

# Employee Retention or Incentive Program Application



Homestead  
Funds

Use this application to open a Homestead Funds account for the benefit of (FBO) an employee in your employee retention or incentive program. The cooperative/employer owns and maintains all rights to the account.

The employee must not make any changes to the account. This account can be used to separately maintain the funds for purposes of the employee retention or incentive program and allow the employee to receive regular statements listing the FBO account balance. If and when the bonus award vests, the shares of the Daily Income Fund in the FBO account will be transferred to the employee. You must provide instructions to us for this transfer to occur.

Before completing this application, see the prospectus, which is available at [homesteadfunds.com](http://homesteadfunds.com). If you have any questions, call us at 800.258.3030.

Return your completed form by mail to:

## Regular Mail

Homestead Funds  
c/o of Ultimus Fund Solutions, LLC  
P.O. Box 46707  
Cincinnati, OH 45246

## Overnight Mail

Homestead Funds  
c/o of Ultimus Fund Solutions, LLC  
225 Pictoria Drive  
Suite 450  
Cincinnati, OH 45246

## Important Notice — The USA Patriot Act

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

When you open an account, we will ask for certain information that will allow us to identify you. This information will be verified to ensure the identity of all individuals opening a mutual fund account.

## 1. Program Ownership and Type

This section needs to be completed with the Cooperative/Employer's information only.

Cooperative/Employer's Name

Tax Identification Number

### Plan Type Check one:

Employee **Retention** Program

Employee **Incentive** Program

## 2. Cooperative/Employer's Address

Provide the name of the program representative to whose attention statements and tax forms (if applicable) should be mailed and provide your organization's residential street address. The program representative may be a different person than the Authorized Cooperative/Employer Representative signing the application in **Section 6**.

Program Representative's First Name

Middle Initial

Last Name

Daytime Telephone Number (in case we have questions)

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Cooperative/Employer's Residential Street Address

City

State

Zip Code

Be sure to sign the completed form (Section 7).

A P.O. Box will not be accepted as a residential street address. A rural route, APO or FPO address will be accepted.

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## 2. Cooperative/Employer's Address (continued)

### ◆ If the cooperative/employer has a different mailing address

Complete below if you want account correspondence sent to an address other than the cooperative/employer's residential street address.

Cooperative/Employer's Mailing Address (Your mailing address may be a P.O. Box)

City

State

Zip Code

## 3. Cooperative/Employer's Taxability and Cost Basis Election

Homestead Funds only produces tax forms for accounts of taxable cooperatives. The default is to list your organization as non-taxable and **not** to produce tax forms for the Employer Retention or Incentive Program accounts.

If your organization is taxable and should have tax forms produced, call 800-258-3030 option #2 for instructions on updating the organization's tax status and indicate the cost basis method elected for distributions. **It is the responsibility of the cooperative/employer to notify Homestead Funds of the cooperative/employer's taxability and to provide notification of any changes to the cooperative/employer's tax status in the future.**

## 4. Program Employee Information

Tell us the program employee's name and identifying information.

Program Employee's First Name

Middle Initial

Last Name

Social Security Number

Date of Birth (mm/dd/yyyy)

Program Employee Email Address

### ◆ Duplicate Mailing Address

If you want account statements sent to the program employee in addition to the cooperative/employer's address, provide the program employee's address below.

Program Employee's Mailing Address

City

State

Zip Code

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## 5. Funding

Indicate how this account is being funded. Please note that all funds for program accounts will be invested in the Daily Income Fund.

A check is enclosed with this enrollment form for \$

No funding is included. The account will be funded within 3 months by check, ACH, or wire.

Funding may be submitted by check, ACH or wire. Please review the Employer Instructions to Submit Funds available at [homesteadfunds.com](http://homesteadfunds.com) for instructions or call us at 800.258.3030.

## 6. Authorization

Check here if you want to use your existing Deferred Compensation Authorized Employer Representatives for your Employee Retention Program Accounts. If not please completed an Authorized Employer Representative Form with the first application.

## 7. Certifications and Signatures

By signing this form, I certify that:

- I have received, read and agree to the terms of the prospectus for the Daily Income Fund. The Homestead Funds prospectus is available at [homesteadfunds.com](http://homesteadfunds.com) or by calling 800.258.3030.
- I have the authority and legal capacity to purchase mutual fund shares on behalf of my cooperative/ employer and am of legal age in my state and believe such investment is suitable for my organization.
- The cooperative/employer has received, read and completed an employee retention or incentive program Document.
- I understand that the cooperative/employer is the program administrator and is responsible for monitoring all program accounts to ensure adequate and timely funding and all other purposes. I understand that neither Homestead Advisers nor Homestead Funds will serve as the program administrator. Homestead Advisers and Homestead Funds do not assume any financial obligation with respect to claims for benefits payable under the program and shall not have any responsibility for benefits paid in error due to instructions provided by the Cooperative.
- I understand that if Homestead Funds is directed to close this account after it has been established, any shares will be redeemed at the then current price and the proceeds will be returned to the cooperative/employer. This may result in a gain or loss from the original investment.
- The cooperative/employer understands that all shares will be purchased at the net asset value next determined after receipt by Homestead Funds' transfer agent, Ultimus Fund Solutions, of deposits in good order, as described in the prospectus.
- The cooperative/employer authorizes Homestead Funds, Ultimus Fund Solutions, their agents and affiliates to act on any instructions believed to be genuine for any service authorized by the cooperative/employer on this form and agrees that they will not be liable for any resulting loss or expense to the cooperative/employer resulting from such reliance.
- The cooperative/employer understands that it is responsible for notifying Homestead Advisers when a participant is due to be paid a benefit under an employee retention or incentive program.
- The cooperative/employer and employees are responsible for any tax or legal consequences associated with the adoption, operation or participation in the employee retention or incentive program.
- The cooperative/employer agrees to indemnify Homestead Funds, Homestead Advisers, and their affiliates and hold them harmless from all losses, claims, taxes, fines, liabilities, demands, damages, expenses, attorney's fees or other obligations ("Losses") resulting from any claim, demand or lawsuit in connection with any act or omission arising from the employee retention or incentive program; provided that the cooperative/employer shall not be liable for any Losses resulting from or arising out of the gross negligence or willful misconduct of Homestead Funds, Homestead Advisers, and their affiliates.

Be sure to sign this section. We cannot act on your instruction without your signature. The form must be signed by one of the Program's Authorized Cooperative/Employer Representatives on file with Homestead Funds.

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## 7. Certifications and Signatures *(continued)*

- I am a U.S. citizen or resident, or a representative of a U.S. entity, I certify, under penalty of perjury, that:
  - (1) The Social Security or Employer Identification Number shown on this form is my correct Taxpayer Identification Number.
  - (2) I am not subject to backup withholding because:
    - I am exempt from backup withholding, OR
    - I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividend, OR
    - The Internal Revenue Service has notified me that I am no longer subject to backup withholding (Strike out this item (2) if you have been notified that you are subject to backup withholding)
- The cooperative/employer authorizes Homestead Funds to provide account information to NRECA.
- I understand that I cannot authorize my own enrollment.
- The tax identification number shown in Section 1 of this form is correct.

Be sure to sign this section. We cannot act on your instruction without your signature. The form must be signed by one of the Program's Authorized Cooperative/Employer Representatives on file with Homestead Funds.

Signature of Authorized Employer Representative

Title

Print Name

Date (mm/dd/yyyy)

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