

**Terms & Conditions of Janney Montgomery Scott LLC  
Transfer on Death (“TOD”) Account Registration**

**Instructions: Carefully read the Terms & Conditions below and complete all applicable sections of the attached Transfer on Death (TOD) Request to Register Security Account in Beneficiary Form. Please return the signed form to your Janney financial consultant.**

Janney Montgomery Scott LLC (“Janney”) customer accounts will be registered in beneficiary form subject to the terms and conditions set forth below. The TOD registration revokes any prior beneficiary designation on the account and is made part of the owner's Account Agreement with Janney. The registration, form, and effect (including ownership rights during the life of the owner and at the owner's death) of a beneficiary designation on the account shall be in accordance with Title 20, Chapter 64 (TRANSFER ON DEATH SECURITY REGISTRATION) of the Pennsylvania Probate, Estates, and Fiduciaries Code. The contractual interpretation of the TOD registration, however, shall be considered a part of, and be governed by, the terms of the owner's Account Agreement, including, without limitation, the arbitration clause and the choice of law provision. In the event of any conflict between this TOD Registration and the account owner's Account Agreement, this TOD Registration will govern.

**Establishment of a TOD Account (Beneficiary Registration)**

1. The TOD registration may be established by executing the attached TOD Request to Register Security Account in Beneficiary Form (“TOD Application”). Only the account owner, in his or her individual capacity, may execute the TOD Application. The account owner's attorney in fact, guardian, conservator, or other representative shall not be authorized to create or revoke a TOD Account or change the beneficiary on any TOD Account. The account owner may, under Section 3 of this form, authorize an attorney in fact to revise, revoke, or amend a beneficiary designation.
2. The TOD registration shall not be effective until it is received and accepted by the main office of Janney, which is located in Philadelphia, Pennsylvania. Upon acceptance (as evidenced by the actual registration of the account in beneficiary form), the effective date of the beneficiary registration will be retroactive to the date the registration form was completed and signed, regardless of the owner's subsequent death or incapacity. Janney reserves the right to require any further documentation it may, in its sole discretion, deem appropriate before registering the account in beneficiary form.
3. A TOD Account may be established only by one or more individuals (no trusts, corporations, partnerships, attorneys-in-fact, or other non-natural persons). If more than one individual is named as the owner of the account, the account owners shall each hold the TOD Account with the right of survivorship. The account owners may hold the TOD Account as joint tenants with rights of survivorship or as owners of community property held in survivorship form. The account owners may not hold the TOD Account as tenants in common.
4. During the account owner's lifetime, the account owner shall retain full ownership of the securities and other property held in its TOD Account. Unless otherwise authorized by the account owner in Section 3, only the account owner may revoke or change beneficiary designations. The designation of persons as beneficiaries in the TOD Application (each, including both primary beneficiaries and contingent beneficiaries, a (“beneficiary”)) shall have no effect on the ownership of the TOD Account or the money, securities or other property held therein (“TOD Account Assets”) until the account owner's death (or, if there are multiple account owners, the death of the last of the account owners to survive) (“Death”).
5. During the account owner's lifetime, the securities in the account owner's TOD Account are to be registered and held in the name of Janney or such other street name or nominee name as Janney may require. However, if necessary to facilitate delivery or transfer of securities, Janney has the right at any time, and without further authorization or notice, to register the securities held in the account owner's name, individually or otherwise in accordance with transfer agent requirements, without the names of any of the beneficiaries thereon. Account owner understands that such right is necessary as not all issuers, states (or other applicable jurisdictions (each, a “State”)), transfer agents, or financial organizations recognize TOD registration.

**Distribution of TOD Account**

6. Upon receiving credible information of the account owner's Death (“Death Notice”) (e.g., Death Certificate), Janney shall have no duty to determine whether the account owner is still alive. Upon receipt of account owner's Death Notice, Janney may, but is not obligated to, send a notice to each designated beneficiary at the address listed on the TOD registration form. The notice will inform the beneficiary of the designation and the procedures necessary to complete the transfer of TOD Account Assets to separate new account(s) opened for the persons identified as beneficiaries in such amounts and percentages as are indicated on the TOD Application, subject to the terms and conditions set forth herein. Janney shall have no liability for any loss that may occur in the TOD Account after account owner's Death pending receipt of account owner's Death Notice, or such other documentation as Janney may require, or of proof of eligibility of the beneficiary.

7. Not all TOD Account Assets are eligible for TOD registration. Accounts will not be registered in beneficiary form if the account contains any assets not eligible for such registration. Only assets of accounts held in nominee form ("street name") by Janney can be registered in beneficiary form. The following assets are eligible for registration in beneficiary form (collectively, "TOD-Eligible Assets"): cash, money market funds, listed and OTC stocks, publicly traded bonds, mutual funds held by Janney (or mutual funds held at the fund company for which Janney is the record owner on the transfer agent's ledger), unit trusts, certificates of deposit, and collateralized mortgages. The following assets are NOT eligible for registration in beneficiary form: annuities, life insurance, precious metals, futures, options, commodities, limited partnership and business interests. Janney reserves the right to determine whether any asset may be held in an account registered in beneficiary form. Any assets purchased or acquire after the date the TOD account is established and which are not eligible for TOD registration will be transferred or re-registered to the Estate of the account owner upon the account owner's death. Such ineligible assets will not be re-registered or transferred to any designated beneficiaries. The value of the ineligible securities will also not be used to calculate any percentages owed to designated beneficiaries.

8. Janney will divide and register TOD-Eligible Securities for transfer in the percentage amount attributable to each respective beneficiary. If the account, at the time of transfer, is not evenly divisible in security form (in kind) according to the percentage share attributable to each designated beneficiary, Janney will follow the unanimous written instruction of all designated beneficiaries regarding distribution of the remaining fractional share(s) not so divisible. If Janney does not receive a unanimous written instruction at the time Janney receives a request for transfer from any beneficiary, then Janney will sell the necessary amount of shares (as determined by Janney, in its sole discretion, up to and including all securities positions in the account) to facilitate proportional distribution in cash or cash equivalent among beneficiaries. Account owner agrees that Janney will not be responsible for market fluctuations or loss in account or asset value involving the sale of such fractional proceeds and that the shares will be sold at a time determined by Janney in its sole discretion.

9. If upon account owner's Death, the account owner's TOD Account reflects a debit balance, Janney may liquidate any TOD Account Assets, at its discretion, required to satisfy that debit prior to distribution of any TOD Account Assets to the beneficiaries. TOD Account fees, if any, shall be due and payable in the amounts and on the dates established by Janney, which may precede account owner's Death. Any fees owed to Janney and remaining unpaid at the time of account owner's Death shall be deducted from the TOD Account or paid from the proceeds of the sale of TOD Account Assets as selected by Janney in its sole discretion prior to any re-registration or distribution.

### **Beneficiaries**

10. In the event that any beneficiary is a minor or an incapacitated adult at the time of receipt of account owner's Death Notice, and Janney is notified of such fact, the TOD-Eligible Assets shall be transferred to a custodial account or other fiduciary or guardianship account for the benefit of the minor or incapacitated adult beneficiary. Such transfer shall only occur upon Janney's receipt of appropriate documentation, and in accord with Janney's policies and procedures, as permitted under applicable law. Janney will not register the account in beneficiary form if the beneficiary is under the age of majority and a financial custodian is not appointed. Unless another State is specified, account owner authorizes Janney to register the share of any minor for transfer in the name of the appointed custodian under the Pennsylvania Uniform Transfers To Minors Act (Chapter 53 of the Pennsylvania Probate, Estates, and Fiduciaries Code). Janney shall have no duty to identify, locate, notify, or appoint any custodian.

11. The designation of *per stirpes* and other contingent beneficiaries is permissible. If any of the beneficiaries should predecease the account owner or disclaim their interest, then the account owner's TOD Account may pass to the beneficiaries' descendants *per stirpes* if the account is designated as such. If the account is not to be distributed *per stirpes* and the account owner designates contingent beneficiaries, Janney will divide and register the pre-deceased beneficiary's percentage among the contingent beneficiaries, according to the percentage share attributable to each designated contingent beneficiary and as prescribed in paragraphs 6 through 9 above. A predeceased beneficiary's estate shall have no claim or interest in the account owner's TOD Account. A beneficiary is deemed to have predeceased the account owner unless he/she survives the account owner by 120 hours. If any beneficiary disclaims his or her interest in the TOD Account, such beneficiary's interest will pass to the contingent beneficiaries as indicated previously in this paragraph. If no beneficiary survives the account owner, no contingent or *per stirpes* beneficiaries are named, and/or all beneficiaries disclaim their interest in the TOD account, then the proceeds of the account owner's TOD Account shall pass to the account owner's estate.

12. If any beneficiary hereunder is or becomes married to the account owner, then the dissolution of the account owner's marriage to that beneficiary shall have no effect on the designation of beneficiaries unless and until Janney receives notice to the contrary by receipt of a new TOD Application or a written cancellation of this TOD designation.

13. Janney shall have no duty to identify, notify, or locate any beneficiary; to question or investigate the circumstances of account owner's Death as it is reported to Janney, to determine the age or any other facts about a beneficiary as per applicable self-regulatory organization "know your customer" rules; to appoint, if applicable, a custodian or guardian for any minor or incapacitated adult beneficiary; to locate or notify the account owner's spouse, children, or other heirs upon account owner's Death; to verify the legality of any distribution under the applicable probate, estate and TOD laws of any State where transfer takes place, or to determine which State's law is applicable.

14. Changes or modifications to beneficiary designations must be made on a new TOD Application or other written form acceptable to Janney. No change or modification is effective until accepted by Janney in accordance with the TOD registration form provisions. Beneficiary modifications or changes on joint accounts require written consent of all owners. Modifications or changes made through testamentary instruments are ineffective.

15. Janney shall have the right to require execution of further documents by any beneficiary or legal representative of any beneficiary, including but not limited to a Margin Agreement, prior to distribution of any money, securities or other property to the beneficiary or beneficiaries.

#### **Applicable Law**

16. These Terms and Conditions shall be governed by the laws of the Commonwealth of Pennsylvania without regard to conflict of law principles.

All provisions to these Terms and Conditions and the TOD Application shall be binding upon Janney, its employees, agents, successors and assigns and upon the account owner's estate, any executor, administrator or other representative of the account owner's estate, the beneficiaries, the account owner's surviving spouse and anyone else claiming through or on account owner's behalf or the account owner's estate. If TOD registration is not permitted under the laws of the State or country where account owner is domiciled at the time of account owner's Death, Janney shall distribute TOD-Eligible Assets pursuant to the beneficiary designations set forth in the TOD Application and shall have no liability to the account owner's estate or any beneficiary thereof.

17. Pursuant to 20 Pa. C.S.A. § 6411 (Transfers of securities and security accounts), within ten days of any transfers of a Pennsylvania resident decedent's securities or security accounts, Janney shall notify the PA Secretary of Revenue that a transfer of securities or security account has been made to a beneficiary. Such notification will be provided on the PA Department of Revenue Form Rev-516 (Request for Waiver or Notice of Transfer), or by any other form as the PA Department of Revenue may designate. Such notification shall include the name of the deceased person, the purchase date (if known) of the capital stock, registered bond, security or security account, the date of death value of the item being transferred and the name, address and social security number of the person to whom the item is being transferred.

18. Not all States recognize TOD registration, and the account owner acknowledges (1) that Janney is not making any representation as to the validity of the TOD registration and (2) that account owner will consult with account owner's own attorney or adviser with respect to its appropriateness for account owner. If account owner lives in a State which does not recognize TOD registration, account owner's TOD-Eligible Assets shall be transferred in accordance with the laws of the Commonwealth of Pennsylvania without regard to conflict of law principles. If account owner is a non-U.S. individual establishing this TOD Account, account owner acknowledges and agrees that Janney is not responsible for compliance with the laws of succession or forced heirship, if any, in account owner's country or domicile and TOD-Eligible Assets shall be transferred in accordance with the laws of the Commonwealth of Pennsylvania. Account owner acknowledges and understands that the TOD Account may be subject to U.S. Non-Resident Alien Estate tax and agrees that neither Janney nor account owner's broker-dealer (if not Janney) is responsible for account owner's compliance with U.S. tax laws.

19. The designation of beneficiaries pursuant to these Terms and Conditions shall not be subject to the laws of the Commonwealth of Pennsylvania or any other State to the extent such laws provide for:

- a. The inclusion as beneficiaries of children born to account owner after the date of account owner's most recent TOD Application accepted by Janney;
- b. The inclusion of account owner's spouse in the event that account owner marries such spouse after the date of the most recent TOD Application accepted by Janney, or the exclusion of account owner's spouse in the event account owner and account owner's spouse divorce after the date of the most recent TOD Application accepted by Janney;
- c. Distribution to the issue of any deceased beneficiary unless account owner has provided designations for the issue of such deceased beneficiary.

20. Janney will re-register the account owner's account (or the applicable portion of the securities contained therein) into the name of the designated beneficiary or beneficiaries upon receipt of the following items:

- a. Evidence of account owner's Death (death certificate);
- b. Any required federal, state or local inheritance or tax waivers;
- c. Such additional documents as Janney, in its sole discretion, deems appropriate before registering such transfer.

21. If Janney cannot readily determine the persons or entities designated as beneficiaries or if it does not receive instructions from a beneficiary within 180 days of the date in which the notice was mailed to that beneficiary, then Janney will pay the share to the account owner's estate. Further, if Janney receives claims for the property conflicting with the beneficiary designation, including claims from the personal representative of the account owner's estate, Janney may, in its sole discretion, withhold registering a transfer of the securities until the property rights are finally adjudicated. The account owner or account owner's estate specifically agrees to indemnify and hold Janney harmless from any costs, damages, claims, expenses or liability resulting from Janney's decision to either withhold transfer, or transfer securities to designated contingent beneficiary/beneficiaries on file. Janney shall not be responsible to a designated beneficiary for dividends, interest and other distributions in respect of a security registered in beneficiary form paid after the account owner's Death, but before presentation of the security in proper form for transfer.

#### **General Provisions**

22. In addition to protections granted to Janney under law, account owner and account owner's estate specifically agrees to indemnify and hold harmless Janney, its affiliates, directors, officers, employees, and agents, and their heirs executors, administrators, successors and assigns, from any liability to any person or entity, including but not limited to any beneficiary and account owner's heirs, devisees, successors, spouses and offspring of any actions taken in opening and maintaining account owner's TOD Account, registering account owner's securities or other property, or making their distributions upon receipt of account owner's Death Notice.

23. Where permitted by Applicable Law, account owners may revoke a beneficiary designation by submitting a written request in a form provided by or acceptable to Janney. Beneficiary revocations on joint accounts require written consent of all owners. Such revocation will become effective upon its receipt and acceptance by Janney in its main office, regardless of the account owner's subsequent death or incapacity. Revocations made through testamentary instruments are ineffective. If a beneficiary designation is revoked, the percentage of the TOD Eligible Assets for which no beneficiary is designated shall either be distributed according to the Successor Beneficiary Designations or to the account owner's estate, if there are no successor or contingent beneficiary designations.

24. Whenever a joint account is converted into a single account by reason of the Death of a joint tenant, the beneficiary registration on the joint account, if any, will remain in effect on the single account, unless it is subsequently changed or revoked in accordance with the provisions herein contained.

25. These Terms and Conditions and the TOD Application may be assigned by Janney to an affiliated entity or successor without account owner's prior consent.

26. These Terms and Conditions and the TOD Application may be executed in one or more counterparts, each one of which shall be deemed an original.

27. These Terms and Conditions and the TOD Application shall be subject to the terms of the Account Agreement and all other agreements which account owner has executed with regard to the TOD Account. Any violation of the Terms and Conditions will subject the TOD Account to immediate revocation by Janney.

28. Account owner understands and acknowledges that Janney has not provided any legal or tax advice regarding the decision to register the account TOD; that such registration impacts the disposition of the account assets upon the account owner's Death; that it is in the best interest of the account owner to consult with an attorney prior to registering the account in beneficiary form; that although Janney may offer an opportunity to establish a TOD account there are no assurances that such registration will be recognized in states that have not adopted the Uniform Transfer on Death Security Registration Act; that there are fees associated with the sale, registration, or transfer of the TOD-Eligible Securities; and that such sale, registration, and transfer will not necessarily result in time or cost savings for the beneficiaries.