



Regular mail: Highland Funds PO Box 219424 Kansas City, MO 64121-9424 Telephone: 877-665-1287	Overnight mail: Highland Funds 430 W 7th Street, Suite 219424 Kansas City, MO 64105-1407
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**TRANSFER ON DEATH (TOD)
REGISTRATION REQUEST FORM**

To register a new Highland mutual fund account or re-register an existing fund account in Transfer on Death (TOD) form, submit this form to Boston Financial Data Services (“BFDS”), transfer agent for the Highland Funds, at the above address. If you have not previously completed an Account Application, you must submit one with this form. If you have any questions about completing the form, please call our toll-free Shareholder Service number at 877.665.1287.

1. REGISTRATION INFORMATION

CHOOSE ONE: [] NEW ACCOUNT _____ [] EXISTING ACCOUNT # _____
 Name of Fund *(Account Application required)*

 Name of Shareholder (please print)

 Name of Joint Shareholder, if applicable (please print)

2. ADDRESS OF RECORD (For New Accounts Only)

 Street Address

 City, State, Zip Code

(____) _____
 Home Telephone Number

3. BENEFICIARY INFORMATION

 Beneficiary's Name *(please print)*

 Beneficiary's Social Security or other Tax Identification Number

 Street Address

 Beneficiary's Date of Birth /____/

 City, State, Zip Code

(____) _____
 Home Telephone Number

Name of Guardian/Custodian (if beneficiary is a minor) _____ %

4. AUTHORIZATION, INDEMNIFICATION AND SIGNATURE(S)

By signing below, I (we) hereby: (1) instruct the mutual fund named above to register the fund account named above in TOD form with the beneficiary or beneficiaries named above, (2) agree that this TOD account will be governed by the Securities Transfer Association (STA) TOD Rules, which are incorporated herein by reference as if set forth in full, and (3) certify that, as of the date of this TOD registration, I am a resident of the state of the address of record on this account, which state has adopted the Uniform Transfer on Death Security Registration Act.

 Signature of Shareholder* Date

 Signature of Joint Shareholder, if any Date

HIGHLAND FUNDS

FUND RULES GOVERNING TRANSFER ON DEATH ("TOD") REGISTRATION

(Registration is subject to these Rules)

1. General The following rules, adopted by the Agent govern your TOD account. These rules have been established by the Agent and govern the acceptance and execution of TOD directions by the Agent under Massachusetts General Law. The Agent is not obligated by law to implement TOD registrations, but is willing to establish a TOD registration under the terms and conditions outlined herein. If you find these rules unacceptable, please advise the Agent of an acceptable alternative registration so that your account may be registered without a TOD designation.

Only simple beneficiary designations will be accepted for TOD directions. Complicated directions should be accomplished through a will or trust drawn by your attorney.

By providing you with these rules, the Agent does not intend to give, and is not giving, any advice as to the legal effect of a TOD registration under applicable state laws governing inheritance and probate procedures. Since TOD directions do affect the disposition of the account owner's property at death, you should consult with your attorney to make certain that the directions are consistent with your estate planning and tax planning objectives.

These rules are established by the Agent and may be canceled or amended from time to time by the Agent. If a TOD registration upon these terms and conditions is not acceptable to you, the Agent shall register the account in your name as directed but without any TOD designation pending resolution.

2. Who may designate a TOD registration A TOD registration may be designated by (i) a sole account owner or (ii) by two or more joint owners only if the joint owners hold the account as joint tenants with rights of survivorship (and not tenants in common) or as community property. A custodian for a Uniform Transfers to Minors Act (UTMA) or Uniform Gifts to Minors Act (UGMA) account may not designate a TOD on the registration.

3. Account owner The term "account owner," as used herein, refers to either the sole owner of the account or all joint owners of the account in the case of multiple owners. Actions to be taken by the "account owner" must be taken by all joint owners in the case of multiple owners. Beneficiaries are not "account owners" and have no rights in the account until the death of the last surviving account owner.

4. Designation of primary and contingent beneficiaries An account owner may designate primary beneficiaries of the TOD account.

An account owner may designate one, or more than one, beneficiary of the TOD account. The Agent requires a Social Security Number for each designated beneficiary (unless the beneficiary is not a US person and has no US tax identification number) in order to ensure that the account is transferred to the appropriate person or persons upon the death of the last surviving account owner.

- Primary beneficiaries are the first in line to receive the account upon the death of the last surviving account owner if, and only if they survive all the owners.

An account owner also may designate contingent beneficiaries of the TOD account.

- Contingent beneficiaries receive the account upon the death of the account owner(s) if, and only if, there are no surviving primary beneficiaries.

An account owner is not required to designate any contingent beneficiaries in a TOD registration. See also Section 5 below for more information on rights of beneficiaries under your designation.

5. Minors as beneficiaries Minors may be beneficiaries of a TOD account only if a custodian, trustee, parent or guardian, who is not also the account owner, is set forth for the minor in Section 2.

Name of responsible party: _____ Capacity: _____

By not providing a custodian, trustee, or guardian, the account owner is representing that all of the named beneficiaries have reached the age of majority and therefore are not minors.

6. Rights of designated beneficiaries

a. Default arrangement is pro rata.

When an account owner instructs the Agent to register an account in TOD form and names multiple beneficiaries, the Agent will treat the multiple beneficiaries as owning equal percentages as the default arrangement.

b. Optional percentage designations.

If an account owner wishes that the shares of his/her account be distributed unequally among beneficiaries, the account owner must clearly state on the form a percentage for each beneficiary. The total of all percentages must equal 100%. If the percentages do not equal 100%, or if the instructions are unclear, the Agent will request further instructions from the account owner, and, if necessary, will use the pro rata default stated above in Section 5(a) unless valid instructions are received.

c. Optional designations under Lineal Descendants Per Stirpes (LDPS).

If an account owner wishes to have the share of the account intended for a beneficiary to pass to the children of the designated beneficiary in the event a designated beneficiary dies before distribution from the account, the account owner must specifically instruct the Agent to register the account as Lineal Descendants Per Stirpes or "LDPS." If the abbreviation "LDPS" does not appear on the TOD designation, the share intended for any designated beneficiary will not pass to that deceased beneficiary's children or descendants.

d. Choice of LDPS designations applies to all beneficiaries on an account.

If a TOD account with multiple beneficiaries is registered LDPS, the LDPS registration will apply to all beneficiaries designated, both primary and contingent. However, the shareowner also may specifically designate a distinction between the treatment of primary beneficiaries as a class and contingent beneficiaries as a separate class. E.g., all primary beneficiaries may be designated as pro rata and all contingent beneficiaries designated as LDPS, or vice versa. It is not possible, however, to mix the two types of designations within either class of beneficiaries.

e. If a beneficiary dies and no LDPS designation is made. In the case of multiple beneficiaries, if one of the beneficiaries does not survive the account owner and no LDPS designation is made, the deceased beneficiary's share of the account will be divided among the remaining beneficiaries upon the death of the last surviving account owner.

f. If all beneficiaries die before the last surviving account owner and no LDPS designation is made. If no beneficiary survives the last surviving account owner and no "LDPS" designation has been made, the account will be treated as part of the estate of the account owner.

7. Revocations or changes TOD registrations may not be made irrevocable. The account owner may revoke or change a beneficiary designation. Change or revocation requires a letter of instruction signed by the account owner or, by all owners if the account is jointly owned.

8. Controlling terms The TOD beneficiary designation completed by the account owner expressly provides that Boston Financial shall honor the account owner's instructions.

As a result, the following terms will apply:

- An account owner may change the TOD beneficiary or revoke the TOD registration at any time during his life by a written instruction to Boston Financial.
- The beneficiary or status of the account may also be changed by a court order directed to Boston Financial or the Fund.
- The beneficiary or status of the account will not be automatically be changed by events subsequent to the establishment of the account as a TOD (e.g. divorce).
- The beneficiary or status of the account will not be automatically be changed by third party requests based on state statutes.

Dividends, interest, capital gains, and other distributions after the account owner's death:

1) Accruals (undistributed earnings) of the account which occur after the death of the last surviving account owner (or last surviving joint owner) stay with the account and pass to the beneficiary or beneficiaries.

2) Where the account has been coded for cash distributions, and such distributions have actually been paid out prior to notice to the Agent of the death of the last surviving account owner, such distributions are deemed to be the property of the estate of the original account owner and do not pass with the account to the designated beneficiaries.

9. Redemption or Transfer by a TOD beneficiary or beneficiaries A single beneficiary on a TOD registration must provide all of the following to redeem or transfer shares from a TOD account following the death of the last surviving account owner: (i) a letter of instruction signed by the beneficiary, stating the name of the deceased account owner and the date of death; (ii) a completed new account application or change of registration form, (iii) a Form W-9 or any successor form to Form W-9, and (iv) an inheritance tax waiver if required by the decedent's state of residence. Foreign persons must also complete Form W-8BEN or any successor form to W-8BEN. In the case of multiple beneficiaries, in addition to the requirements above, the beneficiary must also provide an affidavit under penalty of perjury that there are no known disputes or claims that would affect the requested distribution. Additional redemption or transfer requirements may be imposed at the time of redemption.