



Regular mail: Highland Funds PO Box 8656 Boston MA 02266-8656 Telephone: 877-665-1287	Overnight mail: Highland Funds c/o DST Asset Manager Solutions, Inc. 30 Dan Road Canton, MA 02021-2809
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## HIGHLAND FUNDS INDIVIDUAL RETIREMENT ACCOUNT (IRA) DISTRIBUTION REQUEST FORM

This form is not intended for required minimum distributions, trustee to trustee transfers, recharacterizations, or conversion requests.

### I. PARTICIPANT INFORMATION

Name: \_\_\_\_\_ Daytime Telephone: (     ) \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Social Security Number: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Account Number: \_\_\_\_\_

### II. TYPE OF ACCOUNT

- Traditional IRA   
  Simple IRA   
  Rollover IRA   
  SEP IRA   
  Roth IRA (Proceed to section III- B or C)   
  Beneficiary IRA

### III. REASON FOR DISTRIBUTION

**A. For Traditional, Simple, Rollover or SEP IRA** - Check the box that applies.

- 1. Normal distribution - You are age 59 ½ or older.
- 2. Early (premature) distribution – You are under age 59 ½, including distributions due to medical expenses, health insurance premiums, higher education expenses, first time homebuyer expenses, or other reason.
- 3. Substantially equal periodic payments within the meaning of section 72(t) of the Internal Revenue Code.
- 4. Death - date of death: \_\_\_/\_\_\_/\_\_\_ (If you are a beneficiary, contact Shareholder Services regarding additional document requirements.)
- 5. Permanent disability - You certify that you are disabled within the meaning of section 72(m)(7) of the Internal Revenue Code.\*
- 6. Transfer incident due to divorce or legal separation - Contact Shareholder Services regarding additional document requirements.
- 7. Removal of excess - You must complete **Section IV** (Excess Contribution Election) in its entirety.
- 8. Direct rollover to a qualified plan - You are certifying that the qualified plan custodian will accept the IRA assets issued.
- 9. Qualified Reservist Distribution

**B.** For purposes of section 72(m)(7), an individual shall be considered to be disabled if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration.

**Note:** For trustee to trustee transfers, please complete the appropriate receiving custodian’s trustee to trustee transfer form. For revocations, refer to the IRA Disclosure Statement for instructions and information regarding your revocation rights. All required documentation must be received in good order before the distribution request can be honored. All legal documents must be certified and a Medallion Signature Guarantee may be required. Please see the Participant Authorization section for an explanation of the Medallion Signature Guarantee.

**B. Qualified Distribution Request for Roth IRA** - Check the box that applies.

This Roth IRA distribution satisfies the 5-year holding period requirement:  Yes (If "No", proceed to section C)

The distribution is made under the following reason (check one):

- 1. You are age 59 ½ or older.
- 2. Death - If you are a beneficiary, contact Shareholder Services regarding additional document requirements.
- 3. Permanent disability - You certify that you are disabled within the meaning of section 72(m)(7) of the Internal Revenue Code.\*

**Note:** Those distributions not meeting the 5-year required period and all other reasons for Roth IRA distributions other are considered non-qualified.

**C. Non-Qualified Distribution Request for Roth IRA** - Check the box that applies.

- 1. Normal distribution (prior to the 5-year holding requirement) - You are age 59 ½ or older.
- 2. Early (premature) distribution - You are under age 59 ½, including distributions due to medical expenses, health insurance premiums, higher education expenses, first time homebuyer expenses, or other reason.
- 3. Substantially equal periodic payments within the meaning of section 72(t) of the Internal Revenue Code.
- 4. Death - If you are a beneficiary, contact Shareholder Services regarding additional document requirements.
- 5. Permanent disability - You certify that you are disabled within the meaning of section 72(m)(7) of the Internal Revenue Code.\*
- 6. Transfer incident to divorce or legal separation - contact Shareholder Services regarding additional document requirements.
- 7. Removal of excess - you must complete **Section IV** (Excess Contribution Election) in its entirety.
- 8. Qualified Reservist Distribution

\*For purposes of section 72(m)(7), an individual shall be considered to be disabled if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration.

**Note:** For trustee to trustee transfers, please complete the appropriate receiving custodian's trustee to trustee transfer form. For revocations, refer to the IRA Disclosure Statement for instructions and information regarding your revocation rights. All required documentation must be received in good order before the distribution request can be honored. All legal documents must be certified and a Medallion Signature Guarantee may be required. Please see the Participant Authorization section for an explanation of the Medallion Signature Guarantee.

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**IV. EXCESS CONTRIBUTION ELECTION**

Amount of excess: \$ \_\_\_\_\_ Tax year for which excess contribution was made: \_\_\_\_\_

Earnings will be removed with the excess contribution if corrected before the federal income tax-filing deadline (including extensions), pursuant to Internal Revenue Code Section 408(d)(4) and Internal Revenue Service ("IRS") Publication 590. The IRS may impose a 10% early distribution penalty on the earnings if you are under age 59½.

For the purpose of the excess contribution, we will calculate the net income attributable to that contribution (Net Income Attributable or "NIA") using the method provided by IRS Notice 2000-39. This method calculates the NIA based on the actual earnings and losses of the IRA during the time it held the excess contribution. Please note that a negative NIA is permitted and, if applicable, will be deducted from the amount of the excess contribution. You must file IRS Form 5329 to report the excise tax.

Excess contributions (plus or minus the NIA) that are distributed by your federal income tax return due date (plus extensions) will be considered corrected, thus avoiding an excess contribution penalty. You may be subject to an IRS penalty of 6% for each year the excess remains in the account.

**A. The excess is being corrected before your federal income tax-filing deadline (including extensions):**

- Remove excess plus/minus net income attributable. Distribute according to my instructions in section VI Mailing Instructions.
- Remove excess plus/minus net income attributable. Re-deposit as a *current year* contribution.

**B. The excess is being corrected after your federal income tax-filing deadline (including extensions).\***

- Remove Excess and distribute according to my instructions in section VI Mailing Instructions.
- Remove Excess and re-deposit as a *current year* contribution.

\*Earnings on the excess contribution will remain in the account. If you are trying to correct an excess of non-deductible contributions after your federal income tax-filing deadline, please see IRS Publication 590 or consult a tax advisor for additional information.

**C. Redesignating an excess contribution to a later tax year.** Please consult a tax advisor to review your specific situation and to determine your best course of action. If you should decide to carry over the excess contribution to a later year, DO NOT return this form to us.

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**V. DISTRIBUTION AMOUNT** – Complete sections A and B

**A. Choose one:**

- Liquidate Entire Account
- One-Time Partial Distribution of \$ \_\_\_\_\_
- Periodic Payment of \$ \_\_\_\_\_  Monthly  Quarterly  Semi-annually  Annually

**B. Choose one:**

- Distribute proportionately across all funds, OR
- Distribute as indicated below:  
Fund: \_\_\_\_\_ Amount: \$ \_\_\_\_\_ or Percentage: \_\_\_\_\_ %  
Fund: \_\_\_\_\_ Amount: \$ \_\_\_\_\_ or Percentage: \_\_\_\_\_ %  
Fund: \_\_\_\_\_ Amount: \$ \_\_\_\_\_ or Percentage: \_\_\_\_\_ %  
Total Amount: \$ \_\_\_\_\_ Total 100%

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**VI. MAILING INSTRUCTIONS**

- Mail to my address currently on file.
- Mail to the following address (Medallion Signature Guarantee Required\*): **Check will be made payable to the account owner.**

Attention: \_\_\_\_\_  
Street: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

- Mail to the following financial institution address: **Check will be made payable to the account owner.**

Financial Institution C/O: \_\_\_\_\_ Account Number: \_\_\_\_\_  
Street: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

- Mail the Direct Rollover to the following Qualified Plan or 403(b): **Check will be made payable to the receiving custodian.**

Receiving Custodian: \_\_\_\_\_ Account Number: \_\_\_\_\_  
Street: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

- Purchase funds into my existing non-retirement mutual fund account.

Account Number: \_\_\_\_\_  
Fund Name: \_\_\_\_\_

- New Account: attach a completed application to purchase funds into a new non-retirement mutual fund account.

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**VII. WITHHOLDING ELECTION**

**A. Federal Withholding**

Federal income tax will be withheld at the rate of 10% from any distribution, subject to the IRS withholding rules, unless you elect or have previously elected out of withholding. Tax will be withheld on the gross amount of the payment even though you may be receiving amounts that are not subject to withholding because they are excluded from gross income. This withholding procedure may result in excess withholding on the payments. If you elect to have no federal taxes withheld from your distribution, or if you do not have enough federal income tax withheld from your distribution, you may be responsible for payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax

payments are not sufficient. If you are completing this form, your below election will remain in effect until such time as you make a different election in writing to the IRA custodian.

Please select one of the following:

- Do not withhold federal income tax
- Withhold 10% federal income tax
- Withhold \_\_\_\_\_% federal income tax (must be more than 10%)

**B. State Withholding**

Your state of residence will determine your state income tax withholding requirements, if any. Those states with mandatory withholding will require state income tax to be withheld from payments if federal income taxes are withheld. Voluntary states let individuals determine whether they want state taxes withheld. Some states have no income tax on retirement payments. Please consult with a tax advisor or your state's tax authority for additional information on your state requirements.

- I elect **TO NOT** have state income tax withheld from my retirement account distributions (only for residents of states that do not require mandatory state tax withholding).
- I elect **TO** have the following dollar amount or percentage from my retirement account distribution withheld for state income taxes (for residents of states that allow voluntary state tax withholding). \$ \_\_\_\_\_ or \_\_\_\_\_ %

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**VIII. PARTICIPANT AUTHORIZATION**

I certify that I am the Participant authorized to make these elections and that all information provided is true and accurate. I further certify that the IRA custodian, the Highland Funds, or any agent of either of them has given no tax or legal advice to me, and that all decisions regarding the elections made on this form are my own. The IRA custodian is hereby authorized and directed to distribute funds from my account in the manner requested. The IRA custodian may conclusively rely on this certification and authorization without further investigation or inquiry. I expressly assume responsibility for any adverse consequences which may arise from the election(s) and agree that the IRA custodian, Highland Funds, and their agents shall in no way be responsible, and shall be indemnified and held harmless, for any tax, legal or other consequences of the election(s) made on this form.

**Participant's Signature\*:**

**Date:**

\*In the case of a death distribution only, Beneficiary's Signature

Medallion Signature Guarantee Stamp and Signature (If required by your current custodian or transfer agent): An eligible guarantor is a domestic bank or trust company, securities broker/dealer, clearing agency or savings association that participates in a medallion program recognized by the Securities Transfer Agents Association. The three recognized medallion programs are the Securities Transfer Agents Medallion Program (known as STAMP), Stock Exchanges Medallion Program (SEMP), and the Medallion Signature Program (MSP). A notarization from a notary public is NOT an acceptable substitute for a signature guarantee.

**Medallion Signature Guarantee**

**Mail to the following:**

**First Class Mail:**  
Highland Funds  
P.O. Box 8656  
Boston, MA 02266-8656

**Overnight Mail:**  
Highland Funds  
30 Dan Road  
Canton, MA 02021-2809  
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