



Custodial Account Agreement For Coverdell Education Savings Accounts

**For additional information please call toll-free 800-848-0920
or visit us on the web at nationwide.com/mutualfunds.**

Mailing Address:
Nationwide Funds
c/o U.S. Bank Global Fund Services
PO Box 701
Milwaukee, WI 53201-0701

Overnight Address:
Nationwide Funds
c/o U.S. Bank Global Fund Services
615 E. Michigan St., FL3
Milwaukee, WI 53202-5207

Nationwide Funds distributed by Nationwide Fund Distributors LLC (NFD), member FINRA, Columbus, OH.

Nationwide, the Nationwide N and Eagle, and Nationwide is on your side are service marks of Nationwide Mutual Insurance Company. © 2021

REV. 01-2021

Table of Contents

General Information.....1

Disclosure Statement for Coverdell Education Savings Accounts (“CESA”).....1

Coverdell Education Savings Custodial Account.....4

Nationwide Funds Coverdell Education Savings Account Disclosure Statement

General Information

Please read the following information together with the Individual Retirement Account Custodial Agreement and the Prospectus(es) for the Fund(s) you select for investment.

General Principles

1. Are There Different Types of IRAs or Other Tax Deferred Accounts?

Yes. Upon creation of a tax deferred account, you must designate whether the account will be a Traditional IRA, a Roth IRA, or a Coverdell Education Savings Account (“CESA”). (In addition, there are Simplified Employee Pension Plan (“SEP”) IRAs and Savings Incentive Matched Plan for Employees of Small Employers (“SIMPLE”) IRAs, which are discussed in the Disclosure Statement for Traditional IRAs).

- In a Traditional IRA, amounts contributed to the IRA may be tax deductible at the time of contribution. Distributions from the IRA will be taxed upon distribution except to the extent that the distribution represents a return of your own contributions for which you did not claim (or were not eligible to claim) a deduction.
- In a Roth IRA, amounts contributed to your IRA are taxed at the time of contribution, but distributions from the IRA are not subject to tax if you have held the IRA for certain minimum periods of time (generally, until age 59½ but in some cases longer).
- In a Coverdell Education Savings Account, you contribute to an IRA maintained on behalf of a beneficiary and do not receive a current deduction. However, if amounts are used for certain educational purposes, neither you nor the beneficiary of the IRA are taxed upon distribution.

Each type of account is a custodial account created for the exclusive benefit of the beneficiary – you (or your spouse) in the case of the Traditional IRA and Roth IRA, and a named beneficiary in the case of a Coverdell Education Savings Account. U.S. Bank, National Association serves as Custodian of the account. Your, your spouse’s or your beneficiary’s (as applicable) interest in the account is nonforfeitable.

2. Can I Revoke My Account?

This account may be revoked any time within seven calendar days after it is established by mailing or delivering a written request for revocation to: Nationwide Funds, c/o U.S. Bank Global Fund Services, P.O. Box 701, Milwaukee, Wisconsin 53201-0701. If the revocation is mailed, the date of the postmark (or the date of certification if sent by certified or registered mail) will be considered the revocation date. Upon proper revocation, a full refund of the initial contribution will be issued, without any adjustments for items such as administrative fees or fluctuations in market

value. You may always redeem your account after this time, but the amounts distributed to you will be subject to the tax rules applicable upon distribution from a tax deferred account as discussed later and the redemption amount will be subject to market fluctuations. (While current regulations technically only extend the right to redeem a Traditional IRA, it has been assumed that the right applies to all Roth IRAs and Coverdell Education Savings Accounts. These accounts will be administered consistently with that interpretation until the IRS issues guidance to the contrary.)

3. Financial Disclosure

Contributions made to an IRA will be invested, at your election, in one or more of the regulated investment companies for which Nationwide Fund Advisors serves as Investment Advisor or any other regulated investment company designated by Nationwide Funds. No part of the account(s) may be invested in life insurance contracts; further, the assets of the account(s) may not be commingled with other property.

Information about the shares of each mutual fund available for investment by your account(s) must be furnished to you in the form of a prospectus governed by rules of the Securities and Exchange Commission. Please refer to the prospectus for detailed information concerning your mutual fund. You may obtain further information concerning IRAs and Coverdell Education Savings Accounts from any District Office of the Internal Revenue Service. You can also obtain further information concerning IRAs by accessing IRS Publication 590 or Coverdell Education Savings Accounts by accessing IRA Publication 970 on the IRS web site at <http://www.irs.gov>.

The method for computing and allocating annual earnings on your IRA will differ based on the investments chosen. Refer to the investment prospectus for the methods used for computing and allocating annual earnings. The growth in value of your IRA is neither guaranteed nor protected.

Disclosure Statement for Coverdell Education Savings Accounts

1. Who is Eligible for a Coverdell Education Savings Account?

Anyone may contribute to a Coverdell Education Savings Account regardless of his or her relationship to the beneficiary. The beneficiary of a Coverdell Education Savings Account must be under age 18 at the time a contribution is made to a Coverdell Education Savings Account on his or her behalf, unless the beneficiary is a “Special Needs” beneficiary as discussed later. A Coverdell Education Savings Account may also be established to receive rollover contributions or transfers from another Coverdell Education Savings Account.

Coverdell Education Savings Accounts are subject to limitations based on the status of the contributor as well as

the status of the beneficiary. For purposes of this discussion, except as noted, the term “beneficiary” is used to refer to an individual whose education is to be financed, in part or in whole, through a Coverdell Education Savings Account.

2. When Can I Make Contributions to a Coverdell Education Savings Account?

You may make contributions for the prior tax year until April 15th of the following year.

You may make contributions to a Coverdell Education Savings Account for the tax year regardless of your age; however, you may not make a contribution to a Coverdell Education Savings Account after the beneficiary attains age 18, unless the beneficiary is a “Special Needs” beneficiary. If you are currently contributing into your Coverdell Education Savings Account via a systematic purchase plan, the Custodian will stop the systematic purchase plan when the beneficiary turns 18 years old to prevent excess contributions. A “Special Needs” beneficiary is one who needs additional time to complete his/her education due to physical, mental or emotional limitations. In addition, as discussed below, a beneficiary may roll over contributions to another Coverdell Education Savings Account until he or she attains age 30. A beneficiary may also roll over his or her Coverdell Education Savings Account to a new beneficiary who is a member of his or her family so long as the recipient has not attained age 30.

The term “Member of the Family” shall have the meaning prescribed by Code Section 529(e)(2), and shall mean any individual who bears one of the following relationships to the beneficiary:

- a. the father or mother of the beneficiary, or an ancestor of either;
- b. a son or daughter of the beneficiary, or a descendent of either;
- c. a brother, sister, stepbrother or stepsister of the beneficiary;
- d. a stepfather or stepmother of the beneficiary;
- e. a stepson or stepdaughter of the beneficiary;
- f. a son or daughter of the brother or sister of the beneficiary;
- g. a brother or sister of the father or mother of the beneficiary;
- h. a son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law of the beneficiary; or
- i. the spouse of any of the individuals described in sections (a) through (h) above; or of the beneficiary; or
- j. the first cousin of the beneficiary.

3. How Much May I Contribute to a Coverdell Education Savings Account?

The maximum contribution that can be made to all Coverdell Education Savings Accounts that cover a particular beneficiary may not exceed \$2,000. It is the joint responsibility of the contributor and the beneficiary to verify that excess contributions are not made on behalf of a particular beneficiary. Qualifying rollover contributions and transfers are not subject to these limitations. Note that special rules apply to contributions to Coverdell Education Savings Accounts for purposes of gift and estate taxes.

In addition, if your adjusted gross income (or combined income if you file a joint tax return) as modified below exceeds certain limits, you are not eligible to make a contribution to a Coverdell Education Savings Account. For this purpose your adjusted gross income is increased by amounts excluded under Section 911 (certain exclusions applicable to U.S. citizens or residents living abroad), Section 931 (certain exclusions applicable to U.S. citizens or residents living in Guam, American Samoa, or the Northern Mariana Islands), and Section 933 (certain exclusions applicable to U.S. citizens and residents living in Puerto Rico) of the Code.

The amount you may contribute to a Coverdell Education Savings Account for a particular beneficiary is reduced proportionately for adjusted gross income (as modified above) within the applicable dollar range. The applicable dollar range is \$95,000 to \$110,000 for an individual, a married individual filing a separate tax return or a head of household and for a married individual filing a joint tax return this range is increased to \$190,000 to \$220,000.

To determine the amount you may contribute to a Coverdell Education Savings Account, you can refer to IRS Publication 970: MAGI for a Coverdell ESA and Coverdell ESA Contribution Limit.

4. Can I Roll Over or Transfer Amounts from Another Coverdell Education Savings Account?

Amounts may be “rolled over” from one Coverdell Education Savings Account to another Coverdell Education Savings Account benefiting the same beneficiary. In addition, amounts may be rolled over without any tax liability to benefit a member of the family, as defined in paragraph 2, of the beneficiary, provided that they have not attained age 30 at the time of the rollover. Rollovers between Coverdell Education Savings Accounts may be made once per year and must be accomplished within 60 days after the distribution. 529 Plans cannot be transferred or rolled over into a Coverdell Education Savings Account.

5. What if I Make an Excess Contribution?

Contributions that exceed the allowable maximum for federal income tax purposes are treated as excess contributions.

A nondeductible penalty tax of 6% of the excess amount contributed must be paid for each year in which the excess contribution remains in the beneficiary's account.

6. How Do I Correct an Excess Contribution?

If a contribution in excess of the allowable maximum is made, it may be corrected to avoid the 6% penalty tax for that year by withdrawing the excess contribution and its earnings on or before the date, including extensions, for filing the tax return for the beneficiary's tax year for which the contribution was made. An excess contribution may be corrected by June 1st of the taxable year following the taxable year in which the excess contribution was made. Any earnings on the withdrawn excess contribution will be taxable in the year the excess contribution was made and will be subject to a 10% tax penalty.

7. What Forms of Distribution Are Available from a Coverdell Education Savings Account?

Distributions may be made as a lump sum of the entire account, or distributions of a portion of the account may be made as requested.

8. When Must Distributions from a Coverdell Education Savings Account Begin?

Distribution of a Coverdell Education Savings Account must be made (or otherwise will be deemed made) no later than 30 days from the earlier of the beneficiary's death or attainment of age 30. A distribution from a Coverdell Education Savings Account may be rolled over to another beneficiary's Coverdell Education Savings Account according to the requirements of Section (4). Note that the Economic Growth and Tax Relief Reconciliation Act of 2001 waives the distribution age limitation if the beneficiary of the Coverdell Education Savings Account is a "Special Needs" student.

9. Are There Distribution Rules That Apply After Death?

Special rules apply in the case of the divorce or death of a beneficiary of a Coverdell Education Savings Account. In particular, any balances to the credit of a beneficiary must, within 30 days of death, be either: (i) rolled over to another beneficiary's Coverdell Education Savings Account according to the requirements of Section (4) (in which case the distribution will not be subject to tax) or (ii) distributed to a death beneficiary or the beneficiary's estate (in which case the distribution will be subject to tax).

10. How Are Distributions from a Coverdell Education Savings Account Taxed For Federal Income Tax Purposes?

Amounts distributed are generally excludable from gross income if they do not exceed the beneficiary's "qualified higher education expenses" for the year or are rolled over

to another Coverdell Education Savings Account according to the requirements of Section (4). "Qualified higher education expenses" generally include the cost of tuition, fees, books, supplies, and equipment for enrollment at (i) accredited post-secondary educational institutions offering credit toward a bachelor's degree, an associate's degree, a graduate-level or professional degree or another recognized post-secondary credential and (ii) certain vocational schools. In addition, room and board may be covered if the beneficiary is at least a "half-time" student. This amount may be reduced or eliminated by certain scholarships, qualified state tuition programs, HOPE, Lifetime Learning tax credits, proceeds of certain savings bonds, and other amounts paid on the beneficiary's behalf as well as by any other deductions or credits taken for the same expenses. The definition of "qualified education expenses" includes expenses more frequently and directly related to elementary and secondary school education, including the purchase of computer technology or equipment or Internet access and related services.

To the extent payments during the year exceed such amounts, they are partially taxable and partially non-taxable similar to payments received from an annuity. Any taxable portion of a distribution is generally subject to a 10% penalty tax in addition to income tax unless the distribution is (i) due to the death or disability of the beneficiary, (ii) made on account of a scholarship received by the beneficiary, or (iii) is made in a year in which the beneficiary elects the HOPE or Lifetime Learning credit and waives the exclusion from income of the Coverdell Education Savings Account distribution. You may be allowed to take both the HOPE or Lifetime Learning credits while simultaneously taking distributions from Coverdell Education Savings Accounts. However, you cannot claim a credit for the same educational expenses paid for through Coverdell Education Savings Account distributions.

To the extent a distribution is taxable, capital gains treatment does not apply to amounts distributed from the account. Similarly, the special five- and ten-year averaging rules for lump-sum distributions do not apply to distributions from a Coverdell Education Savings Account. The taxable portion of any distribution is taxed as ordinary income.

The IRS does not require withholding on distributions from Coverdell Education Savings Accounts.

11. What if a Prohibited Transaction Occurs?

If a "prohibited transaction", as defined in Section 4975 of the Internal Revenue Code, occurs, the Coverdell Education Savings Account could be disqualified. Rules similar to those that apply to Traditional IRAs will apply.

12. What if the Coverdell Education Savings Account is Pledged?

If all or part of the Coverdell Education Savings Account is pledged as security for a loan, rules similar to those that apply to Traditional IRAs will apply. In general, those rules provide that the amount pledged is treated as distributed.

13. How Are Contributions to a Coverdell Education Savings Account Reported for Federal Tax Purposes?

Contributions to a Coverdell Education Savings Account are reported on IRS Form 5498-ESA.

14. Is There Anything Else I Should Know?

As the IRS clarifies its interpretation of the Coverdell Education Savings Account provisions of the Code, revised or updated information will be provided to you.

Coverdell Education Savings Custodial Account

The following constitutes an agreement establishing a Coverdell Education Savings custodial account (under Section 530 of the Internal Revenue Code) between the depositor and the Custodian.

Article I

The Custodian may accept additional cash contributions provided the designated 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 designated 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 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 above-listed amount 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 preceding 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 below, 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 by reason of being a named death beneficiary, the responsible individual shall be such designated beneficiary's parent or guardian.

Option (This provision is effective only if checked):

The responsible individual shall continue to serve as the responsible individual for the custodial account after the designated 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 designated beneficiary reaches the age of majority under state law, the responsible individual shall be the designated beneficiary.

Article VI

The responsible individual may or may not change the beneficiary designated under this agreement to another member of the designated 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 by Section 530(h).
2. The Custodian agrees to submit reports 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 related regulations will be invalid.

Article IX

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

Article X

1. Investment of Account Assets

- a. All contributions to the custodial account shall be invested in the shares of the Nationwide Funds or, if available, any other series of Nationwide Funds or other regulated investment companies for which Nationwide Fund Advisors serves as Investment Advisor or designates as being eligible for investment. Shares of stock of an Investment Company shall be referred to as "Investment Company Shares". To the extent that two or more funds are available for investment, contributions shall be invested in accordance with the depositor's investment election.
- b. Each contribution to the custodial account shall identify the designated beneficiary's account number and shall be accompanied by a signed statement directing the investment of that contribution into the designated beneficiary's account. The Custodian may return to the contributor, without liability for interest thereon, any contribution which is not accompanied by such information and such appropriate signed statement directing investment of that contribution.
- c. Contributions shall be invested in whole and fractional Investment Company Shares at the price and in the manner such shares are offered to the

public. All distributions received on Investment Company Shares held in the custodial account shall be reinvested in like shares. If any distribution of Investment Company Shares may be received in additional like shares or in cash, the Custodian shall elect to receive such distribution in additional like Investment Company Shares.

- d. All Investment Company Shares acquired by the Custodian shall be registered in the name of the Custodian or its nominee. The designated beneficiary shall be the beneficial owner of all Investment Company Shares held in the custodial account.
 - e. The Custodian agrees to forward to the depositor each prospectus, report, notice, proxy and related proxy soliciting materials applicable to Investment Company Shares held in the custodial account received by the Custodian. By establishing or having established the custodial account, the depositor affirmatively directs the Custodian to vote any Investment Company Shares held on the applicable record date that have not been voted by the depositor prior to a shareholder meeting for which prior notice has been given. The Custodian shall vote with the management of the Investment Company on each proposal that the Investment Company's Board of Directors has approved unanimously. If the Investment Company's Board of Directors has not approved a proposal unanimously, the Custodian shall vote in proportion to all shares voted by the Investment Company's shareholders.
 - f. The responsible individual may, at any time, by written notice to the Custodian, redeem any number of shares held in the custodial account and reinvest the proceeds in the shares of any other Investment Company. Such redemptions and reinvestments shall be done at the price and in the manner such shares are then being redeemed or offered by the respective Investment Companies.
 - g. To the extent a responsible individual for the designated beneficiary makes or has power to make decisions as to the investment of the designated beneficiary's account, that party acknowledges that such decisions are binding and non-voidable.
- ### 2. Amendment and Termination
- a. The Custodian may amend the custodial account (including retroactive amendments) by delivering to the responsible individual written notice of such amendment setting forth the substance and effective date of the amendment. The responsible individual shall be deemed to have consented to any such amendment not objected to in writing by the responsible individual within thirty (30) days of receipt of the notice, provided that no amendment

shall cause or permit any part of the assets of the custodial account to be diverted to purposes other than for the exclusive benefit of the designated beneficiary.

- b. The responsible individual may terminate the custodial account at any time by delivering to the Custodian a written notice of such termination.
- c. The custodial account shall automatically terminate upon distribution to the designated beneficiary or his or her estate of its entire balance.

3. Taxes and Custodial Fees

Any income taxes or other taxes levied or assessed upon or in respect of the assets or income of the custodial account and any transfer taxes incurred shall be paid from the custodial account. All administrative expenses incurred by the Custodian in the performance of its duties, including fees for legal services rendered to the Custodian, and the Custodian's compensation shall be paid from the custodial account, unless otherwise paid by the beneficiary or his or her estate.

The Custodian's fees are set forth in Section 3 of the General Information section at the beginning of this booklet. Extraordinary charges resulting from unusual administrative responsibilities not contemplated by the schedule will be subject to such additional charges as will reasonably compensate the Custodian. Fees will be charged for any liquidation including transferring to a successor trustee or Custodian. The fee will be taken from the remaining balance of the account in the event of a partial liquidation. The fee will be taken from the proceeds in the event of a total liquidation and the balance of the account will be forwarded in accordance with the depositor's instructions.

4. Reports and Notices

- a. The Custodian shall keep adequate records of transactions it is required to perform hereunder. After the close of each calendar year, the Custodian shall provide to the responsible individual a written report or reports reflecting the transactions effected by it during such year and the assets and liabilities of the custodial account at the close of the year.
- a. All communications or notices shall be deemed to be given upon receipt by the Custodian at: U.S. Bank NA, P.O. Box 701, Milwaukee, Wisconsin 53201-0701 or the responsible individual at his most recent address shown in the Custodian's records. The responsible individual agrees to advise the Custodian promptly, in writing, of any change of address.

5. Monitoring of Contribution Limitations Information

The Custodian shall not be responsible for monitoring the amount of contributions made to the designated beneficiary's

account or the income levels of any depositor or contributor for purposes of assuring compliance with applicable state or federal tax laws.

6. Inalienability of Benefits

The benefits provided under this custodial account shall not be subject to alienation, assignment, garnishment, attachment, execution or levy of any kind and any attempt to cause such benefits to be so subjected shall not be recognized except to the extent as may be required by law. However, the responsible individual may change the designated beneficiary under the agreement to another member of the designated beneficiary's family described in Internal Revenue Code Section 529(e)(2) in accordance with the Custodian's procedures.

7. Rollover Contributions and Transfers

The Custodian shall have the right to receive rollover contributions and to receive direct transfers from other Custodians or trustees. All contributions must be made by check or wire (no cash).

8. Conflict in Provisions

To the extent that any provisions of this Article X on the Coverdell Education Savings Account Application shall conflict with the provisions of Articles IV through VII or IX, the provisions of this Article X shall govern.

9. Applicable State Law

This custodial account shall be construed, administered and enforced according to the laws of the State of Wisconsin.

10. Resignation or Removal of Custodian

The Custodian may resign at any time upon thirty (30) days notice in writing to the Investment Company. Upon such resignation, the Investment Company shall notify the depositor, and shall appoint a successor custodian under this Agreement. The depositor or the Investment Company at any time may remove the Custodian upon 30 days written notice to that effect in a form acceptable to and filed with the Custodian. Such notice must include designation of a successor custodian. The successor custodian shall satisfy the requirements of Section 408(h) of the Code. Upon receipt by the Custodian of written acceptance of such appointment by the successor custodian, the Custodian shall transfer and pay over to such successor the assets of and records relating to the custodial account. The Custodian is authorized, however, to reserve such sum of money as it may deem advisable for payment of all its fees, compensation, costs and expenses, or for payment of any other liability constituting a charge on or against the assets of the custodial account or on or against the Custodian, and where necessary may liquidate shares in the custodial account for such payments. Any balance of such reserve remaining after the payment of all such items shall be paid over to the successor custodian. The

Custodian shall not be liable for the acts or omissions of any predecessor or successor custodian or trustee.

11. Limitation on Custodian Responsibility

The Custodian will not under any circumstances be responsible for the timing, purpose or propriety of any contribution or of any distribution made hereunder, nor shall the Custodian incur any liability or responsibility for any tax imposed on account of any such contribution or distribution. Further, the Custodian shall not incur any liability or responsibility in taking or omitting to take any action based on any notice, election, or instruction or any written instrument believed by the Custodian to be genuine and to have been properly executed. The Custodian shall be under no duty of inquiry with respect to any such notice, election, instruction, or written instrument, but in its discretion may request any tax waivers, proof of signatures or other evidence which it reasonably deems necessary for its protection. The depositor and the successors of the depositor including any executor or administrator of the depositor shall, to the extent permitted by law, indemnify the Custodian and its successors and assigns against any and all claims, actions or liabilities of the Custodian to the depositor or the successors or beneficiaries of the depositor whatsoever (including without limitation all reasonable expenses incurred in defending against or settlement of such claims, actions or liabilities) which may arise in connection with this Agreement or the custodial account, except those due to the Custodian's own bad faith, gross negligence or willful misconduct. The Custodian shall not be under any duty to take any action not specified in this Agreement, unless the depositor shall furnish it with instructions in proper form and such instructions shall have been specifically agreed to by the Custodian, or to defend or engage in any suit with respect hereto unless it shall have first agreed in writing to do so and shall have been fully indemnified to its satisfaction.