

## Transfer on Death (TOD) Rules, Instructions, and Form

Transfer on Death (TOD) registration is a form of ownership that enables a mutual fund owner, while retaining all normal rights of ownership during his or her lifetime, to designate an individual or other entity as a beneficiary of the mutual fund upon the owner's death. The ownership of the mutual fund passes to the named beneficiary outside probate.

During the lifetime of the account owner or joint owners, his or her rights over the account are not restricted in any manner by the beneficiary designation. The account owner may redeem, exchange, transfer, revoke, or change the TOD registration by providing appropriate instructions and documentation to the Funds' transfer Agent.

### Eligible Owners:

The TOD registration form can only be used for:

- accounts registered to an individual
- accounts registered to joint owners with rights of survivorship

The TOD registration form cannot be used for:

- accounts registered as tenants in common
- accounts registered to entities such as corporations, trusts, or partnerships

### Beneficiaries:

#### **I. Types of Beneficiaries:**

1. **Primary Beneficiaries.** Primary beneficiaries are the first in line to receive the account upon the account owner's death.
2. **Contingent Beneficiaries.** Contingent beneficiaries receive the account upon the owner's death only if there are no primary beneficiaries upon the owner's death.

#### **II. Eligible Beneficiaries:**

Primary and contingent beneficiaries may include the following:

- Individual person(s). If the beneficiary is a minor, you must designate a custodian for the minor.
- Entities such as a trust, corporation, or charitable organization. If an entity is designated as a beneficiary, please make sure to list a contact person and for the entity and his/her job title.

No designation such as lineal descendants or lineal descendants per stirpes is permitted. If you designate more than one beneficiary, please be sure the percentages you assign add up to 100%. If no percentages are designated, an even split will be assumed. Any fractional shares that remain upon dividing the account among multiple beneficiaries will revert to the first named beneficiary.

## Transfer on Death Beneficiary Designation

### **Transfer Rules:**

- Until the account owner dies (or, in the case of a joint account, all account owners die), a named beneficiary has no right to the shares in the TOD account, and no instructions can be accepted from, or information provided to, such beneficiary.
- For joint account owners, shares are transferred to your beneficiaries upon the death of the last surviving account owner.
- If a sole beneficiary fails to survive the account holder, the account will be treated as belonging to the account owner's estate.
- Where multiple beneficiaries have been designated, if one or more but not all of the beneficiaries fail to survive the account owner, the shares will, upon account owner's death, be distributed among the remaining beneficiaries in proportion to the original percentage of assets previously designated to each surviving beneficiary.
- If a beneficiary survives the account owner(s) but is not alive at the time the shares are presented for transfer, the shares will be treated as part of the beneficiary's estate.

### **Changes to TOD Registration during Account Owner's Life & Revocation:**

- Account owners(s) may change or revoke the TOD registration with written instructions acceptable to the Funds' transfer agent.
- The death of a co-owner of an account registered in TOD form will not revoke the TOD registration. However, the surviving co-owner may direct the re-registration of the account by providing the Funds' transfer agent with evidence of death of the co-owner (certified copy of death certificate) and a letter of instruction.
- Account owners are responsible for ensuring that the contact information for all designated beneficiaries is accurate and kept current.

### **Transfer of Shares to TOD Beneficiaries Upon Death of Owner:**

- The Funds' transfer agent will process a transfer of shares to a designated TOD beneficiary or beneficiaries upon receipt of (1) satisfactory evidence of the death of the account owner(s) (via certified copy of death certificate) and (2) a letter of instruction from each named beneficiary requesting that the account owner's shares be re-registered in their name(s).

## Transfer on Death Beneficiary Designation

- Neither the Funds nor the Funds' transfer agent are under any obligation to verify contact information that is furnished for designated beneficiaries. Similarly, neither the Funds nor the Funds' transfer agent shall not have any obligation to attempt to locate a designated TOD beneficiary upon an account owner's death.
- Contingent beneficiaries will also need to present a certified death certificates for all primary beneficiaries.

### **Tax & Legal Consequences of TOD registration:**

Neither the Funds nor the Funds' transfer agent is responsible for determining the tax and/or legal consequences of your decision to register your fund shares in TOD form. Because TOD registrations do affect the disposition of your property at death, you should consult with your attorney or tax adviser to ensure that the registration is consistent with your estate and tax planning. Neither the Funds nor the Funds' transfer agent shall be responsible to a designated TOD beneficiary for dividends or distributions with respect to shares registered in TOD form paid after the account owner's death but before the transfer of such shares to the designated beneficiary.

### **Indemnification:**

By executing the attached TOD registration form and establishing an account subject to TOD registration, the account owner(s) and their designated beneficiaries, successors, legal representatives, heirs, and assigns agree to indemnify and hold harmless Dupree, the Funds, the Funds' transfer agent, and each of their respective directors, trustees, officers, and employees from and against any and all losses and liabilities (including court costs and reasonable attorneys' fees) resulting from the Funds' transfer agent acting on this TOD registration request, maintaining this account, or transferring assets from said account(s) in accordance with this request..

***Investors should always consult with their legal and/or tax advisors before electing TOD registration since TOD registration can affect tax strategies and estate planning. You should also periodically review and, if necessary, update your TOD registration form.***

Revised: March 2023



# Transfer on Death Beneficiary Designation

Use this form to add or change Transfer on Death (TOD) beneficiary information on the account(s) listed below.

**1. Account Information.** This form is being used to update the following Dupree Mutual Funds account(s):

<u>Fund(s)</u>	<u>Dupree Account Number(s)</u>	<u>Dupree Account Holder(s)/Name(s)</u>
_____	_____	_____
_____	_____	_____

**2. Beneficiary Designations.** If multiple beneficiaries are designated, please ensure that percentages for primary beneficiaries and contingent beneficiaries (if applicable) each total 100%. If additional space is needed, please use reverse side.

**PRIMARY BENEFICIARIES**

<p>1. Name: _____  SSN/Tax ID: _____  Address: _____  _____  Phone Number: _____  Email: _____  Relationship: _____  Birthdate: _____  Percentage _____ %</p>	<p>2. Name: _____  SSN/Tax ID: _____  Address: _____  _____  Phone Number: _____  Email: _____  Relationship: _____  Birthdate: _____  Percentage _____ %</p>
<p>3. Name: _____  SSN/Tax ID: _____  Address: _____  _____  Phone Number: _____  Email: _____  Relationship: _____  Birthdate: _____  Percentage _____ %</p>	<p>4. Name: _____  SSN/Tax ID: _____  Address: _____  _____  Phone Number: _____  Email: _____  Relationship: _____  Birthdate: _____  Percentage _____ %</p>

**CONTINGENT BENEFICIARIES**

<p>1. Name: _____  SSN/Tax ID: _____  Address: _____  _____  Phone Number: _____  Email: _____  Relationship: _____  Birthdate: _____  Percentage _____ %</p>	<p>2. Name: _____  SSN/Tax ID: _____  Address: _____  _____  Phone Number: _____  Email: _____  Relationship: _____  Birthdate: _____  Percentage _____ %</p>
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**3. Authorized Signature(s). ALL OWNERS MUST SIGN.**

▶ \_\_\_\_\_  
Signature: Account Holder/Trustee/Authorized Agent      Print Name      Date

▶ \_\_\_\_\_  
Signature: Additional Account Holder      Print Name      Date