



Vermont Higher Education Investment Plan (VHEIP) Account Application for an UGMA/UTMA Account

Use this form to open a new Plan Account under UGMA/UTMA ¹

Questions? Call toll-free 1-800-637-5860

P.O. Box 8101, Boston, MA 02266-8101

Visit www.vheip.com

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Instructions

- Before completing this form, carefully read the *Disclosure Booklet* and Participation Agreement and the *Important Information about UGMA/UTMA Accounts*.
- You can select as many Investment Options as you desire and you can invest future contributions into any Investment Option offered by the Plan, even if you have not opened that option through this form.
- You must complete a separate *Account Application* for each Beneficiary. You can obtain additional copies of this form by calling the Plan or by visiting www.vheip.com.
- Print in capital letters with blue or black ink, sign and date this form, then mail it to the Plan at the above address.

Important Information about Procedures for Opening a New Account

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

What this means for you: When you open an Account, we will ask for your name, address, date of birth, Social Security Number or Taxpayer Identification Number and other information that will allow us to identify you, such as your home telephone number. Until you provide the required information, we may not be able to open an Account or effect any transactions for you.

1 Custodian Information *(You must provide all requested information.)*

The Custodian must be a U.S. citizen or resident alien, and must have a Social Security Number or Taxpayer Identification Number. The Custodian cannot be a minor. You must provide a residential address or this Account cannot be opened.

Name (First, MI, Last, Suffix)

Residential Address (This must be a street address - a P.O. Box is not acceptable under the U.S. Patriot Act.)

Residential Address City, State, Zip

Mailing Address, complete only if different from above

Mailing Address City, State, Zip

Social Security Number or Taxpayer Identification Number

Gender (M/F)

Date of Birth (mm-dd-yyyy)

Day Telephone Number

Evening Telephone Number

Relationship to Beneficiary (optional)

E-mail Address (Provide this information to receive periodic eNewsletters and updates from the Plan.)

2 Minor (Beneficiary) Information *(You must provide all requested information.)*

The Beneficiary must be a U.S. citizen or resident alien, and must have a Social Security Number or Taxpayer Identification Number. You must provide a residential address or this Account cannot be opened.

Name (First, MI, Last, Suffix)

Social Security Number or Taxpayer Identification Number

Gender (M/F)

Date of Birth (mm-dd-yyyy)

¹ Uniform Gifts to Minors Act (UGMA) and Uniform Transfers to Minors Act (UTMA)

Automatic Contribution Plan (ACP)

(Minimum \$25 for each Investment Option)

Indicate the amount of your initial and/or subsequent Automatic Contribution Plan (ACP) contribution, which will automatically be transferred from your bank account into the Program. Complete Section 4 to contribute through ACP.

Payroll Deduction

(Minimum \$15 for each Investment Option)

Indicate the amount of your payroll deduction above and submit a *Payroll Deduction Form* with this *Account Application*.

Note: This option is only available if your employer agrees and can remit your contributions via Automated Clearing House Funds (ACH). If your employer does not agree or cannot remit contributions via ACH, please consider an Automatic Contribution Plan (ACP).

4 Banking Information

You must provide the following information if you choose to make your initial investment through Electronic Funds Transfer (EFT) or the Automatic Contribution Plan (ACP), or subsequent contributions through the Electronic Purchase Option. Separate withdrawals from your bank account will be made for each Investment Option you have selected. Provide a pre-printed voided check or pre-printed deposit slip along with this form. It may take up to ten days to initiate these options.

Type of Account (check one):	
<input type="checkbox"/> Checking	<input type="checkbox"/> Savings
Account Number:	Routing Number:
Name(s) on Account: <i>The Custodian and/or Beneficiary name must appear on the bank account.</i>	
Bank Name:	Telephone Number:

Attach your pre-printed voided bank check, or pre-printed deposit slip here, to help the Plan obtain your proper bank account information.

Electronic Purchase Option

Check the box below if you **do not** want to the ability to make subsequent contributions by telephone or through the Plan website from the bank account listed above.

No, I do NOT elect the Electronic Purchase Option.

Automatic Contribution Plan (ACP)

You can make pre-scheduled, recurring contributions directly from your bank account through the Automatic Contribution Plan (ACP) if you provide the required information here.

✓ **Select the amount of your contributions.**

This amount will automatically be withdrawn from your bank account on the frequency you indicate below.

Deposit my ACP contribution(s) in:	Contribution Amounts			
	<i>(Minimum \$25 each)</i>			
Managed Allocation Option	\$,	. 0 0
Diversified Equity Option (1974)	\$,	. 0 0
Principal Plus Interest Option (1056)	\$,	. 0 0
Equity Index Option (2003)	\$,	. 0 0
Balanced Option (2002)	\$,	. 0 0
Fixed Income Option (2004)	\$,	. 0 0
Total Contribution Amount	\$,	. 0 0

- ✓ **Select the frequency of your contributions.**
If none selected, then your bank withdrawals will occur monthly.

<input type="checkbox"/> Bi-weekly	<input type="checkbox"/> Monthly	<input type="checkbox"/> Quarterly
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- ✓ **Select the month(s) of your contributions.**
If none selected and your frequency is quarterly, then your bank withdrawals will occur every calendar quarter.

<input type="checkbox"/> Every Month (or →)	<input type="checkbox"/> Jan.	<input type="checkbox"/> Feb.	<input type="checkbox"/> Mar.
	<input type="checkbox"/> Apr.	<input type="checkbox"/> May.	<input type="checkbox"/> Jun.
	<input type="checkbox"/> Jul.	<input type="checkbox"/> Aug.	<input type="checkbox"/> Sep.
	<input type="checkbox"/> Oct.	<input type="checkbox"/> Nov.	<input type="checkbox"/> Dec.

- ✓ **Select the date(s) of your contributions.**
If none selected, then your bank withdrawals will occur on the fifth of each month or quarter selected above.

<input type="checkbox"/> 5th	<input type="checkbox"/> 20th	<input type="checkbox"/> Other _____
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5 Optional Information

You are not required to complete this Section to open an Account in the *Vermont Higher Education Investment Plan*.

How did you hear about the Plan? (Check one or more.)

- | | | | | | |
|--|---------------------------------|-----------------------------------|--|---|--|
| <input type="checkbox"/> Direct Mail | <input type="checkbox"/> E-mail | <input type="checkbox"/> Employer | <input type="checkbox"/> TIAA-CREF | <input type="checkbox"/> Colleague | <input type="checkbox"/> Other |
| <input type="checkbox"/> Television Commercial | <input type="checkbox"/> Radio | <input type="checkbox"/> Print Ad | <input type="checkbox"/> Financial Advisor | <input type="checkbox"/> Family or Friend | <input type="checkbox"/> Plan Representative |

What is your total family income?

- | | | | |
|--|--|--|---|
| <input type="checkbox"/> Less than \$25,000 | <input type="checkbox"/> \$25,001 - \$50,000 | <input type="checkbox"/> \$50,001 - \$75,000 | <input type="checkbox"/> \$75,001 - \$100,000 |
| <input type="checkbox"/> \$100,001 - \$150,000 | <input type="checkbox"/> \$150,001 - \$200,000 | <input type="checkbox"/> Over \$200,000 | |

What aspect of the Plan is most appealing to you? (Check one or more.)

- | | | | |
|---|--------------------------------------|--|--|
| <input type="checkbox"/> Tax advantages | <input type="checkbox"/> Flexibility | <input type="checkbox"/> Estate planning | <input type="checkbox"/> Professional money management |
|---|--------------------------------------|--|--|

Would you like to receive TIAA-CREF materials unrelated to the Plan?

- By checking this box, I am opting to receive TIAA-CREF materials unrelated to the Plan.

6 Signature and Certification (The Custodian must sign this section or this Account will not be opened.)

By signing below, I am agreeing to the terms and conditions set forth below and in the *Participation Agreement for an UGMA/UTMA Account* (the "*Participation Agreement*") contained in the *Disclosure Booklet*. I understand and agree that those documents govern all aspects of this Account and are incorporated herein by reference.

- I certify that all of the information provided by me on this *Account Application* is, and all information provided by me in the future will be, true, complete and correct. I authorize the Plan to open this Account based on this information.
- I certify that this Account is authorized under, is established and will be maintained by me pursuant to the Uniform Gifts to Minors Act (UGMA) or the Uniform Transfers to Minors Act (UTMA).
- I understand that at any time the value of my Account(s) may be more or less than the amounts I contributed to such Account(s).
- I have received, read and understand the *Disclosure Booklet*, including the *Participation Agreement*. I understand that the Vermont Student Assistance Corporation may from time to time amend the *Disclosure Booklet* and *Participation Agreement* and I understand and agree that I will be subject to the terms of those amendments.
- If I have enclosed a rollover check, I also certify that this amount was withdrawn from another Qualified Tuition Program or from a Coverdell Education Savings Account within the last 60 days to qualify for rollover treatment and that I have not previously made a rollover for the same Beneficiary within the last 12 months. The entire rollover amount will be treated as earnings, and will be reported as earnings upon withdrawal, unless the Plan receives a statement, including breakdown of the earnings and contributions, from my original account.
- If I have provided banking information in Section 4, I authorize the Vermont Higher Education Investment Plan (VHEIP) to debit my bank account and to deposit such funds into my Plan Account. I authorize the financial institution holding the bank account to debit without responsibility for the accuracy of the transaction. I further agree that neither VHEIP nor its agents will be liable for any loss, liability, cost or expense for acting upon these instructions, except to the extent required by applicable law.

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Signature of Custodian

Date

I will retain a copy of this *Account Application*, the *Disclosure Booklet* and the *Participation Agreement* (contained in the *Disclosure Booklet*) with my records.

Mail this form to:

Vermont Higher Education Investment Plan (VHEIP)
P.O. Box 8101
Boston, MA 02266-8101





Important Information about UGMA/UTMA Accounts

Laws governing Uniform Gifts to Minors Act and Uniform Transfers to Minors Act (UGMA/UTMA) Accounts prohibit or restrict certain transactions that are available to other types of accounts in the Vermont Higher Education Investment Plan (VHEIP). Please read the following information about opening an UGMA/UTMA Account.

Who can open an UGMA/UTMA Account?

Any custodian of an irrevocable gift to a minor Beneficiary under the Uniform Gifts to Minors Act or Uniform Transfers to Minors Act can open an UGMA/UTMA Account within VHEIP.

Who owns the funds in an UGMA/UTMA Account?

The minor Beneficiary legally owns the funds in the Account. However, the custodian is the "Account Owner" for purposes of controlling the Account until the minor reaches the age of majority. The custodian can only withdraw funds for the benefit of the Beneficiary. Once the Beneficiary reaches the age of majority, and upon notification to VHEIP and execution of an *Account Application for an Individual Account*, the Beneficiary will become the Account Owner and have full control of the Account.

Can I rollover funds from an existing UGMA/UTMA investment outside VHEIP?

There is no mechanism to "rollover" UGMA/UTMA funds. You must first take a withdrawal from your existing UGMA/UTMA investment and invest the proceeds as a contribution into a VHEIP Account. Please consult with your tax and financial advisors regarding any tax, penalty or other adverse consequences of withdrawing funds from an existing investment. Once withdrawn, the funds are deposited into an UGMA/UTMA Account within VHEIP as a contribution.

See the *Disclosure Booklet and Participation Agreement* for further information.

What rules and restrictions are placed on an UGMA/UTMA Account invested in VHEIP?

- The Account Owner (Custodian) cannot be changed to anyone other than a successor custodian or the Beneficiary without providing the Plan Manager with a court order directing the change, or otherwise allowed under UGMA/UTMA.
- A Contingent Account Owner cannot be designated for the Account in the event of the death of the Account Owner.
- The Beneficiary cannot be changed nor can funds be transferred or rolled over to another Account Owner or another Beneficiary.
- Upon the death of the Beneficiary, the assets belong to the Beneficiary's estate.
- Non-qualified withdrawals and withdrawals due to the disability, scholarship award to, or Military Academy attendance of the Beneficiary should follow UGMA/UTMA rules under applicable state law that generally provide that the funds withdrawn are to be used for the benefit of the Beneficiary and are necessary for the Beneficiary's welfare.
- While the Custodian is the registered Account Owner, he/she is required to sign all forms and requests in his/her representative capacity.
- The Custodian will be required to notify VHEIP when the Beneficiary is legally entitled to take control of the Account and become the registered Account Owner.

You may wish to consult with a tax advisor before opening an UGMA/UTMA Account.