverdell Education Savings Account to another shall not be considered a taxable transaction.

We are not acting as a fiduciary with respect to your decision to roll over or transfer assets to Coverdell Education Savings Account or when you decide to move assets from one type of account held with us to another type of account.

Distributions

The following description is a summary of federal law requirements for taking distributions from Coverdell Education Savings Accounts. Ameriprise Financial Services, LLC., its affiliates, and its financial advisors are not responsible for determining whether your distribution meets the requirements discussed below. In addition, some states' tax laws may not automatically conform with federal tax treatment of Coverdell Education Savings Accounts. Therefore, before taking a distribution, you should consult with your professional tax advisor and the educational institution attended by the designated beneficiary for further assistance.

In general, you (or the designated beneficiary, if he or she has attained the age of majority under state law and has been named as responsible individual of the account) may authorize a distribution of all or part of the Coverdell Education Savings Account at any time. All distributions from a Coverdell Education Savings Account will generally be deemed to consist of both contributions which, under all circumstances are excludable from the designated beneficiary's gross income, and earnings, which may or may not be excludable from the designated beneficiary's gross income depending on the purpose of the distribution.

Distributions for the purpose of qualified education expenses. Generally, amounts distributed from a Coverdell Education Savings Account are not includable in the designated beneficiary's income if the total amount distributed from the Coverdell Education Savings Account is less than or equal to the designated beneficiary's qualified education expenses for the same year, reduced by:

- Qualified scholarship
- Educational assistance allowance under certain veterans benefit programs
- Employer-provided educational assistance that is excludable from income
- Expenses taken into account in claiming the Hope or Lifetime Learning credit (as long as both credits are not used for the same expenses)

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- Expenses allocated to a 529 plan distribution
- Any other nontaxable (tax-free) payments other than gifts or inheritances received for education expenses

Qualified higher education expenses:

- Tuition, fees, books, supplies, and equipment required for the enrollment or attendance of a designated beneficiary at an eligible educational institution.
- Expenses for special needs services in the case of a Special Needs Designated Beneficiary which are incurred in connection with such enrollment or attendance.
- Room and Board expenses. For students living off-campus (not at home), qualified room and board expenses must be “reasonable” as determined by the education institution in its room and board allowance used to calculate a student’s cost of attendance for federal financial aid programs. For students who live in on-campus housing, qualified expenses can include the actual invoice amount for room and board, even if the invoice amount exceeds the institution’s allowance.

An eligible educational institution is a college, university, vocational school, or other post-secondary educational institution that is described in section 481 of the Higher Education Act of 1965 (this includes virtually any accredited public, nonprofit or privately owned profit-making post-secondary institution).

Qualified Elementary and Secondary Education Expenses: Tax-free distributions can be made for certain elementary and secondary education expenses:

- Tuition, fees, academic tutoring, special needs services in the case of a Special Needs Beneficiary, books, supplies, and other equipment which are incurred in connection with the enrollment or attendance of the designated beneficiary at a public, private or religious elementary or secondary school.
- Expenses for room and board, uniforms, transportation and supplementary items and services (including extended day programs) which are required or provided by a public, private or religious school in connection with attendance.
- Computer Technology: (I) Computer technology or equipment [any program designed to cause a computer to perform a desired function. This does not include any data base or similar item unless the data base or item is in the public domain and is incidental to the operation of otherwise qualifying computer software]; (II) Computer or peripheral equipment [any computer and related peripheral equipment], and (III) Fiber optic cable related to computer use. Not included are expenses for computer software designed for sports, games or hobbies unless the software is predominantly educational in nature.

An eligible elementary and secondary institution is any school which provides elementary or secondary education (kindergarten through grade 12).

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Taxable Distributions. If the total amount of distributions from the Coverdell Education Savings Account exceeds the qualified expenses, reduced as described above, then the earnings allocable to the portion of the distribution in excess of that amount will be includible in the child's gross income and possibly subject to a 10% penalty tax. This 10% penalty tax is imposed on the portion of the distribution that is includible in the child's gross income, unless the distribution is made on account of:

- the death of the child;
- the child becoming disabled;
- a scholarship payment received by the child;
- to correct an excess contribution.

Example. A Coverdell Education Savings Account has a total balance of \$10,000, of which \$4,000 represents contributions. If a \$2,000 distribution is made from such account, then \$800 of that distribution represents the return of contributions (which under no event is taxable to the designated beneficiary) and \$1,200 of the distribution represents the return of earnings (a portion of which will be includible in the designated beneficiary's gross income). If the designated beneficiary incurs only \$1,500 of qualified higher education expenses in the year, then only \$900 of the earnings are excludable from the designated beneficiary's gross income (an exclusion is provided for the pro-rate portion of the earnings, based on the ratio that the \$1,500 of qualified higher education expenses bears to the \$2,000 distribution). The remaining \$300 of the earnings portion of the distribution is includible in the designated beneficiary's gross income in the year of distribution.

1.	Total balance of Coverdell Education Savings Account at the time of distribution	\$10,000
2.	Amount of Line 1 which represents contributions. . .	\$4,000
3.	Total amount of distributions from Coverdell Education Savings Account for the year . .	\$2,000
4.	Divide Line 2 by Line 14
5.	Multiply Line 4 by Line 3 (This amount represents the return of non-taxable contributions)	\$800
6.	Subtract Line 5 from Line 3 (This amount represents the return of earnings) . . .	\$1,200
7.	Amount of qualified higher education expenses for the year	\$1,500
8.	Divide Line 7 by Line 375
9.	Multiply Line 8 by Line 6 (This amount represents the return of non-taxable earnings)	\$900
10.	Add Line 5 to Line 9	\$1,700
11.	Subtract Line 10 from Line 3 (This amount represents the return of earnings which must be includible in the designated beneficiary's gross income. This amount may also be subject to the 10% penalty tax as described above).	\$300

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Required distribution at age 30. Pursuant to IRS requirements, once the child for whom the Coverdell Education Savings Account is maintained reaches age 30, the account may no longer receive tax treatment as a Coverdell Education Savings Account under the Internal Revenue Code. Any balance remaining in the Coverdell Education Savings Account when the designated beneficiary turns age 30, is deemed (treated for tax purposes) to be distributed to the designated beneficiary within 30 days after the date the designated beneficiary turns age 30, even if the actual distribution to the designated beneficiary occurs after the 30-day time period. Unless the designated beneficiary has qualified higher education expenses during the taxable year of the distribution which are equal to or greater than the distribution, a portion of the amount distributed will be includible in the designated beneficiary's gross income as described on page 10. A timely rollover or transfer of assets to a Coverdell Education Savings Account of another family member of the designated beneficiary as described on page 3, shall be considered a distribution for this purpose, although not taxable. An exception to the age 30 requirement may apply if the beneficiary qualifies as a Special Needs Beneficiary.

In the event of death

Death of the responsible individual. If the responsible individual who is a parent or legal guardian of the designated beneficiary dies, the successor responsible individual shall be the person designated in writing by the preceding responsible individual to succeed in that capacity. If no successor is so designated, the successor responsible individual shall be determined in the following order:

- (i) the designated beneficiary's legal guardian; or
- (ii) the designated beneficiary, if the designated beneficiary has reached the age of majority under state law.

Death of the child. If the designated beneficiary dies, the assets in the Coverdell Education Savings Account will become the property of the named beneficiary (or beneficiaries). If no beneficiary is so designated, by default, the beneficiary is the beneficiary's spouse, or if the beneficiary has no spouse, the deceased designated beneficiary's estate.

A beneficiary who is eligible to maintain a Coverdell Education Savings Account under the law, may roll or transfer the inherited assets into a Coverdell Education Savings Account for his or her own benefit. However, if the named beneficiary is not eligible to maintain a Coverdell Education Savings Account pursuant to the law, or the beneficiary is the deceased designated beneficiary's estate, the assets in the Coverdell Education Savings Account will be distributed in a lump sum, within 30 days after receiving notice of death, to the ineligible beneficiary or the deceased designated beneficiary's estate. Such a distribution is a taxable event to the ineligible beneficiary or deceased designated beneficiary's estate (see page 10 for information on taxable distributions).

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Federal estate and gift taxes

For federal estate and gift tax purposes, contributions are treated as a completed gift from the depositor to the designated beneficiary at the time of the contribution. Contributions to a Coverdell Education Savings Account are excludable from gift tax and generation-skipping transfer tax, provided the depositor, when combined with any other contributions made by the contributor to that designated beneficiary, does not exceed the annual gift-tax exclusion limit of \$16,000 (for 2022). Contributions to a Coverdell Education Savings Account may not, however, be treated as a qualified transfer eligible for educational expense exclusion under Internal Revenue Code section 2503(e). A distribution from a Coverdell Education Savings Account is generally not treated as a taxable gift. See next paragraph.

If the assets of a designated beneficiary's Coverdell Education Savings Account are rolled over or re-designated to another eligible family member (see page 3 for definition of eligible family member), there are no transfer tax consequences if the two individuals are of the same generation (for example, sister to brother). However, if the assets are rolled over or re-designated to another family member of a lower generation (for example, from parent to designated beneficiary, or uncle to niece or nephew), the transfer may, to the extent it exceeds the annual gift-tax exclusion limit (\$16,000 for 2022), be treated as a taxable gift.

For federal estate tax purposes, assets in a Coverdell Education Savings Account are fully includible in the designated beneficiary's gross estate — not the depositor's.

For more information regarding estate and gift tax consequences of Coverdell Education Savings Accounts, consult with your professional tax advisor.

Prohibited transactions

In general, a prohibited transaction can occur if you direct the investment of the Coverdell Education Savings Account assets for your own benefit or the benefit of family members. If you or your beneficiary engage in a prohibited transaction with your Coverdell Education Savings Account, it will lose some or all of its tax favorable status, resulting in immediate taxation for the taxable year in which the prohibited transaction occurs.

More specifically, a prohibited transaction under IRS rules is any direct or indirect (1) sale or exchange, or leasing, of any property between the disqualified person and the Coverdell Education Savings Account; (2) lending of money or other extension of credit between a disqualified person and the Coverdell Education Savings Account; (3) furnishing of goods, services or facilities between a disqualified person and the Coverdell Education Savings Account; (4) transfer to, or use by or for the benefit of the disqualified person, of the income or assets of

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the Coverdell Education Savings Account; (5) dealing by the disqualified person who is a fiduciary with the assets of the Coverdell Education Savings Account in his or her own interest or for his or her own account; or (6) receipt of any consideration for his or her own personal account by any disqualified person who is a fiduciary from any party dealing with the Coverdell Education Savings Account in connection with a transaction involving the income or assets of the Coverdell Education Savings Account. For purposes of the prohibited transaction rules, the term “disqualified person” includes the individual for whom the Coverdell Education Savings Account is maintained, the individual’s family members, and any fiduciary or service provider for the Coverdell Education Savings Account.

Early withdrawal and other penalties

We are not responsible for any penalties imposed for premature withdrawal or redemption of any investment, such as certificates or back-end load mutual funds, or for any tax or other penalty resulting from any contribution, investment, withdrawal or other distribution.

Investments

Your Coverdell Education Savings Account is self-directed and you have full investment control and complete responsibility for the investments held in the Coverdell Education Savings Account.

No part of the Coverdell Education Savings Account may be invested in life insurance contracts, including annuities. Nor may the Coverdell Education Savings Account be commingled with other property except in a common investment fund (within the meaning of Section 530(b)(1)(D) of the Code).

You may direct the investment of the funds into any eligible investment available through Ameriprise Financial Services, LLC. and its affiliates. Because of the number of investment alternatives you have, no projection of the growth in value of your account can reasonably be made or guaranteed. The value of your Coverdell Education Savings Account, and the growth in value of your Coverdell Education Savings Account is dependent on the performance of the investments chosen by you, the amount of your contributions, and any expenses and fees incurred.

You agree that neither we nor your financial advisor is acting as a fiduciary within the meaning of the Internal Revenue Code of 1986, including with respect to asset allocation services, and that neither we nor your financial advisor are providing investment advice for a fee that will be the primary basis for your investment decisions on your Coverdell Education Savings Account assets. To the extent an asset allocation service identifies any specific investment alternative, you understand that other investment alternatives having similar risk and return characteristics may be available, and that your financial advisor can assist you in obtaining information on other potential investment alternatives.

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The prospectus, or agreement that describes the terms of your selected investment will describe the fees that apply to that investment or service. The method for computing and allocating annual earnings, interest and dividends on your investment will also vary with the nature of the investment you have chosen. You will need to refer to the investment's prospectus or investment contract to determine the method of allocating earnings.

In addition, there are certain additional fees that may apply to the investments that you select for your Coverdell Education Savings Account. These fees may include, but are not limited to: transaction fees, sales commissions, investment management fees, distribution fees, setup fees, etc. These fees are subject to change at any time, and vary depending on the investments you select.

Tax reporting information

We will report to the IRS certain tax information regarding the Coverdell Education Savings Account in the designated beneficiary's name and taxpayer identification number. We will provide to the designated beneficiary (at the designated beneficiary's last known address) and the IRS the following tax reports and statements concerning the Coverdell Education Savings Account:

- Coverdell Education Savings Account contribution information on IRS Form 5498-ESA "Coverdell ESA Contribution Information." This form will indicate total contributions made for the year to the Coverdell Education Savings Account, and the fair market value of the Coverdell Education Savings Account as of December 31 of each year. This form will be delivered to the designated beneficiary and the IRS for each year the Coverdell Education Savings Account is maintained with us.
- Coverdell Education Savings Account distribution information on IRS Form 1099-Q "Payments From Qualified Education Programs (Under Sections 529 and 530)." This form will indicate distributions made during the year from the Coverdell Education Savings Account. This form will only be delivered to the designated beneficiary and the IRS for years in which a distribution has occurred.

You (the designated beneficiary or the designated beneficiary's tax preparer) must keep track of the contributions and distributions of the Coverdell Education Savings Account on IRS Form 8606. If a distribution is made for any reason, you must compute the taxable amount (see page 10 of this guide) and report it to the IRS on the designated beneficiary's IRS Form 1040 or 1040A. You must also file IRS Form 5329 and pay penalty taxes for any prohibited transaction violations (see page 12 of this guide) or excess contributions which are not removed in a timely manner (see page 6 of this guide). Any tax reporting to the IRS, as described above, should be made in the designated beneficiary's name and taxpayer identification number.

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For further information regarding Coverdell Education Savings Account tax reporting responsibilities, please consult with your professional tax advisor.

State tax rules

The information provided in this guide is based on federal law. Although at the time of printing of this guide, most states have or intend to conform their state tax provisions to federal law, some states may have different rules with respect to the treatment of Coverdell Education Savings Accounts. For information regarding your state's treatment of Coverdell Education Savings Accounts, you should consult with your professional tax advisor.

IRS approval

Coverdell Education Savings Account custodians may, but are not required to, approach the IRS for a determination of whether their custodial agreement contains federally required Coverdell Education Savings Account provisions. The custodial account provided by Ameriprise Trust Company for Coverdell Education Savings Accounts has not been approved as to form by the IRS. IRS approval relates only to form and not the merits of the Coverdell Education Savings Account.

Our responsibilities

As custodian of the Coverdell Education Savings Account, we will have the responsibility to:

- invest contributions as directed by you, the responsible individual of the Coverdell Education Savings Account (or your investment manager, if appointed). We will automatically reinvest any earnings in the same investment, unless you instruct otherwise;
- send or forward to the responsible individual at the last known address of the responsible individual, a written confirmation of each transaction in the Coverdell Education Savings Account. We will also forward to the responsible individual (or investment manager, if applicable) notices, prospectuses, financial statements, proxies and proxy solicitation materials relating to the securities in the account;
- submit such reports, as prescribed by law, concerning the Coverdell Education Savings Account to the IRS and to the designated beneficiary at the designated beneficiary's last known address;
- provide account information upon request of the responsible individual, the investment manager (if appointed), the designated beneficiary (if applicable), the designated beneficiary's estate, or any other authorized individual.

We shall have no responsibility for determining the propriety or amount of or collecting any contribution hereunder; or determining the character, amount, or timing of any distribution.

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Responsible individual's responsibilities

The responsible individual shall have the responsibility for:

- determining whether any contribution to or distribution from the Coverdell Education Savings Account shall be permitted or required by law, including the responsibility to determine the eligibility, amount, and tax effect of any contribution to or distribution from the Coverdell Education Savings Account;
- instructing us to make distributions pursuant to an excess contribution;
- notifying us in the case of the designated beneficiary's death;
- determining whether a distribution from the Coverdell Education Savings Account is for the purpose of paying the qualified higher education expenses (as defined by law) of the designated beneficiary;
- ensuring that any designation of the person for whom the Coverdell Education Savings Account is established and maintained complies with the requirements of Article X, paragraph 4 of the Coverdell Education Savings Custodial Account Agreement which appears on pages 21-22 of this guide;
- providing any information that may be necessary or helpful to us to fulfill our custodial duties, including but not limited to the preparation of reports required by the IRS.

Fees

Coverdell Education Savings Accounts may be subject to certain fees as described below. All fees are subject to change and other fees may apply. We will provide 30 or more days' written notice if we increase these fees. We reserve the right to waive these fees, at our discretion, if certain conditions are met. Refer to ameriprise.com/brokeragefees or talk with your Ameriprise financial advisor for more information.

Annual Custodial Fee = \$10

Your custodial Coverdell Education Savings Account may have an annual fee. Only one fee is charged per child's Coverdell Education Savings Account, even if the Coverdell Education Savings Account contains multiple investments. We reserve the right to automatically deduct the annual custodial fee from your Coverdell Education Savings Account.

Disclosure Statement

Change of address

We'll send any statements or notice of change in the terms of this Coverdell Education Savings Account to you, the responsible individual, at the last known address you have given us. Please notify us in writing if you change your address. As required by law, we will send tax reports to the child at the child's last known address. Please notify us in writing if there is a change in the child's address.

Closing the account

We may resign as custodian of the Coverdell Education Savings Account by giving you 30 days' written notice. In the event that we resign as custodian, you must notify us in writing (within 30 days after receiving notice of our resignation) of a successor custodian. If you do not designate a successor custodian, we may appoint one and transfer the assets to the successor custodian or distribute the funds to you.

You may also close the Coverdell Education Savings Account with us by giving us 30 days' written notice. The balance will be distributed to you or a new custodian or funding agent of your choice, provided you notify us within 30 days of the new custodian or funding agent.

Should you close the Coverdell Education Savings Account, the distribution will be subject to any rules governing the specific investment you have chosen to fund the Coverdell Education Savings Account.

For more information

Further information on Coverdell Education Savings Accounts and the tax benefits of other higher education programs can be obtained from any district office of the Internal Revenue Service. To obtain a free copy of IRS Publication 970, Tax Benefits for Higher Education, or IRS Publication 590, Individual Retirement Arrangements, call 1-800-829-3676. These publications are also available on the IRS Internet website at irs.gov.

Custodial Agreement

This document is provided for informational purposes only and should not be considered as fact or legal advice. Please consult with your legal and tax advisors regarding your individual situation.

Coverdell Education Savings Custodial Account

(Under Section 530 of the Internal Revenue Code)

DO NOT file with the Internal Revenue Service

Form 5305-EA
(Rev. Oct. 2010)
Department of the Treasury Internal Revenue Service

Article I

The Custodian may accept additional cash contributions provided the 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 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 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 Beneficiary shall be distributed within 30 days of his or her death unless the Death Beneficiary is a family member of the Beneficiary and is under the age of 30 on the date of death. In such case, that family member shall become the Beneficiary as of the date of death.

Article IV

The Depositor shall have the power to direct the Custodian regarding the investment of the above-listed amount assigned to the custodial account (including earnings thereon) in the investment choices offered by the

Custodial Agreement

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 Beneficiary. The custodial account shall have only one Responsible Individual at any time. If the Responsible Individual becomes incapacitated or dies while the 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 Beneficiary’s other parent or successor guardian. If a family member under the age of majority under state law becomes the Beneficiary by reason of being a named Death Beneficiary, the Responsible Individual shall be such Beneficiary’s parent or guardian.

The Responsible Individual shall continue to serve as the Responsible Individual for the custodial account after the Beneficiary attains the age of majority under state law and until such time as all assets have been distributed from the custodial account and the custodial account terminates. If the Responsible Individual becomes incapacitated or dies after the Beneficiary reaches the age of majority under state law, the Responsible Individual shall be the Beneficiary.

Article VI

The Responsible Individual may change the Beneficiary designated under this Agreement to another member of the Beneficiary’s family described in Section 529(e)(2) in accordance with the Custodian’s procedures.

Article VII

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

Custodial Agreement

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 that are not consistent with Section 530 and the related regulations will be invalid.

Article IX

This Agreement will be amended as necessary to comply with the provisions of the Code and the related regulations. Other amendments may be made with the consent of the Depositor and the Custodian whose signatures appear on the Application.

Article X

(1) Definitions

- (a) **“Account”** means the Coverdell Education Savings Account established under this Agreement.
- (b) **“Agreement”** means the agreement signed by the Responsible Individual and the Custodian establishing the Coverdell Education Savings Account and as may be amended from time to time.
- (c) **“Beneficiary”** means the individual for whose benefit the Coverdell Education Savings Account is established.
- (d) **“Code”** means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute.
- (e) **“Coverdell Education Savings Account”** means a Coverdell Education Savings Account within the meaning of Section 530 of the Code.
- (f) **“Custodian”** means Ameriprise Trust Company, a trust company incorporated under the state of Minnesota or any successor thereto.
- (g) **“Death Beneficiary”** means the person designated pursuant to Section 4 on the following page.
- (h) **“Depositor”** means the person who establishes and makes the initial contribution to the Account. The Depositor may be the Responsible Individual or the Beneficiary or any other individual whose modified adjusted gross income for the taxable year of the contribution is under the threshold limits described in Code Section 530(c).
- (i) **“Qualified Education Expenses”** means expenses incurred by the Beneficiary as defined under Code Section 529(e)(3).
- (j) **“Responsible Individual”** means the one parent or legal guardian of the Beneficiary who is charged with the ongoing investment and management duties related to the Account.
- (k) **“Shares”** means units of one or more of the regulated investment companies that are a part of RiverSource Funds and that the Custodian permits to be available under this Agreement.
- (l) **“Special Needs Beneficiary”** means an individual, as defined by the IRS, who requires additional time to complete his or her education because of a physical, mental or emotional condition (including a learning disability).

Custodial Agreement

(2) Distributions

- (a) Except as provided below, distributions shall be made from the Account upon the direction of the Responsible Individual, in connection with the payment of Qualified Education Expenses incurred by or on behalf of the Beneficiary. The Custodian is not responsible for determining whether any payment is made in connection with a Qualified Education Expense or the propriety of any distribution. Responsible Individual shall be responsible for any taxes due and any tax reporting required should a distribution be made that is not in connection with the payment of Qualified Education Expenses.
- (b) All payment directions, including transfer to another Coverdell Education Savings Account, shall be made exclusively by the Responsible Individual. If the Responsible Individual dies or becomes incapacitated, all payment or transfer directions shall be made by the party determined under Article V on page 19.
- (c) If the assets in the Account require liquidation to make a distribution, the Custodian may follow the provision outlined in paragraph 6 on pages 24-25.
- (d) No distribution in the form of an annuity shall be made hereunder.

(3) Excess Contributions

If the Responsible Individual notifies the Custodian in writing that a contribution has been made for any tax year in excess of the amount permitted under Article 1, the Custodian will, following receipt of such notice, if so directed by the notice, distribute such excess contribution (and any net income) to the Responsible Individual.

(4) Beneficiaries and Successor Responsible Individuals

- (a) Responsible Individual shall designate the Beneficiary for whom the Account is established. Only an individual may be designated as Beneficiary, and only one individual may be designated as Beneficiary at any one time.
- (b) The Responsible Individual may designate, by delivery of a form provided by or acceptable to Custodian, a Death Beneficiary, to receive the balance in the Account in the event of the death of the Beneficiary. The Responsible Individual may amend or revoke any designation of a Death Beneficiary by delivery of written notice to the Custodian in a form and manner acceptable to Custodian. In the event that no Death Beneficiary has been designated at the time of the Beneficiary's death, the Death Beneficiary shall be the spouse of the Beneficiary or where there is no spouse, the Beneficiary's estate. If the Death Beneficiary becomes the Beneficiary pursuant to Article III and the Responsible Individual is not the Death Beneficiary's parent or legal guardian, then the Responsible Individual will name a successor Responsible Individual who is the new Beneficiary's parent or legal guardian, or if the new Beneficiary has

Custodial Agreement

reached the age of majority under state law, the new Beneficiary shall be the successor Responsible Individual.

- (c) If the Beneficiary is a Special Needs Beneficiary, the following special rules apply subject to any limitations imposed by the IRS:
1. Contributions may continue to be made to the Account after the Special Needs Beneficiary attains age 18.
 2. The requirement under Article III that the Account be distributed when the Beneficiary attains age 30 does not apply if the Beneficiary is a Special Needs Beneficiary.
 3. A Death Beneficiary that is a Special Needs Beneficiary and a family member of the Beneficiary shall become the new Beneficiary as of the Beneficiary's death regardless of the age of the Death Beneficiary.
- (d) The Responsible Individual may elect in a form and manner acceptable to the Custodian another Responsible Individual to succeed the preceding Responsible Individual in that capacity, or that the Beneficiary shall become the Responsible Individual and be substituted for the existing Responsible Individual upon the Beneficiary's attainment of the age of majority under state law or any later date before the Beneficiary's attainment of age 30. If a Responsible Individual, who is a parent or legal guardian, becomes incapacitated or dies, the successor Responsible Individual shall be the person designated in writing by the preceding Responsible Individual to succeed in that capacity. If no successor is so designated, the successor Responsible Individual shall be determined in the following order:
1. the Beneficiary's legal guardian; or
 2. the Beneficiary, if the Beneficiary has reached the age of majority under state law.

(5) Investment Direction

- (a) The Depositor will direct Custodian initially and the Responsible Individual subsequently, in a form acceptable to Custodian, with respect to the method of investing and the investment of the assets in the Account. Such directions are limited to the methods of investing and the investments that are accessible to the Responsible Individual and Depositor through Ameriprise Financial Services, LLC., or its affiliated companies in the regular course of business. Responsible Individual may at any time change the method of investing and change the investment of assets in the Account by giving instructions to the Custodian in a form acceptable to Custodian.
- (b) The Depositor initially, and the Responsible Individual subsequently, may appoint as investment manager any individual or firm which is registered as an investment adviser under the Investment Advisers Act of 1940 ("Act"), or is exempt from registration under the Act, to direct the Custodian in the investment of the Account. Any such appointment will become effective following receipt of written notice of the appointment (or

Custodial Agreement

such later date as may be specified in the notice). The appointment will remain in effect until the Custodian's receipt of written notice of termination (or such later date as may be specified in the notice) from the Responsible Individual. The fees and expenses of the investment manager will be charged to and paid from the Account, except to the extent that the Responsible Individual in his or her discretion pays them directly to the investment manager.

- (c) The Depositor initially, and the Responsible Individual subsequently (or investment manager, if appointed), has the exclusive authority to manage and control the investment of the Account. The Custodian's responsibility is limited to implementing the investment directions it receives and to maintaining safe custody for the assets of the Account. The Custodian has no duty to question any investment direction it receives, to review the investments of the Account, or to make any suggestions with respect to the investment of the Account. Neither Ameriprise Financial Services, LLC., any affiliated company nor the Custodian will be liable for any tax or any loss of any kind which may result from any action taken pursuant to such investment directions or from any failure to act because of the absence of such directions.
- (d) If investment directions with respect to the investment of any contribution hereunder are not received as required, or if received, are unclear or incomplete in the sole opinion of Custodian, the contribution will be held uninvested (subject to the provisions of subparagraph 6(b)), pending clarification or completion of the investment direction, in either case without liability for interest or for loss of income or appreciation. If any other directions or other orders with respect to the sale or purchase of investments for the Account are unclear or incomplete in the opinion of the Custodian, Custodian will refrain from carrying out such investment directions or from executing any such sale or purchase, without liability for loss of income or for appreciation or depreciation of any assets, pending receipt of clarification or completion.
- (e) To the extent applicable, Custodian is directed by Depositor and the Responsible Individual to accept payments in lieu of dividends for this Account at the equivalent value of the dividend paid by the security.
- (f) Subject to the limitations described in this paragraph, Custodian will comply with all directions given to it by the Depositor initially and the Responsible Individual subsequently (or investment manager if appointed). All expenses incidental to carrying out the investment instructions will be charged to the Account.
- (g) Custodian may adjust its fees with respect to various methods of investing and investments selected by the Depositor, Responsible Individual or investment manager. The Custodian may require in its sole discretion that investment instructions be received in writing. The Custodian may accept investment instructions transmitted through American Enterprise Investment Services, Inc.

Custodial Agreement

- (h) In the event that a successor Responsible Individual is appointed under this Agreement, this paragraph 5 of Article X shall apply to the successor Responsible Individual in identical fashion as applied to the Responsible Individual.
- (i) Depositor and Responsible Individual agree that neither the financial advisor nor the Custodian is acting as a fiduciary within the meaning of the Internal Revenue Code of 1986, including with respect to asset allocation services, and that financial advisor and the Custodian are not providing investment advice for a fee that will be the primary basis for Depositor's and Responsible Individual's investment decisions for their Account. To the extent an asset allocation service identifies any specific investment alternative, Depositor and Responsible Individual understand that other investment alternatives having similar risk and return characteristics may be available, and that Depositor's and Responsible Individual's financial advisor can assist in obtaining information on other potential investment alternatives.
- (j) Depositor and Responsible Individual agree that neither the financial advisor nor the Custodian have any duty to diversify the assets in the Account.

(6) Fees and Other Expenses

- (a) The Custodian will receive reasonable annual compensation for its custodial services unless otherwise agreed between the Custodian and Responsible Individual.
- (b) The Custodian may, as part of its compensation for services provided pursuant to this Agreement, receive the earnings from any uninvested amounts awaiting investment into or distributions from the Account. The Depositor and Responsible Individual agree that the Custodian may hold such uninvested amounts without incurring any liability for the payment of earnings on such uninvested cash.
- (c) Any income taxes or other taxes of any kind whatsoever that may be levied or assessed with respect to the Account, and any other expenses or fees (including but not limited to, the Custodian's annual administration fee, other expenses of the Account, fees for legal services rendered to the Custodian, and commissions and mark ups and mark downs for effecting securities transactions by Ameriprise Financial Services, LLC. and its affiliates) incurred by or on behalf of the Account shall constitute a charge upon the assets of the Account and shall be paid from the assets held hereunder, provided that Custodian's administration fee may, upon agreement by the Custodian, be separately paid to Custodian by the Responsible Individual or the Depositor. If any investments of the Account are to be liquidated for tax and or administrative purposes, including any past due amounts, and the Custodian has not yet received directions from the Responsible Individual, the Responsible Individual hereby directs the Custodian to liquidate the investments in the following order:

Custodial Agreement

1. Assets not maintained in a brokerage account through American Enterprise Investment Services, Inc. in the following order:
 - (i) First, interest bearing accounts and Shares of money market funds; and
 - (ii) Second, Shares of investment companies registered under the Investment Company Act of 1940 (e.g., mutual funds) except shares of a money market fund.
2. Assets held in a brokerage account maintained with American Enterprise Investment Services, Inc. in the following order:
 - (i) First, interest bearing accounts and Shares of any money market fund;
 - (ii) Second, Shares of any investments companies registered under the Investment Company Act of 1940 (e.g., mutual funds), except Shares of a money market fund;
 - (iii) Third, Shares of stock (whether common or preferred);
 - (iv) Fourth, bond, debentures and other evidences of indebtedness.
3. Any other assets held in the Account.

(7) Duties and Responsibilities of Custodian

The Custodian will have all powers necessary to carry out its duties under this Agreement, including (but not limited to) the following:

- (a) As directed by the Depositor initially and the Responsible Individual subsequently:
 1. To invest and reinvest the income and assets of the Account in any investments available through Ameriprise Financial Services, LLC. or its affiliated companies in the regular course of business, subject to the limitations in paragraph 5 of Article X;
 2. To buy exchange traded standardized puts and calls and write cash secured put options, and covered call options and to close out those transactions;
 3. To exercise conversion privileges or rights to subscribe for additional securities and to make payments for them from the Account;
 4. To consent to or participate in dissolutions, reorganizations, consolidations, mergers, sales, leases, mortgages, transfers or other changes affecting securities in the Account.
 5. To hold securities without qualification or description in the name of the Custodian or any nominee, or in any other form under which title will pass by delivery; and
 6. To make, execute and deliver any and all contracts, waivers, releases or other written documents appropriate to the custodianship and investment of the Account.
- (b) Dividends and interest received in a brokerage account maintained with American Enterprise Investment Services, Inc. for the benefit of the Depositor's Account hereunder will be transferred daily into a trade settlement account established by the Custodian for the Account.

Custodial Agreement

- (c) The Custodian or its Agent will send or forward to the Responsible Individual a written confirmation of each transaction in the Account. It also will forward to the Responsible Individual all notices, prospectuses, financial statements, proxies and proxy solicitation materials relating to the securities in the custodial account. All instructions, notices, or communications, written or otherwise, required to be given by the Custodian to the Responsible Individual shall be deemed to have been given when delivered or provided to the last known address, including an electronic address, of the Responsible Individual in the records of the Custodian.
- (d) Effective September 1, 2002, by establishing or maintaining the Account, the Responsible Individual hereby directs the Custodian, and the Custodian shall, in the absence of written instructions from the Responsible Individual, vote any Shares held in the Account for which no timely voting instructions are received in proportionately the same manner as Shares timely voted by such Fund's other shareholders. If Responsible Individual maintains a brokerage account through Ameriprise Financial Services, LLC., for the Account, the Responsible Individual hereby directs the Custodian, and the Custodian shall, in absence of written instructions from the Responsible Individual, cause the proxies for all holdings (including Shares) in the brokerage account to be voted in accordance with procedures established by Ameriprise Financial Services, LLC. proxy solicitation vendor.
- (e) The Custodian shall be responsible for custody of the assets credited to the Account. Subject to such requirement, the Custodian is authorized to make reasonable and contractual arrangements with its delegates, including affiliates of the Custodian, for services in connection with the Account, such as custody, temporary idle cash earnings arrangements, settlement, clearing, record keeping, confirmations, reporting, and other administrative requirements. Depositor and Responsible Individual hereby authorize Ameriprise Financial Services, LLC. or its affiliated companies to issue directions to Custodian on behalf of Depositor and Responsible Individual.
- (f) The Custodian may delegate, pursuant to a written Agreement, to one or more entities, the performance of recordkeeping, ministerial, and other services in connection with the Account, for a reasonable fee (to be paid by the Custodian and not by the Account). Any such agent's duties and responsibilities shall be confined solely to the performance of such services, and shall continue only for so long as the Custodian deems appropriate.
- (g) The Custodian shall have no responsibility for (a) determining the propriety or amount of or collecting any contribution hereunder, or (b) determining the amount or timing of any distribution hereunder accept as may be required by law.

(8) Removal or Resignation of Custodian

Custodian shall be notified in writing within 30 days after being removed or resigning as Custodian hereunder of the person or entity designated by the Responsible Individual as successor custodian, and Custodian shall transfer

Custodial Agreement

the assets held under this Account to the successor custodian. If a successor has not been so designated, Custodian, at its option may designate a successor and transfer such assets to such successor. If the Custodian designated herein shall merge with or be succeeded by another corporation, the new corporation, if legally qualified to do so, shall become the Custodian hereunder with all of the rights, duties and powers of the original Custodian, and such merging or succeeding shall not be deemed to be a change of Custodian. In any case in which Custodian does not continue to act in such capacity under this Agreement, and in which a successor custodian is not designated, Custodian shall distribute the assets held in the Account to the Responsible Individual and this Agreement and the Account shall be terminated. In any case in which a distribution of assets held hereunder is made, the Custodian may charge such assets with, or create a reserve for, the amount of any fees, taxes, expenses or costs of the Account, or securities transactions effected in such account or reasonable fees as may, in the Custodian's discretion, be due.

(9) Termination of the Account

The Responsible Individual may at any time terminate this Agreement and the Account by delivering to the Custodian an instruction to terminate or withdraw all assets from the Account. Such instructions shall direct the Custodian to either distribute the assets held hereunder in a lump-sum to or for the benefit of the Beneficiary or to transfer the Account, in a trustee-trustee transfer, to another Custodian. Custodian shall retain the portion of such funds necessary to pay the fees and expenses referred to in Article X, and such termination shall occur automatically upon distribution of all assets held in the Account. Upon such termination, the Custodian, Ameriprise Financial Services, LLC., and its affiliates shall be relieved from all further liability with respect to this Agreement and the Account.

(10) Amendments

The Depositor and the Responsible Individual delegate to the Custodian the authority to amend this Agreement in any respect, at any time (including retroactively) so that it may conform with applicable provisions of the Code or in order to obtain an Internal Revenue Service determination, opinion or ruling that such requirements are met, or to conform this Agreement with other applicable law. Further, Depositor and the Responsible Individual delegate to the Custodian the authority to amend this Agreement for purposes other than those described in the preceding sentence, provided that any such amendment by the Custodian shall be communicated in writing to the Responsible Individual and the Responsible Individual shall be deemed to have consented thereto unless, within thirty (30) days after such communication is mailed, the Responsible Individual either (1) gives Custodian a proper instruction for a lump sum distribution of the Account, or (2) gives Custodian a proper instruction to transfer the Account, in a trustee-trustee transfer, to another custodian.

Custodial Agreement

(11) Limitations on Custodial Liability and Indemnification

- (a) The Custodian shall exercise no discretion, authority, or responsibility as to any investment in connection with the Account and the Custodian shall not be responsible for the purpose, propriety or tax treatment of any contribution or of any distribution, or any other action or non-action taken pursuant to the Depositor's or Responsible Individual's direction.
- (b) The Custodian shall be fully protected in acting upon any oral or written instructions or written instrument believed by the Custodian to be genuine and to have been properly made or executed and upon which it acts in good faith taking or omitting to take any action.
- (c) Custodian shall be under no obligation to engage in any litigation respecting the Depositor, the Responsible Individual, the Beneficiary, the Death Beneficiary or the Account.
- (d) The Depositor, the Responsible Individual, the Beneficiary and the Death Beneficiary shall at all times fully indemnify and hold harmless the Custodian, Ameriprise Financial Services, LLC., their agents, affiliates, successors and assigns and their officers, directors, and employees, from any and all liability arising out of or in connection with Account except the obligation of Custodian to perform the things specifically required to be done by it under this Agreement, or, except liability arising under applicable law or arising from gross negligence or willful misconduct on the part of the indemnified person.

(12) Governing Law

This Agreement and the duties and obligations of Custodian in connection with the Account, shall be construed, administered and enforced according to the laws of the State of Minnesota, except as superseded by federal law or statute.

(13) Separability

If any provision or condition of this Agreement shall be held to be invalid or unenforceable by any court, or regulatory or self regulatory agency or body, such invalidity or un-enforceability shall attach only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected thereby and this agreement shall be carried out as if any such invalid or unenforceable provision or condition was not contained herein.

Custodial Agreement

(14) Arbitration

- (a) Arbitration is final and binding on the parties.
- (b) The parties are waiving their right to seek remedies in court, including the right to a jury trial.
- (c) Pre-arbitration discovery is generally more limited than, and different from, court proceedings.
- (d) The arbitrator's award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited.
- (e) The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.

Any controversy arising out of, or relating to, the Account, shall be settled by arbitration and conducted pursuant to the Federal Arbitration Act, before the American Arbitration Association or the Financial Industry Regulatory Authority (FINRA), Chicago Stock Exchange Inc., the New York Stock Exchange, the American Stock Exchange to the extent you may be a member of such exchange or the Municipal Securities Rulemaking Board or the independent non-industry arbitration forum as Responsible Individual elects. If Responsible Individual does not make such election by registered mail addressed to Custodian at Custodian's main office within 10 days after demand by Custodian that Responsible Individual makes such election, then Custodian shall make such election. Judgment upon any award rendered by the arbitrators may be entered in any court having jurisdiction thereof.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute 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; or
2. the class is decertified; or
3. the Depositor 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.

Custodial Agreement

(15) No Security Interest or Right of Set Off

Depositor shall not pledge the assets held in the Account. If Depositor holds other accounts with Custodian or its affiliates, neither Custodian nor its affiliates shall have any right to offset debts of this Account against property held in such other accounts. Furthermore, to the extent Depositor holds other accounts with Custodian or its affiliates and such accounts incur debts, neither Custodian nor its affiliates shall have any right to offset debts from amounts held within the Account. This provision shall supersede any provisions of any agreements executed by Depositor with Custodian or any of Custodian's affiliates.



Ameriprise Financial Services, LLC.
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ameriprise.com

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