

Coverdell Education Savings Account (CESA) Designation or Change of Death Beneficiary Form

1 ACCOUNT INFORMATION

DESIGNATED BENEFICIARY NAME, ADDRESS, CITY, STATE, AND ZIP			
CESA ACCOUNT (PLAN) NUMBER	SOCIAL SECURITY NUMBER (SNN)	DATE OF BIRTH	DAYTIME PHONE NUMBER
RESPONSIBLE INDIVIDUAL NAME			RESPONSIBLE INDIVIDUAL RELATIONSHIP TO DESIGNATED BENEFICIARY <input type="checkbox"/> Parent <input type="checkbox"/> Guardian <input type="checkbox"/> Other
DAYTIME PHONE NUMBER			

2 DESIGNATION OF DEATH BENEFICIARY (See Additional Information included with this form.)

At the time of the death of the Designated Beneficiary named in Section 1, the primary death beneficiaries named below will receive the CESA assets. If all of the primary beneficiaries die before the Designated Beneficiary, the contingent death beneficiaries named below will receive the CESA assets. In the event a beneficiary dies before the Designated Beneficiary, such beneficiary's share will be reallocated on a pro-rata basis to the other beneficiaries that share the deceased beneficiary's classification as a primary or contingent beneficiary. If all of the beneficiaries die before the Designated Beneficiary, the CESA assets will be paid to the Designated Beneficiary's estate. If no percentages are assigned to beneficiaries, the beneficiaries will share equally. If the percentage total for each beneficiary classification type does not equal 100 percent, any remaining percentage will be divided equally among the beneficiaries within such class. This designation revokes and supercedes all earlier death beneficiary designations which may apply to this CESA.

A. Primary Death Beneficiary

PERCENTAGE	NAME OF DEATH BENEFICIARY	SSN OR TAXPAYER IDENTIFICATION NUMBER	RELATIONSHIP TO DESIGNATED BENEFICIARY	DEATH BENEFICIARY DATE OF BIRTH
%				
%				
%				
Total 100%				

B. Contingent Death Beneficiary


PERCENTAGE	NAME OF DEATH BENEFICIARY	SSN OR TAXPAYER IDENTIFICATION NUMBER	RELATIONSHIP TO DESIGNATED BENEFICIARY	DEATH BENEFICIARY DATE OF BIRTH
%				
%				
%				
Total 100%				


3 SPOUSAL CONSENT

Community or marital property state laws may require spousal consent for a nonspouse beneficiary designation. The laws of the state in which the financial organization is domiciled, the CESA designated beneficiary resides, the trust is located, the spouse resides, or this transaction is consummated should be reviewed to determine if such a requirement exists. Spousal consent for the beneficiary designation may also be required by financial organization policy.

- The Designated Beneficiary is Married.** I understand that if I designate a primary death beneficiary other than the Designated Beneficiary's spouse, such spouse must consent by signing below.
- The Designated Beneficiary is Not Married.** I understand that if the Designated Beneficiary marries in the future, a new Designation of Beneficiary form, which includes the spousal consent documentation, must be completed.


I am the spouse of the CESA designated beneficiary. Because of the significant consequences associated with giving up my interest in the CESA, I agree to seek tax or legal advice. The custodian/trustee has not provided me with legal advice. I acknowledge that I have received a fair and reasonable disclosure of the CESA designated beneficiary's assets or property and any financial obligations for my community property state. In the event I have a legal interest in the CESA assets, I hereby give to the CESA designated beneficiary such interest in the assets held in this CESA and consent to the beneficiary designation set forth in Section 2 of this form.



Signature of Spouse _____ Date _____


Signature of Witness (if required) _____ Date _____
(Witness cannot be a death beneficiary of this CESA)

4 SIGNATURES

I certify that the information provided on this form is accurate and complete. I hereby agree to the terms and conditions set forth in Sections 2 and 3. I agree that I am responsible for any claims that may arise as a result of my selections. I understand that the CESA agreement, disclosure statement, and amendments thereto, may provide me with additional guidance. I agree that the custodian/trustee cannot give me legal advice. I agree to seek the guidance of a tax or legal professional with regard to this decision. I release the custodian/trustee from and indemnify the custodian/trustee for all claims that may arise from my actions related to this form.


Signature of Contributor/Responsible Individual _____ Date _____


Signature of Custodian/Trustee _____ Date _____

ADDITIONAL INFORMATION

Purpose. The Coverdell Education Savings Account (CESA) Designation or Change of Death Beneficiary Form is designed to assist you in selecting or changing the current death beneficiary designation of the CESA. This form may not be used to assign or change the designated beneficiary of a CESA.

Additional Documents. Applicable law or policies of the CESA custodian/trustee with regard to federal, state, or local law may require additional documentation. In the event you want to name additional primary or contingent death beneficiaries, the custodian/trustee may allow you to attach additional beneficiary designations in a format acceptable to the custodian/trustee.

For Additional Guidance. It is in your best interest to seek the guidance of a tax or legal professional before completing this document because of the potentially significant financial and estate planning consequences. Your first reference should be the CESA agreement and disclosure statement issued upon establishing the CESA or amendments provided by the custodian/trustee. For more information, refer to Internal Revenue Service (IRS) Publication 970, *Tax Benefits for Higher Education*, your local IRS office, or the IRS's web site at www.irs.gov.

Terms. A general understanding of the following terms may be helpful in completing your transactions.

Primary Death Beneficiary. A primary death beneficiary is the recipient of CESA funds upon the death of the CESA designated beneficiary.

Contingent Death Beneficiary. A contingent death beneficiary is a secondary beneficiary who is the recipient of CESA funds if all primary beneficiaries predecease a CESA designated beneficiary.

Spousal Consent. Community and marital property states may require the consent of the designated beneficiary's spouse in certain situations where a beneficiary other than spouse is named as a primary death beneficiary.

Responsible Individual. The responsible individual is generally the parent or legal guardian of the designated beneficiary but, in some circumstances, may be the designated beneficiary or another individual. The responsible individual has the power to direct the custodian/trustee concerning administration, management, investment, movement, and distribution of the account. Refer to the CESA agreement, disclosure statement, or amendments thereto for specific guidance on the responsible individual's role and responsibilities.

Contributor. The contributor may be any individual or entity, including a corporation or tax-exempt organization, which may establish and contribute to a CESA on behalf of a designated beneficiary. A contributor may be the responsible individual if he/she is the parent or legal guardian of the designated beneficiary. A designated beneficiary may act as a contributor to his/her own CESA. A contributor may have the amount of his/her eligible contribution reduced if his/her income exceeds certain levels. There is no restriction on the number of CESAs that a contributor may contribute to.

Qualified Designated Beneficiary. A qualified designated beneficiary is a family member of an existing designated beneficiary. In addition to the spouse of the designated beneficiary, members of the designated beneficiary's family are defined under Internal Revenue Code (IRC) Sections 529(e)(2) and 152(a) respectively as:

- ◆ a son or daughter, or a descendant of either
- ◆ a brother, sister, stepbrother, or stepsister
- ◆ the father or mother, or an ancestor of either
- ◆ a stepfather or stepmother
- ◆ a son or daughter of a brother or sister
- ◆ a brother or sister of the father or mother
- ◆ a son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law
- ◆ the spouse of any individual described above
- ◆ first cousin of the designated beneficiary