



Southwest Securities, Inc. and/or Broker/Dealers for which it clears
 Southwest Securities, Inc. Member NYSE/NASD/SIPC

Coverdell Education Savings Account Application

1. Funding Information.

Regular Contribution for tax year: _____ ESA Rollover (Must also complete ESA Rollover Form) Transfer from another ESA (Must also complete Account Transfer Form)

2. Designated Beneficiary Information.

Full Name of Applicant (First, Middle, Last) _____ Social Security # _____ Date of Birth _____

Home Address (P.O. Box unacceptable) _____ City _____ State/Province _____ Country _____ Zip _____

3. Responsible Individual's Information.

Full Name of Applicant (First, Middle, Last) _____ Social Security # _____ Date of Birth _____

Home Address (P.O. Box unacceptable) _____ City _____ State/Province _____ Country _____ Zip _____ Length of Residence _____

Mailing Address (P.O. Box acceptable) _____ City _____ State/Province _____ Country _____ Zip _____

Home Phone Number _____ Fax Number _____ Email Address _____

The Responsible Individual shall shall not continue to serve as the Responsible Individual after the Designated Beneficiary attains the age of majority pursuant to section 5.02 of the Custodial Agreement.

The Responsible Individual may may not change the beneficiary designated under this Custodial Agreement pursuant to Section 6.01 of the Custodial Agreement. (I acknowledge that I am aware that if the designated beneficiary is changed, a new account must be set up.)

Note: The Responsible Individual may be the Grantor, but generally must be a parent or legal guardian of the Designated Beneficiary.

4. Death Beneficiary Designation.

Name and Address	Birth Date	Social Security #*	Relationship	Beneficiary Type*	Share %*
				<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	_____%
				<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	_____%
				<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	_____%
				<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	_____%

***Note:** Beneficiaries must have a social security number. In the event of your death, the Primary Beneficiaries will receive the proceeds of your ESA in equal shares or in the specified Share %, if indicated. If no Primary Beneficiary survives you, the Contingent Beneficiaries will receive the proceeds of your IRA in equal shares or in the specified Share %, if indicated. If the Beneficiary Type box is not checked for a beneficiary, the beneficiary will be deemed to be a Primary Beneficiary. If no beneficiary is listed, the balance in the account shall be paid to your estate. The total % of all Primary Beneficiaries must equal 100%; the total % of all Contingent Beneficiaries, if designated should also equal 100%.

5. Client Profile.

Marital Status: Single Married Divorced Widowed Number of Dependents: _____

Citizenship Status: U.S. Citizen Resident Alien ***Note:** Non-Resident Aliens are NOT permitted to open ESA Accounts.

Credit References:

Reference 1: _____ Reference 2: _____ Reference 3: _____

Investment Objectives (You may rank two objectives.):

- Capital Preservation:** Preserving the value of your existing assets by investing in securities with a smaller degree of risk of loss of principal. May include investment in government bonds or certificates of deposit.
- Income:** Generating current income by investing in securities with a lower degree of risk of loss of principal. May include investing in investment grade corporate bonds, bond funds or unit investment trusts.
- Growth:** Generating capital appreciation by investing in securities with a higher degree of volatility and risk of loss of principal. May include investing in stocks or mutual funds.
- Speculation:** Trading volatile securities with a higher than average possibility of loss of principal with the hope of achieving commensurate gains. May include investing in low priced securities, options, non-rated bonds or non-investment grade bonds.

Financial Information:

Investment Experience (# of Years)	Estimated Annual Income	Estimated Net Worth	Estimated Liquid Net Worth	Tax Status
<input type="checkbox"/> Stocks _____	<input type="checkbox"/> Under \$25,000	<input type="checkbox"/> Under \$50,000	<input type="checkbox"/> Under \$50,000	<input type="checkbox"/> 15%
<input type="checkbox"/> Bonds _____	<input type="checkbox"/> \$25,000-\$49,999	<input type="checkbox"/> \$50,000-\$99,999	<input type="checkbox"/> \$50,000-\$99,999	<input type="checkbox"/> 28%
<input type="checkbox"/> Options _____	<input type="checkbox"/> \$50,000-\$99,999	<input type="checkbox"/> \$100,000-\$249,999	<input type="checkbox"/> \$100,000-\$249,999	<input type="checkbox"/> 31%
<input type="checkbox"/> Commodities _____	<input type="checkbox"/> \$100,000-\$250,000	<input type="checkbox"/> \$250,000-\$499,999	<input type="checkbox"/> \$250,000-\$499,999	<input type="checkbox"/> 36%
<input type="checkbox"/> Futures _____	<input type="checkbox"/> Over \$250,000	<input type="checkbox"/> \$500,000-\$999,999	<input type="checkbox"/> \$500,000-\$999,999	<input type="checkbox"/> 39.6%
<input type="checkbox"/> Other _____		<input type="checkbox"/> Over \$1,000,000	<input type="checkbox"/> Over \$1,000,000	

Employment Information: (Please specify if unemployed, retired, homemaker, or student. If self-employed, please specify industry.)

Employer (If self-employed, please specify name of business.)	Position	Business Telephone		
Employer's Address	City	State/Province	Country	Zip

Employment Affiliation:

- Yes No Are you or your spouse an employee of or affiliated with a securities firm, exchange or any of its affiliated companies? If yes, please specify the company name and address to which duplicate statements and confirmations should be sent.

- Yes No Are you or your spouse a director, officer, or 10% shareholder of any publicly traded company? If yes, please specify company name & symbol.

- Yes No Does any other person have Power of Attorney over this account? If yes, please specify name. (We must have a copy of the agreement conferring authority, their name, relationship to you and their investment experience.)

6. Option Account Agreement.

Investment Objectives (See definitions above.)	Option Activity Has Been	Trade Frequency	Trading Occurred In
<input type="checkbox"/> Income <input type="checkbox"/> Speculation	<input type="checkbox"/> No Activity <input type="checkbox"/> Buying <input type="checkbox"/> Writing <input type="checkbox"/> Uncovered (sales)	<input type="checkbox"/> No Trading <input type="checkbox"/> Infrequent <input type="checkbox"/> Moderate <input type="checkbox"/> Active	<input type="checkbox"/> Cash <input type="checkbox"/> Margin <input type="checkbox"/> Both <input type="checkbox"/> Neither

Option Strategy Levels: (Check the strategy level you wish to employ.)

- Level 1: Covered Call Writing – Writing calls fully covered by underlying stock or security convertible into underlying stock.
- Level 2: Level 1 plus buying calls and/or puts.

By signing below, I acknowledge that I have received a copy of the Southwest Securities, Inc. (“SWST”) Option Account Agreement Section of the Customer Information Brochure and that I have read, understand and agree to be bound by the terms. I feel that I have sufficient knowledge to invest in options and I represent that I will maintain extra awareness due to the short life and price volatility of options. I REPRESENT THAT I AM CAPABLE OF EVALUATING, CARRYING AND BEARING THE FINANCIAL RISKS AND HAZARDS OF THE OPTION STRATEGIES THAT I HAVE REQUESTED. I further acknowledge that I have read and understand the pre-dispute arbitration clause located in paragraph 35 of the Cash Account Agreement Section of the Customer Information Brochure and agree to resolve any disputes arising out of my account by arbitration.

X _____
Responsible Individual's Signature Date

7. Account Agreement and Special Instructions. (Please read and sign.)

You hereby request that Your Broker maintain a Brokerage Account in the name(s) listed on this Application. You acknowledge that you have received, read and understood the SWST Cash Account Agreement Section of the Customer Information Brochure and you agree to be bound by the terms and conditions of the Agreement that apply to your Brokerage Account, as amended and that you will contact Your Broker regarding any questions that may relate to your account.

Under Rule 14b-1(c) of the Securities Exchange Act, a broker is required to disclose to an issuer the name, address, and securities positions of our customers who are beneficial owners of that issuer's securities unless the customer objects. If you object to the disclosure of such information, please check box:

By signing this Application, you confirm your intention to reinvest cash credit balances held by SWST in your name, and you further confirm that this cash credit balance is being maintained in your account solely for the purpose of reinvestment. You acknowledge your understanding that cash balances of up to \$100,000 are protected by the Securities Investor Protection Corporation (SIPC), but SIPC coverage is not available for funds maintained solely for the purpose of earning interest.

Certification of Taxpayer ID Number (Substitute W-9): Under penalty of perjury, you certify that (1) the number shown on this form is your correct taxpayer identification number, and (2) you are not subject to backup withholding because (a) you are exempt from backup withholding, or (b) you have not been notified by the Internal Revenue Service (IRS) that you are subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified you that you are no longer subject to backup withholding (does not apply to real estate transactions, mortgage interest paid, the acquisition or abandonment of secured property, contributions to an individual retirement arrangement (IRA), and payments other than interest and dividends), and (3) you are a U.S. person (including a U.S. resident alien). You understand that you must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return.

In consideration of the firm accepting an account for me/us, I/We ("I") acknowledge that I have read, understand and agree to be bound by the SWST Cash Account Terms that I acknowledge receiving at the time the account was opened. **I further acknowledge that I have read and understand the pre-dispute arbitration clause located in paragraph 35 of the Cash Account Agreement Section of the Customer Information Brochure and agree to resolve any disputes arising out of my account by arbitration.** I certify that the foregoing client information is accurate and I am aware that the information is relied on by the broker in servicing my account. If I experience a material change in circumstances, I will provide my broker with an updated Application.

Under penalties of perjury, I certify that the above information (including my social security number and the Designated Beneficiary's and Responsible Individual's social security number) is correct. I hereby agree to participate in the Coverdell Education Savings Custodial Account offered by the Custodian. I acknowledge receipt of a copy of the plan document under which this Coverdell Education Savings Custodial Account is established and a copy of the Disclosure Statement with respect to this Coverdell Education Savings Custodial Account. In the event that this is a rollover contribution, the undersigned hereby irrevocably elects to treat this contribution as a rollover contribution. If the Responsible Individual Information is completed above, I appoint the above-named person as Responsible Individual with the rights, powers, and responsibilities set out in the Coverdell Education Savings Custodial Account Agreement. The Custodian of this account is Southwest Securities, Inc. Notice of revocation must be delivered or mailed to Southwest Securities, Inc. / 1201 Elm Street, Suite 3500 / Dallas, TX 75270 / Phone #: (214) 859-1800.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

X _____
Responsible Individual's Signature Date

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I have received this application and believe the ESA Account is suitable for: Level 1 Level 2 None

Characteristics and Risks of Standardized Options Delivered: _____ / _____ / _____ **X** _____
Investment Representative's Signature Date

Customer Information Brochure Delivered: _____ / _____ / _____ **X** _____
Principal's Signature Date

Privacy Policy Delivered: _____ / _____ / _____ **X** _____
R.O.P.'s Signature Date

Account #: _____ SSN: _____ **X** _____
Verify receipt of original: _____
Office #: _____ Rep #: _____ **X** _____
Authorized Signature of Custodian Date