

Transfer on Death Agreement

Account Number _____

Registration

Legal Name _____

■ Complete the registration **exactly** the same as the Agreement to which this TOD Agreement is attached.

Social Security No. _____

■ All account owners must sign this TOD Agreement.

Joint Owner _____

Social Security No. _____

■ If applicable: Agent _____
(attached current Power of Attorney)

This Transfer on Death Agreement (the "TOD Agreement") is entered into by Legent Clearing ("Legent") and the undersigned client ("Client") and is an integral part of the Client Agreement (the "Agreement") made by Legent and Client. In consideration of the acceptance by Legent of Client's account (the "TOD Account") under this TOD Agreement, Client agrees to the following supplemental terms and provisions.

TOD-1 Establishment of TOD Account. Client establishes this TOD Account pursuant to the laws of the State of Nebraska. Upon the death of the Client (or the last person having an ownership interest in this TOD Account if there exists joint ownership of the TOD Account), Legent agrees to transfer the assets contained in this TOD Account to the beneficiary(ies) designated below:

Primary Beneficiaries

_____ Name	%	_____ Relationship	_____ SSN/Tax ID Number	_____ Date of Birth (if a person)
_____ Name	%	_____ Relationship	_____ SSN/Tax ID Number	_____ Date of Birth (if a person)
_____ Name	%	_____ Relationship	_____ SSN/Tax ID Number	_____ Date of Birth (if a person)
_____ Name	%	_____ Relationship	_____ SSN/Tax ID Number	_____ Date of Birth (if a person)

Client acknowledges that the percentages must aggregate to 100%, and if any remainder exists, or if a Primary Beneficiary predeceases Client and no Contingent Beneficiary for the Primary Beneficiary has been designated, the requisite portion of the assets in this TOD Account will revert to Client's estate. If no percentage is selected, all Primary Beneficiaries shall share equally.

In the event any Primary Beneficiary shall not survive Client, Legent agrees to transfer that Primary Beneficiary's portion of the assets in the TOD Account to the following Contingent Beneficiary(ies).

Contingent Beneficiaries

Primary Beneficiary _____ share shall pass to _____	Contingent Beneficiary	%	Relationship	SSN/Tax ID No.	Date of Birth (if a person)
Primary Beneficiary _____ share shall pass to _____	Contingent Beneficiary	%	Relationship	SSN/Tax ID No.	Date of Birth (if a person)
Primary Beneficiary _____ share shall pass to _____	Contingent Beneficiary	%	Relationship	SSN/Tax ID No.	Date of Birth (if a person)
Primary Beneficiary _____ share shall pass to _____	Contingent Beneficiary	%	Relationship	SSN/Tax ID No.	Date of Birth (if a person)

X _____ X _____
Client Signature Date Investment Consultant Date

X _____ X _____
Client Signature Date Investment Consultant Date

TOD-2 TOD Account Fee. Client shall pay the fees charged by Legent Clearing in connection with the establishment of this TOD Account. Legent Clearing charges an amount for establishment and transfer or re-registration of securities, and this fee will be deducted from the TOD Account. Fees should be given to you by your Introducing Firm, normally this is in a Fee Schedule document at the opening of the account.

TOD-3 Agency. Client has designated and appointed the Agent identified in this TOD Agreement. While Client is alive, the Agent shall have the power to exercise all rights of Client, as owner, of the securities in this TOD Account. The Agent's power to act under this TOD Agreement shall survive and not be impaired by Client's disability or incapacity. The Agent's power to act shall terminate upon the death of Client (or the last surviving owner if this TOD Account is jointly owned).

TOD-4 Change Of Beneficiary Designation. Client acknowledges that any change of the designation of Primary or Contingent Beneficiary(ies) can be accomplished by the delivery of a new TOD Agreement to and the acceptance by Legent Clearing. CLIENT ACKNOWLEDGES THAT UNDER NEBRASKA LAW, NEITHER THE RIGHT OF SURVIVORSHIP NOR A TOD DESIGNATION CAN BE ALTERED BY WILL.

TOD-5 Fractional Shares. In connection with any transfer under this TOD Agreement, Legent Clearing reserves the right to liquidate any requisite portion of a securities position to avoid having to transfer fractional shares.

TOD-6 Shares Held In Nominee Name. Assets in the TOD Account shall be held in nominee name. For example, shares may be held in the name of Legent Clearing for the benefit of Client.

TOD-7 Client Acknowledgements. Client acknowledges that:

- a. A copy of the Transfer on Death Disclosure Statement has been received, read and understood.
- b. Legent Clearing shall have no duty to determine whether Client remains alive. To the extent Legent Clearing is informed of the death of Client, Legent Clearing may, but is not obligated to, notify any Beneficiary of the fact of designation as a Beneficiary under this TOD Agreement. Legent Clearing shall have no liability to any Beneficiary for any loss which may arise in connection with the pendency of a request to re-register or transfer securities in the TOD Account.
- c. Legent Clearing makes no representation as to the effectiveness of any designation of Beneficiary or tax consequences of the re-registration or transfer of securities upon the death of Client.
- d. Legent Clearing shall not be responsible for the payment of Client's debts. Legent Clearing shall not be responsible for the payment of taxes or any other amount owed by Client or any Beneficiary. Legent Clearing shall not be responsible for any administrative responsibility arising in connection with the death of Client, except to take action as is specified in this TOD Agreement.

TOD-8 Governing Law. This TOD Agreement shall be governed by the laws of the State of Nebraska. This TOD Agreement is binding on the successors and assigns of Legent Clearing and is binding on the heirs, executors, administrators, assigns and beneficiaries of Client.

TOD-9 Effect Of Other State Laws. Client acknowledges that if "transfer on death" or "pay on death" registration is not permitted under the laws of the jurisdiction where Client is domiciled at the time of death, that unless Legent Clearing is served process in a proceeding in which it is asserted that the transfer of securities in this TOD Account should not be permitted, Legent Clearing will proceed to re-register or transfer the securities in this TOD Account in accordance with this TOD Agreement. Client further agrees that in connection with such re-registration/transfer, Legent Clearing shall be entitled to the protection afforded a "financial institution" under Nebraska law governing Transfer on Death registration. Client shall indemnify and hold Legent Clearing harmless against any claim of any person acting on behalf of Client's estate arising from the re-registration or transfer of securities effected by Legent Clearing.

Transfer On Death Disclosure Statement

Information About This TOD Agreement

An account owned as a TOD Account operates to permit the owner(s) to retain all normal rights of ownership of the securities in the Account during the owner's lifetime and to designate another person or entity to take title to such securities upon the death of the owner(s). Transfer of ownership occurs automatically upon death, and the beneficiary(ies) become(s) the owner(s) without the necessity of further action. Property is transferred outside of probate. The decisions you make in entering into a TOD Agreement may have significant tax and estate planning implications, and it is important that you consult with an attorney and your accountant to understand completely whether a TOD Agreement is consistent with your estate and tax planning requirements. Set forth below is Legent Clearing's statement of information for the TOD Agreement with you.

- 1. Who can open a TOD Account?** One or more natural persons can open a TOD Account. Multiple owners must own the TOD Account as joint tenants with rights of survivorship or as community property. An account owned by joint tenants without rights of survivorship is ineffective to create a TOD Account.
- 2. Who cannot open a TOD Account?** A TOD Account cannot be established for (i) a partnership, joint venture or other organization for a business purpose, (ii) an account controlled by a person as agent or trustee for a corporation, unincorporated association, or a charitable or civic organization, or (iii) a fiduciary or trust account where the relationship is established outside of the terms of a TOD Agreement.
- 3. Are there any limitations on the kinds of securities in a TOD Account?** Yes. Securities in a TOD Account will be held for the benefit of the owner(s) and must be registered in nominee name. The reason for this requirement is to permit efficient transfer of the securities upon the owner's death. Equity securities, corporate, municipal and government bonds, money market funds, and interests in unit investment trusts are examples of securities eligible to be held in a TOD Account. Variable and fixed annuities, mutual funds not held at Legent Clearing options and interests in limited partnerships are examples of securities which cannot be held in a TOD Account. Your Investment Consultant can answer specific questions you may have about whether a particular security may be held in a TOD Account. Legent Clearing will determine, in its absolute discretion, whether to accept any security in a TOD Account.
- 4. Who can be a beneficiary?** One or more natural persons or entities can be designated to receive the securities in a TOD Account. If a trust is designated as a beneficiary, the designation must include the date of the trust agreement and the name of the trustee serving at the time of designation. A designation of a trustee of the trust shall be deemed to include any successor trustee. If a trust designated as a beneficiary is revoked or terminated prior to the death of the last surviving owner of the TOD Account, then the designation for the trust as a beneficiary will be treated as though the owner had designated an individual and that the individual had died prior to the death of the last surviving owner.
- 5. What is the relationship between primary and contingent beneficiaries?** The owner(s) of a TOD Account may designate one or more persons or entities to whom the securities in a TOD Account will be transferred upon the death of the owner(s). Each of these persons/entities is a "primary beneficiary." The sole owner or all joint owners may change the designation of primary beneficiary(ies) at any time by the delivery to and acceptance by Legent Clearing of a new TOD Agreement. The owner(s) may also designate one or more persons or entities to take the securities in the event the primary beneficiary dies. Each of these persons/entities is a "contingent beneficiary." An owner cannot designate any person as a beneficiary unless such person is alive. For example, the beneficiary designation "the children of John Doe" is not effective. For each beneficiary, the owner(s) must provide the name, address and social security (or tax ID) number. It is also necessary for the owner(s) to specify the percentage of securities in a TOD Account to be transferred to each beneficiary.

6. **What rights does the owner exercise while alive?** The owner(s) of a TOD Account exercise all rights of ownership. If the TOD Account is owned by joint tenants, ownership rights are exercised until the death of the last surviving owner. A beneficiary has absolutely no rights to the securities in a TOD Account until after the death of the last person who had been an owner of the TOD Account.
7. **What documents are necessary to effect transfer upon death?** When the last owner has died, in order that Legent Clearing can transfer securities in a TOD Account to a beneficiary, the following documents must be provided:
 - a. A Death Certificate of the owner (or last owner if the account is jointly owned) of the TOD Account.
 - b. An affidavit signed by a beneficiary to the effect that: (i) the person signing the affidavit is a beneficiary of the TOD Account, (ii) the owner(s) of the TOD Account is/are deceased, (iii) the name, address and social security/tax ID number of each beneficiary having an interest in the TOD Account, (iv) each beneficiary is alive or exists, (v) no dispute exists as to whether each beneficiary is entitled to all or a portion of the securities in the TOD Account, or as to the amount each beneficiary is entitled to, and (vi) if applicable, proof of death of any predeceased beneficiary.
 - c. A waiver of inheritance taxes, if required.
8. **How can a transfer be made to minors or incapacitated persons?** In the event a guardian (or conservator) is appointed to act on behalf of a beneficiary who is an incapacitated person or a person who is a minor, Legent Clearing may, upon request, transfer securities in a TOD Account to such guardian (or conservator), and receipt by such person operates to discharge Legent Clearing from all claims for the amount of the payment or transfer. Legent Clearing may make distribution to the estate of the owner, and all obligations to the incapacitated person or minor shall be fully discharged.
9. **Can a Power of Attorney be used for a TOD Account?** Yes. All owners of a TOD Account may designate an agent who, under a power of attorney, is selected to act on behalf of the owners of the TOD Account. The agent will have no ownership or rights at the death of an owner unless the agent is also designated a beneficiary.
10. **Can a TOD Account be employed in conjunction with the Uniform Transfer to Minors Act?** Yes. An owner of a TOD Account can designate the custodian properly appointed under the Uniform Transfer to Minors Act ("UTMA") to receive securities for the benefit of a minor. The ultimate transfer to the minor would be effected pursuant to UTMA.
11. **What procedure will be employed in event of dispute?** Should any dispute arise as to the proper entitlement of the securities in a TOD Account, the person who requests the transfer of securities must provide evidence satisfactory to Legent Clearing that the dispute has been resolved. Legent Clearing will not effect any transfer or other distribution of the securities in the TOD Account until the dispute has been satisfactorily resolved.
12. **What is an ineffectual transfer?** In certain circumstances, a transfer of assets under a TOD Agreement may not be effective as against the estate of a deceased owner of such assets. For example, under Nebraska law, a beneficiary who receives assets may be responsible to account to the personal representative of the estate of the deceased. This condition can develop where the assets of a deceased owner are not sufficient to pay all of the claims against the estate, statutory allowances to the surviving spouse and children, taxes and expenses of administration of the estate.