HUSSMAN FUNDS

COVERDELL EDUCATION SAVINGS ACCOUNT

Including:

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HOW TO ESTABLISH YOUR CESA PLAN

Please carefully review the Prospectus for the Hussman Funds as well as the Custodial Agreement and Disclosure Statement contained in this booklet.

For each plan being established (each spouse must establish a separate plan), complete the enclosed Coverdell Education Savings Account Application Form contained in this Coverdell Education Savings Account kit. Make sure you provide all the information requested including your investment instructions and sign where indicated. You should retain a photocopy of all forms forwarded for inclusion with your permanent tax records. If you require extra forms, you may make photo static copies or request them by calling the Fund at (800) 487-7626.

Please send your check along with the appropriate forms and investment instructions to the Fund:

<table>
<thead>
<tr>
<th>Overnight Mail:</th>
<th>Regular Mail:</th>
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</thead>
<tbody>
<tr>
<td>Hussman Funds</td>
<td>Hussman Funds</td>
</tr>
<tr>
<td>c/o Ultimus Fund Solutions</td>
<td>PO Box 46707</td>
</tr>
<tr>
<td>225 Pictoria Dr, Suite 450</td>
<td>Cincinnati, OH 45246</td>
</tr>
<tr>
<td>Cincinnati, OH 45246</td>
<td></td>
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</tbody>
</table>

Subsequent CESA contributions should also be sent to the Fund at the above address.

To transfer from an existing CESA to a CESA with the Hussman Funds, complete and return the enclosed Transfer Form and the Application Form.

The Hussman Funds will establish a CESA plan for you that will be registered under the name and social security number of the beneficiary. CESA contributions will be invested in accordance with the instructions contained in your application. You will receive confirmation for each transaction you make and a quarterly statement of your account.

Refer to the Funds’ prospectus for detailed information concerning the Fund or Funds you have selected and for the method of calculating and allocating annual earnings to the Fund shares held in the CESA. The growth in value of the Fund shares held in your account can neither be guaranteed nor projected.

There is an annual maintenance fee of $15 charged for all CESA accounts.

For further information call the Fund at (800) 487-7626.
COVERDELL EDUCATION SAVINGS ACCOUNT INFORMATION
The Depositor and the Custodian make the following agreement:

ARTICLE I

The Custodian agrees to submit to the Internal Revenue Service (IRS) and The Depositor shall have the power to direct the Custodian regarding the investment of additional contributions (including earnings thereon) to the custodial account. In the event that the Responsible Individual does not provide such directions to the Custodian, the Custodian may invest the additional contributions (including earnings thereon) to the custodial account. The Custodian may charge the Designated Beneficiary for losses of any kind that may result from the actions or inactions of the Depositor and Responsible Individual’s directions to it or the Depositor’s and Responsible Individual’s actions or failures to act. The Custodian has no duty to determine whether the contributions or distributions with respect to this Coverdell ESA comply with the Code, regulations, rulings or this agreement and to establish a policy permitting someone other than the Designated Beneficiary to receive any distributions with respect to this Coverdell ESA. Notwithstanding anything in this agreement to the contrary, the Custodian may establish a policy permitting someone other than the Designated Beneficiary’s parent or legal guardian to serve as Responsible Individual, provided the individual is not prohibited by law from serving in that capacity and fulfilling his or her obligations under this agreement.

ARTICLE II

ARTICLE III

1. Any balance to the credit of the Designated Beneficiary on the date on which he or she attains age 30 shall be distributed to him or her within 30 days of such date.
2. Any balance to the credit of the Designated Beneficiary shall be distributed within 30 days of his or her death unless the designated death beneficiary is a Family Member of the Designated Beneficiary and is under the age of 30 on the date of death. In such case, that Family Member shall become the Designated Beneficiary as of the date of death.

ARTICLE IV

The Depositor shall have the power to direct the Custodian regarding the investment of the amount listed on the Application assigned to the custodial account (including earnings thereon) in the investment choices offered by the 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 Designated Beneficiary. The custodial account shall have only one Responsible Individual at any time. If the Responsible Individual becomes incapacitated or dies while the Designated Beneficiary is a minor under state law, the successor Responsible Individual shall be the person named to succeed in that capacity by the predeceasing Responsible Individual in a witnessed writing or, if no successor is so named, the successor Responsible Individual shall be the Designated Beneficiary’s other parent or successor guardian. Unless otherwise directed by checking the option on the Application, at the time that the Designated Beneficiary attains the age of majority under state law, the Designated Beneficiary becomes the Responsible Individual. If a Family Member under the age of majority under state law becomes the Designated Beneficiary, the Responsible Individual shall be such Designated Beneficiary’s parent or guardian.

ARTICLE VI

ARTICLE VII

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

ARTICLE VIII

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through III will be controlling. Any additional articles inconsistent with Section 530 and the related regulations will be invalid.

ARTICLE IX

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

ARTICLE X

10.01 Notices And Change Of Address: Any required notice regarding this Coverdell ESA will be considered effective when the Custodian mails it to the last address of the intended recipient which the Custodian has in its records. Any notice to be given to the Custodian will be considered effective when the Custodian actually receives it. The Responsible Individual must notify the Custodian of any change of address.

10.02 Representations And Responsibilities: The Depositor and the Responsible Individual represent and warrant to the Custodian that any information the Depositor and Responsible Individual have given or will give the Custodian with respect to this agreement is complete and accurate. Further, the Depositor and the Responsible Individual agree that any directions they give the Custodian, or action they take will be proper under this agreement and that the Custodian is entitled to rely upon any such information or directions. The Custodian shall not be liable for acting upon any instructions given by the Responsible Individual named on the Application prior to the time the Custodian receives appropriate written notice that the Designated Beneficiary has met the requirements for assuming control of the Coverdell ESA, or that a new Responsible Individual has been appointed. The Custodian shall not be responsible for losses of any kind that may result from the Depositor’s and Responsible Individual’s directions to it or the Depositor’s and Responsible Individual’s actions or failures to act. The Depositor and Responsible Individual agree to reimburse the Custodian for any loss the Custodian may incur as a result of such directions, actions or failures to act. The Custodian has no duty to determine whether the contributions or distributions with respect to this Coverdell ESA comply with the Code, regulations, rulings or this agreement and shall not be responsible for any penalties, taxes, judgments or expenses of the Designated Beneficiary or any Depositor to this Coverdell ESA.

Notwithstanding anything in this agreement to the contrary, the Custodian may establish a policy permitting someone other than the Designated Beneficiary’s parent or legal guardian to serve as Responsible Individual, provided the individual is not prohibited by law from serving in that capacity and fulfilling his or her obligations under this agreement.

10.03 Service Fees: The Custodian has the right to charge an annual service fee or other designated fees (for example, a transfer, rollover or termination fee) for maintaining this Coverdell ESA. In addition, the Custodian has the right to be reimbursed for all reasonable expenses incurred in connection with the administration of this Coverdell ESA. The Custodian may charge the Designated Beneficiary separately for any fees or expenses or may deduct the amount of the fees or expenses from the assets in this Coverdell ESA as the Custodian’s discretion. The Custodian reserves the right to charge any additional fee upon 30 days notice to the Responsible Individual that the fee will be effective.

Any brokerage commissions attributable to the assets in the Coverdell ESA will be charged to the Coverdell ESA. The Responsible Individual, Depositor or Designated Beneficiary cannot reimburse the Coverdell ESA for those commissions.

10.04 Beneficiary(i(es)):  
1. Unless indicated otherwise on the Application, the Responsible Individual may not change the Designated Beneficiary. If the Depositor has indicated on the Application that the Responsible Individual may change the beneficiary designated under this agreement and the Responsible Individual chooses to do so, the Responsible Individual must designate a member of the family (as defined in Section 529(e)(2)) of the existing Designated Beneficiary. This designation can only be made on a form prescribed by the Custodian.

2. The Depositor or Responsible Individual may name one or more persons or entities as death beneficiaries of this Coverdell ESA. This designation can only be made on a form prescribed by the Custodian and it will only be effective when it is filed with the Custodian during the lifetime of the Designated Beneficiary. Each beneficiary designation filed with the Custodian will cancel all previous ones unless the beneficiary designation specified otherwise. The consent of a death beneficiary shall not be required in order to revoke a death beneficiary designation. If a death beneficiary is not designated with respect to this Coverdell ESA, the Designated Beneficiary’s estate will be the death beneficiary.
10.05 Termination: Either the Custodian or the Responsible Individual may terminate this agreement at any time by giving written notice to the other. The Custodian can resign as Custodian at any time effective 30 days after mailing written notice of its resignation to the Responsible Individual. Upon receipt of that notice, the Responsible Individual must make arrangements to transfer the Coverdell ESA to another financial organization. If the Responsible Individual does not complete a transfer of the Coverdell ESA within 30 days from the date the Custodian mails the notice to the Responsible Individual, the Custodian has the right to transfer the Coverdell ESA assets to a successor Coverdell ESA trustee or custodian that the Custodian chooses in its sole discretion or the Custodian may pay the Coverdell ESA balance to the Designated Beneficiary in a single sum. The Custodian shall not be liable for any actions or failures to act on the part of any successor trustee or custodian nor for any tax consequences the Designated Beneficiary may incur that result from the transfer or distribution of the Coverdell ESA assets pursuant to this section.

If this agreement is terminated, the Custodian may hold back from the Coverdell ESA a reasonable amount of money that it believes is necessary to cover any one or more of the following:

- any fees, expenses or taxes chargeable against the Coverdell ESA;
- any penalties associated with the early withdrawal of any savings instrument or other investment in the Coverdell ESA.

If the Custodian is merged with another organization (or comes under the control of any Federal or State agency) or if the entire organization (or any portion which includes the Coverdell ESA) is bought by another organization, that organization (or agency) shall automatically become the trustee or custodian of the Coverdell ESA, but only if it is the type of organization authorized to serve as a Coverdell ESA trustee or custodian.

If the Custodian is required to comply with Section 1.408-2(e) of the Treasury Regulations and fails to do so, or the Custodian is not keeping the records, making the returns or sending the statements as are required by forms or regulations, the IRS may, after notifying the Responsible Individual or the Designated Beneficiary, require that a substitute trustee or custodian be appointed.

10.06 Amendments: The Custodian shall have the right to amend this agreement at any time. Any amendment the Custodian makes to comply with the Code and related regulations does not require the consent of either the Responsible Individual or the Depositor. Notwithstanding anything in this agreement to the contrary, other amendments may be made with the consent of the Responsible Individual. The Responsible Individual will be deemed to have consented to any other amendment unless, within 30 days from the date the Custodian mails the amendment, the Responsible Individual notifies the Custodian in writing that the Responsible Individual does not consent.

10.07 Transfers From Other Plans: The Custodian can receive amounts transferred to the Coverdell ESA from the custodian or trustee of another Coverdell ESA.

10.08 Liquidation Of Assets: The Custodian has the right to liquidate assets in the Coverdell ESA if necessary to make distributions or to pay fees, expenses or taxes properly chargeable against the Coverdell ESA. If the Responsible Individual fails to direct the Custodian as to which assets to liquidate, the Custodian will decide in its complete and sole discretion and the Responsible Individual agrees not to hold the Custodian liable for any adverse consequences that result from the Custodian's decision.

10.09 Restrictions On The Fund: Neither the Responsible Individual, the Designated Beneficiary (nor anyone acting on behalf of the Designated Beneficiary), the Depositor nor any contributor may sell, transfer or pledge any interest in the Coverdell ESA in any manner whatsoever, except as provided by law or this agreement.

The assets in the Coverdell ESA shall not be responsible for the debts, contracts or torts of the Responsible Individual, the Designated Beneficiary, the Depositor or any person entitled to distributions under this agreement.

10.10 What Law Applies: This agreement is subject to all applicable Federal and State laws and regulations. If it is necessary to apply any State law to interpret and administer this agreement, the law of the Custodian's domicile shall govern. If any part of this agreement is held to be illegal or invalid, the remaining parts shall not be affected. Neither the Responsible Individual's nor the Custodian's failure to enforce at any time or for any period of time any of the provisions of this agreement shall be construed as a waiver of such provisions, or the parties' right thereafter to enforce each and every such provision.
REQUIREMENTS OF A COVERDELL ESA

A. CASH CONTRIBUTIONS – A Coverdell ESA contribution must be in cash.

B. MAXIMUM CONTRIBUTION – The total amount that may be contributed to any and all Coverdell ESAs on behalf of a Designated Beneficiary is $2,000 per year, excluding rollover and transfer contributions.

Contributions may not be made to a Coverdell ESA after the Designated Beneficiary’s 18th birthday, except in the case of a special needs beneficiary.

The Coverdell ESA contribution that may be made by a Depositor is further limited if the Depositor’s modified adjusted gross income (MAGI) exceeds $190,000 and he or she is a married individual filing jointly ($95,000 for single taxpayers). Married individuals filing jointly with MAGI exceeding $220,000 may not fund a Coverdell ESA. Single individuals with MAGI exceeding $110,000 may not fund a Coverdell ESA. The MAGI limits apply only to Depositors that are individuals.

If the Depositor is married filing jointly with MAGI between $190,000 and $220,000, the maximum Coverdell ESA contribution is determined as follows: (1) subtract the Depositor’s MAGI from $220,000, (2) divide the difference by $30,000, and (3) multiply the result in step (2) by $2,000. For example, if the Depositor’s MAGI is $205,000, the maximum Coverdell ESA contribution that may be made by such Depositor is $1,000. This amount is determined as follows: \([220,000 - 205,000] \div 30,000 \times 2,000\). If the Depositor is a single tax filer with MAGI between $95,000 and $110,000, Contributions may not be made to a Coverdell ESA after the Designated Beneficiary’s date of death.

If the Depositor is a single tax filer with MAGI between $95,000 and $110,000, the maximum Coverdell ESA contribution is determined as follows: (1) subtract the Depositor’s MAGI from $110,000, (2) divide the difference by $15,000, and (3) multiply the result in step (2) by $2,000. For example, if the Depositor’s MAGI is $98,000, the maximum Coverdell ESA contribution that may be made by such Depositor is $1,600. This amount is determined as follows: \([(110,000 - 98,000) \div 15,000] \times 2,000\).

The Coverdell ESA contribution that may be made by a Depositor is not limited by contributions made by the Depositor to Traditional or Roth IRAs. In addition, there is no earned income requirement to be eligible to contribute to a Coverdell ESA. There is no requirement that the Depositor be related to the Designated Beneficiary in order to make contributions. In addition, the Designated Beneficiary may contribute to his or her own Coverdell ESA.

C. ELIGIBLE CUSTODIANS – The Custodian of the Coverdell ESA must be a bank, savings and loan association, credit union, or person approved by the Secretary of the Treasury.

D. COMMINGLING ASSETS – The assets of the Coverdell ESA cannot be commingled with other property except in a common trust fund or common investment fund.

E. LIFE INSURANCE – No portion of the Coverdell ESA may be invested in life insurance contracts.

F. COLLECTIBLES – The assets of the Coverdell ESA may not be invested in collectibles (within the meaning of Internal Revenue Code (IRC) Sec. 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or other tangible personal property specified by the Internal Revenue Service (IRS). However, specially minted United States gold and silver bullion coins and certain state-issued coins are permissible investments. Beginning January 1, 1998, platinum coins and certain gold, silver, platinum or palladium bullion (as described in IRC Sec. 408(m)(3)) are also permitted as Coverdell ESA investments.

G. REQUIRED DISTRIBUTIONS – Except in the case of a special needs beneficiary, the assets of the Coverdell ESA are required to be distributed to the Designated Beneficiary within 30 days of the Designated Beneficiary’s attainment of age 30. The Designated Beneficiary will be subject to both income tax and an additional 10 percent tax on the portion of the distribution that represents earnings, if the Designated Beneficiary does not have any qualified education expenses in that year.

Any balance remaining in the Coverdell ESA upon the death of the Designated Beneficiary shall be distributed within 30 days of the Designated Beneficiary’s death, unless a death beneficiary is named and the death beneficiary is a qualified family member under age 30. If the death beneficiary is a qualified family member under age 30, that individual will become the Designated Beneficiary as of the date of death.

H. RESPONSIBLE INDIVIDUAL – The Responsible Individual is generally the parent or guardian of the Designated Beneficiary. However, the financial organization may establish a policy that permits someone other than the Designated Beneficiary’s parent or legal guardian to serve as the Responsible Individual. Unless otherwise indicated on the Application, the Responsible Individual may not change the Designated Beneficiary. If the Depositor has indicated on the Application that the Responsible Individual may change the Designated Beneficiary, the Responsible Individual may change the Designated Beneficiary to another member of the Designated Beneficiary’s family. The Responsible Individual shall perform the following duties.

1. receive a copy of the plan agreement and disclosure statement.
2. direct the Custodian regarding the investment of contributions, including the ability to redirect the investment of the initial contribution.
3. direct the Custodian regarding the administration, management and distribution of the account, unless the plan agreement indicates otherwise.
4. name a successor responsible individual if the need arises.
5. notify the Custodian of any address change for the individuals identified on the plan agreement.
6. remove excess contributions made to the Coverdell ESA.

INCOME TAX CONSEQUENCES OF ESTABLISHING A COVERDELL ESA

A. CONTRIBUTIONS NOT DEDUCTED – No deduction is allowed for Coverdell ESA contributions, including transfer and rollover contributions.

B. TAX-DEFERRED EARNINGS – The investment earnings of the Coverdell ESA are not subject to federal income tax as they accumulate in the Coverdell ESA. In addition, distributions of the Coverdell ESA earnings will be free from federal income tax if the distributions are taken to pay for qualified education expenses, as discussed below.

C. TAXATION OF DISTRIBUTIONS – The taxation of distributions from the Coverdell ESA depends on whether or not the distributions are used for qualified education expenses.

1. Qualified Education Expenses – The Designated Beneficiary may take tax-free distributions from a Coverdell ESA to pay for elementary, secondary or post-secondary education expenses at an eligible educational institution. Such expenses include tuition, fees, books, supplies, special needs services, room and board, uniforms, transportation, academic tutoring and supplementary items or services (including extended day programs). Also qualifying are expenses for the purchase of computer technology or equipment, Internet access and related services, if such technology, equipment or services are to be used by the Designated Beneficiary or Designated Beneficiary’s family during any of the years the Designated Beneficiary is in school. Qualified expenses may also include amounts contributed to a qualified tuition program.

2. Nonqualifying Distributions – If a Designated Beneficiary withdraws amounts from a Coverdell ESA which exceed the qualified education expenses for the same year, or the distributions are not used for qualified education expenses, a portion of the distributions will be taxable. The amount in excess of the qualified education expenses is taxable pro rata, based on the earnings and the basis in the account.

In most cases of a nonqualified distribution, the taxable portion of a Coverdell ESA distribution is also subject to an additional 10 percent tax. There are several exceptions to the 10 percent tax including distributions made payable

a. to a designated death beneficiary of the Coverdell ESA or to the estate of the Designated Beneficiary following the death of the Designated Beneficiary;
b. to the Designated Beneficiary if the Designated Beneficiary is disabled;
c. to the Designated Beneficiary if the Designated Beneficiary received a qualified scholarship, an educational assistance allowance or an excludable payment exception, but only to the extent the distribution is not more than the amount of the scholarship, allowance or excludable payment, and
d. to the Designated Beneficiary as a removal of excess along with the net income attributable.

3. Hope or Lifetime Learning Credits – A Designated Beneficiary may claim the Hope Credit or the Lifetime Learning Credit on his or her federal income tax return in the same taxable year that a tax-free distribution from a Coverdell ESA is claimed, as long as the distribution(s) does not cover the same expenses claimed for the Hope Credit or Lifetime Learning Credit.
D. **ROLLOVERS** – Coverdell ESA amounts may be rolled over to another Coverdell ESA of the same Designated Beneficiary or that of a qualified family member, provided that all of the applicable rollover rules are followed. Rollover is a term used to describe a tax-free movement of cash to a Coverdell ESA from another Coverdell ESA. The rollover rules are generally summarized below. These transactions are often complex. If you have any questions regarding a rollover, please see a competent tax advisor.

1. **Coverdell ESA to Coverdell ESA Rollovers** – Funds distributed from a Coverdell ESA may be rolled over to another Coverdell ESA of the same Designated Beneficiary or that of a qualifying family member if the requirements of IRC Sec. 530(d)(5) are met. A proper Coverdell ESA to Coverdell ESA rollover is completed if all or part of a distribution is rolled over not later than 60 days after the distribution is received. The Responsible Individual may not have completed another rollover from the distributing Coverdell ESA during the 12 months preceding the date the distribution was received. Further, the Responsible Individual may roll the same dollars or assets only once every 12 months.

2. **Qualified Family Member** – A Coverdell ESA may be rolled to another Coverdell ESA of the same Designated Beneficiary or to a Coverdell ESA maintained for the benefit of a qualified family member of the Designated Beneficiary, who is under the age of 30. The age 30 limitation does not apply to qualified family members who are special needs beneficiaries. Qualified family members of the Designated Beneficiary include the Designated Beneficiary’s child, grandchild, or stepchild, brother, sister, stepbrother, or stepsister, nephew or niece, parents, stepparents, or grandparents, uncle or aunt, spouses of all the family members listed above, cousin, and Designated Beneficiary’s spouse.

E. **CARRYBACK CONTRIBUTIONS** – A contribution is deemed to have been made on the last day of the preceding taxable year if it is made by the deadline for filing the Depositor’s income tax return (not including extensions), and the Depositor designates that contribution as a contribution for the preceding taxable year. For example, if the Depositor is a calendar year filer and makes a Coverdell ESA contribution on or before April 15, the contribution is considered to have been made for the previous tax year if the Depositor designates it as such.

**LIMITATIONS AND RESTRICTIONS**

A. **PROHIBITED TRANSACTIONS** – If the Responsible Individual engages in a prohibited transaction with the Coverdell ESA as described in IRC Sec. 4975, the Coverdell ESA will lose its tax-exempt status and the Designated Beneficiary must generally include the value of the earnings in his or her account in his or her gross income for the year.

B. **PLEDGING** – If the Responsible Individual pledges any portion of the Coverdell ESA as collateral for a loan, the amount so pledged will be treated as a distribution and may be included in the Designated Beneficiary’s gross income for that year to the extent that it represents earnings.

C. **ESTATE AND GIFT TAX** – Transfers of Coverdell ESA assets to a death designated beneficiary made during the Designated Beneficiary’s life and at his or her request or because of the Designated Beneficiary’s failure to instruct otherwise, may be subject to federal gift tax under IRC Sec. 2501 if made after October 22, 1986.

D. **INCOME TAX TREATMENT** – Any withdrawal from the Coverdell ESA is not subject to federal income tax withholding.

**FEDERAL TAX PENALTIES**

A. **EXCESS CONTRIBUTION PENALTY** – An excise tax of 6 percent is imposed upon any excess contribution made to a Coverdell ESA. This tax will apply each year in which an excess remains in the Coverdell ESA. An excess contribution is any contribution amount which exceeds the contribution limit, excluding rollover and direct transfer amounts. The contribution limit is $2,000 per Designated Beneficiary per year. The contribution limit may be further limited by the Depositor’s MAGI as discussed previously. The excess contribution should be removed by the Responsible Individual and made payable to the Designated Beneficiary.

B. **PENALTY REPORTING** – The Designated Beneficiary must file form 5329 with the Internal Revenue Service to report and remit any penalties for excise taxes.

**OTHER**

A. **IRS PLAN APPROVAL** – The agreement used to establish this Coverdell ESA has been approved by the IRS. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.

B. **ADDITIONAL INFORMATION** – You may obtain further information on Coverdell ESAs from your District Office of the IRS. In particular, you may wish to obtain IRS Publication 970, *Tax Benefits For Higher Education*, by calling 1-800-TAX-FORM, or by visiting [www.irs.gov](http://www.irs.gov) on the Internet.

C. **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 organizations to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, you are required to provide your name, residential address, date of birth, and identification number. We may require other information that will allow us to identify you.

D. **FEE INFORMATION** – Annual Maintenance Fee $15.
### RESPONSIBLE INDIVIDUAL’S INFORMATION

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### DESIGNATED BENEFICIARY’S INFORMATION

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### DEPOSITOR’S INFORMATION

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### INVESTMENT SELECTION

Invest the Assets in the following manner:

- **601 – Hussman Strategic Growth Fund (HSGFX)**: $__________ or ____________ %
- **602 – Hussman Strategic Total Return Fund (HSTRX)**: $__________ or ____________ %
- **603 – Hussman Strategic International Fund (HSIEX)**: $__________ or ____________ %
- **604 – Hussman Strategic Dividend Value Fund (HSDVX)**: $__________ or ____________ %

### CONTRIBUTION TYPE

- ☐ Annual Contribution
- ☐ Rollover
- ☐ Transfer

### CONTRIBUTION INFORMATION

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### PAYMENT INFORMATION

Please note that the Funds do not accept cash, third party checks, starter checks, traveler's checks, cashier's checks below $10,000 or money orders. Consult the Prospectus for account minimums and please make your check payable to the Hussman Funds.

### SUCCESSOR COVERDELL ESA RESPONSIBLE INDIVIDUAL

In the event of the death or legal incapacity of the Responsible Individual while the Designated Beneficiary is a minor under state law, I designate the following individual as the Responsible Individual. If no successor is named, the Successor Responsible Individual shall be the Designated Beneficiary’s parent or guardian.

<table>
<thead>
<tr>
<th>Successor Responsible Individual’s Name and Address</th>
<th>Phone</th>
<th>Date of Birth</th>
<th>Social Security Number</th>
<th>Relationship to Designated Beneficiary</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### COVERDELL ESA DEATH BENEFICIARY

To name more than one primary death beneficiary or to name contingent death beneficiary(ies), a separate Coverdell ESA Designation of Beneficiary form must be used.

I designate the individual named below as the primary death beneficiary of 100 percent of this Coverdell ESA. I have included a separate page, if necessary, with additional beneficiary information.

<table>
<thead>
<tr>
<th>Death Beneficiary’s Name and Address</th>
<th>Date of Birth</th>
<th>Social Security Number</th>
<th>Relationship to Designated Beneficiary</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### AUTOMATIC INVESTMENT/WITHDRAWAL OPTION

Hussman Funds also offers an Automatic Investment/Withdrawal Plan for regular interval purchases or withdrawals. Please (800) 487-7626 for more information.
**DUPLICATE ACCOUNT STATEMENTS**

Please send a duplicate account statement to the party below: (If more than one duplicate desired, please attach additional names and addresses)

<table>
<thead>
<tr>
<th>Name</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Address</td>
<td>City, State, and Zip</td>
</tr>
</tbody>
</table>

**BANKING INSTRUCTIONS**

Complete this section to add banking instructions to your account

<table>
<thead>
<tr>
<th>Bank Name</th>
<th>Bank Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank Phone Number</td>
<td>Account Type</td>
</tr>
<tr>
<td>Bank Account Number</td>
<td>Routing/ABA Number*</td>
</tr>
</tbody>
</table>

*ACH Routing Number IMPORTANT NOTE:
Many financial institutions use a different account number than the one that appears on your check. Please contact your local office to obtain the proper account numbers for processing an Electronic Funds Transfer (EFT) transaction. You may need to explain that you are asking for the routing number in order to have funds drafted from your account electronically.

**ANNUAL MAINTENANCE FEE**

Unless the annual maintenance fee is received by the Fund prior to December 15th of each calendar year, we will redeem sufficient shares from your account to pay the fee.

**BROKER INFORMATION (If Applicable)**

<table>
<thead>
<tr>
<th>Dealer Name</th>
<th>Dealer Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branch Name</td>
<td>Branch Number</td>
</tr>
<tr>
<td>Representative Name</td>
<td>Representative Number</td>
</tr>
<tr>
<td>Mailing Address</td>
<td>Phone</td>
</tr>
</tbody>
</table>

**SIGNATURES**

*Important: Please read before signing. The signature of the Responsible Individual should be obtained if someone other than the Depositor will be the Responsible Individual.*

I understand the eligibility requirements for the type of Coverdell ESA deposit I am making and I state that I do qualify to make the deposit. I have received a copy of the Application, the 5305-EA Plan Agreement and the Disclosure Statement. I understand that the terms and conditions which apply to this Coverdell ESA are contained in this Application and the Plan Agreement. I agree to be bound by those terms and conditions. I hereby appoint US Bank, N.A. to serve as Custodian. I hereby certify that the above Social Security Number is true and correct. I hereby certify that I have full right and power, and legal capacity to purchase shares of the Fund(s) and affirm that I have received a current Prospectus and understand the investment objectives and policies stated therein.

I assume complete responsibility for:

1. Determining that I am eligible to contribute to a Coverdell ESA each year I make a contribution.
2. Ensuring that all contributions I make are within the limits set forth by the tax laws.
3. Certifying that I am qualified to assume the responsibilities of the Responsible Individual as set forth in the Plan Agreement, if I am designated on this Application as the Responsible Individual.
4. Managing and administering the Coverdell ESA and authorizing transactions involving contributions (including rollover contributions) and distributions, if I am designated on this Application as the Responsible Individual.

(Coverdell ESA Depositor) (Date) (Coverdell ESA Responsible Individual) (Date)
**DESIGNATED BENEFICIARY’S NAME AND ADDRESS**
(Transferring Coverdell ESA)

| [ ] | [ ] |

**CURRENT COVERDELL ESA TRUSTEE’S OR CUSTODIAN’S NAME AND ADDRESS**

| [ ] | [ ] |

---

**Social Security Number**  
**Date of Birth**  
**Phone**  
**Custodian’s Phone Number**

---

**RULES AND CONDITIONS APPLICABLE TO TRANSFERS**

This form should only be used when Coverdell ESA assets are being moved directly from financial institution to financial institution. Thus, as noted below, the check will be made payable directly to the receiving Coverdell ESA Trustee or Custodian. Transfer of Coverdell ESA assets is a reportable transaction to the IRS.

**NOTE:** IRS 1099-Q instructions require that in a transfer between Coverdell ESAs, the distributing Coverdell ESA Custodian must provide the receiving Coverdell ESA Custodian with a statement reporting the earnings portion of the distribution within 30 days of the distribution or January 10, whichever is earlier.

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**INVESTMENT INSTRUCTIONS**

| [ ] | [ ] |

**TRANSFER INSTRUCTIONS**

| [ ] | [ ] |

**New Account (application attached)**  
**Existing Account (list number below)**

Invest the Assets in the following manner:

| [ ] | [ ] |

**601 – Hussman Strategic Growth Fund (HSGFX)**  
$ ____________ or ____________%

**602 - Hussman Strategic Total Return Fund (HSTRX)**  
$ ____________ or ____________%

**603 - Hussman Strategic International Fund (HSIEX)**  
$ ____________ or ____________%

**604 - Hussman Strategic Dividend Value Fund (HSDVX)**  
$ ____________ or ____________%

| [ ] | [ ] |

**In-Kind Transfer of Hussman Funds Shares (Do not liquidate)**  
**or**  
**Liquidate and Transfer (select one option below):**

| [ ] | [ ] |

**All**  
$ ___________ or ___________%

**Partial**  
$ __________ or ___________%

**Other – Attached are additional transfer instructions**

**Name of Asset to be liquidated:** __________________________________

Please make a check payable as follows:

Hussman Funds  
FBO <Shareholder Name> CESA  
Account # ________________

PO Box 46707  
Cincinnati, OH 45246

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**SIGNATURE OF RESPONSIBLE INDIVIDUAL**

I hereby appoint US Bank, N.A. to serve as Custodian in accordance with the terms and conditions of this document and hereby acknowledge that I have read the Disclosure Statement contained herein and understand that the account is subject to an annual fee of $15. I hereby certify that the above Social Security Number is true and correct.

I certify that I am the proper party to authorize the transfer of the Hussman Funds shares in the manner described above and certify that all of the information provided by me is correct and may be relied upon by the Trustee or Custodian.

I understand that I am responsible for determining that this Coverdell ESA transfer qualifies under the rules and conditions applicable to such transfers and agree to abide by those rules and conditions. I assume responsibility for any tax consequences or penalties that may apply to the transfer of these assets and I agree that the Trustee or Custodian shall in no way be held responsible.

| [ ] | [ ] |

**ACCEPTING COVERDELL ESA TRUSTEE OR CUSTODIAN**

Our organization agrees to serve as the new Trustee or Custodian for the account of the above-named individual, and as Trustee or Custodian, we agree to accept the assets being transferred.

| [ ] | [ ] |

Please contact your resigning trustee/custodian as they may require a member of the medallion program to guarantee your signature.

---

(Coverdell Responsible Individual) (Date)  

(Authorized Signature of New Trustee or Custodian)  (Date)

(Signature Guarantee)  (Date)
To order a free prospectus kit,

call (800) 487-7626

To learn more about our funds,
or discuss an existing account,

call (800) 487-7626