

TRANSFER ON DEATH ADDENDUM AND APPLICATION

Account Registration Information

Account Number _____ Account Short Name _____
 Office Number _____ Financial Professional _____

NOTE: If you have an existing IRA Account and would like to update your beneficiaries, please use the IRA Change of Beneficiary Form.

Transfer on Death Addendum

This disclosure agreement document, addendum and application (“Agreement”) is entered into by and between the undersigned Owner (“Owner” or “Owners”) and Hilltop Securities Inc., a Delaware corporation (“Hilltop Securities”) and will govern property held by Hilltop Securities and designated by Owner as a Transfer on Death Account (“TOD”). This Agreement is intended to establish a TOD for the Owner in accordance with the following terms.

This Agreement creates a non-testamentary transfer. A contrary or inconsistent will or living trust shall have no effect upon this Agreement. The only exception shall be if the Owner’s will or living trust expressly revokes the TOD account designation, in which case the TOD account assets become part of the Owner’s estate. However, unless Hilltop Securities receives timely actual notice of the express TOD revocation, the TOD assets will be delivered to the persons designated on the TOD agreement (“Beneficiary or Beneficiaries”).

Owner Must Establish TOD Account

Hilltop Securities may be prohibited from establishing a Transfer on Death account designation without the written request and signature of the account owner(s) by various state or federal laws. This may prohibit Hilltop Securities from accepting instructions from a guardian, conservator, attorney-in-fact or other assigned fiduciary.

Effect of Registration in TOD Form

The designation of a Beneficiary or multiple Beneficiaries under the TOD has no effect until the death of the Owner or last surviving Owner. The TOD may be amended or cancelled by the Owner at any time prior to the death of the Owner or last surviving Owner, if more than one. Such notice of amendment or cancellation shall be effective upon notice in writing to Hilltop Securities signed by all Owners living at the time of said notice.

Designated Beneficiaries

All designated Beneficiaries must be identified by name, date of birth, and social security number.

Distribution

At the death of the last surviving Owner, any interest of the Owner in the TOD shall be transferred by Hilltop Securities to an account established for the Beneficiaries.

Hilltop Securities will require Beneficiaries to execute certain account opening documents to facilitate that transfer. Beneficiary ownership percentage shall also be designated on the Transfer on Death Agreement, and if no such designation is made, the apportionment shall be in equal shares among all surviving designated Beneficiaries. Should the designated percentages equal less than 100%, the unapportioned percentage shall be distributed equally to the surviving Beneficiaries.

If the account is jointly owned, it shall be owned as a joint tenancy with right of survivorship. During the life of the Owners, Hilltop Securities may pay any sum in the account to any Owner at any time. Upon the death of any joint Owner, no distribution will be made to the Beneficiaries who are then surviving and the surviving joint Owner(s) will become the Owner(s) of the account. The last surviving joint Owner of the account shall have the discretion to modify and or revoke this account without permission of any surviving Beneficiary.

Upon the death of the Owner or last surviving Owner, if this Agreement has not been revoked, any assets in the account shall be distributed according to the then existing TOD Agreement among the named Primary Beneficiaries. If any Primary Beneficiary has predeceased the Owner or last surviving Owner, (or if a trust or other legal entity which is a Beneficiary has dissolved or been terminated), that Primary Beneficiary’s designated portion shall be distributed to its Contingent Beneficiaries, if any designated, and if none, then among the surviving Primary Beneficiaries in equal proportions. If a Primary Beneficiary and any of its designated Contingent Beneficiaries has predeceased the Owner or last surviving Owner, the deceased Contingent Beneficiary’s designated portion shall be distributed in equal proportions first to the deceased Primary Beneficiary’s other designated surviving Contingent Beneficiaries, if any, and if none, then in equal proportions to all other surviving Beneficiaries receiving a distribution.

Hilltop Securities shall be discharged by Owner from all claims to any assets in the TOD account by the estate, creditors, heirs, or devisees of a deceased Owner if it registers a transfer of assets in accordance with this Agreement and does so on the good faith reliance on applicable laws and on information provided by affidavit of the personal representative of the deceased Owner, or by the surviving Beneficiary or by the surviving Beneficiary’s representatives.

Fractional Shares

Hilltop Securities may divide any fractional shares in any manner it deems appropriate and distribute such assets or the proceeds of the sale of such assets to Beneficiaries, unless directed otherwise by unanimous written consent of all Beneficiaries and submitted to Hilltop Securities prior to the time of filing an instruction for execution of non-probate transfer that is acceptable to Hilltop Securities.

Minors and Incapacitated Adults

If any designated Beneficiary is a minor, or an incapacitated adult, Hilltop Securities may require that assets be distributed only to a legally qualified custodian, conservator or guardian under the law of the state of residence of said minor or incapacitated adult. In the absence of such legally qualified custodian, conservator or guardian, after a reasonable lapse of time from the death of the Owner or last surviving Owner to die, Hilltop Securities is authorized to make distribution to the estate of said Owner and

Execution of Non-Probate Transfer and Notice

In making a distribution under this Agreement, Hilltop Securities shall be entitled to receive and rely upon information provided in an instruction for execution of non-probate transfer document in a form acceptable to Hilltop Securities submitted for Beneficiary or personal representative of the Owner's estate when distributing or transferring assets under the terms of this Agreement. Hilltop Securities shall not be held accountable to any Owner, Beneficiary or other person for making a distribution of assets in the TOD based upon information contained in any instruction for execution of non-probate transfer. Hilltop Securities shall be entitled to receive said instruction for execution of non-probate transfer, a certified death certificate, an inheritance tax waiver (for states requiring a waiver or consent to transfer), and such additional documentation deemed appropriate by Hilltop Securities before making such distribution. If a personal representative signs the instruction for execution of non-probate transfer, a certified court document (dated within 60 days of execution of the instruction) evidencing appointment of the personal representative may be required.

Hilltop Securities shall be considered to be on notice of any changes in Beneficiary, the death of the Owner or surviving joint tenant or other information regarding the account on the date which it receives the required documentation sent, by mail, facsimile or other acceptable means. In the case of death, Hilltop Securities must receive a copy of the death certificate and any other documentation required to complete the distribution of the Owner's account.

No distribution of assets can be made until all necessary documents and information have been received by Hilltop Securities. After the death of the Owner or last surviving Owner, any change in value of the TOD assets during the period from such death, until said distribution, shall not give rise to any liability on the part of Hilltop Securities. Hilltop Securities shall, in its sole discretion, determine a reasonable method and time required for distribution or otherwise administering all assets, payments or dividends received into the TOD after the death of Owner or last Owner to die.

Hilltop Securities Inc. Rights and Duties Concerning Beneficiaries

Hilltop Securities has no duty to locate Beneficiaries, determine the marital status of Owner or Owners at any time, or to determine any other fact which may affect a distribution under this Agreement. Should a dispute arise prior to the distribution of the TOD assets, Hilltop Securities shall be entitled to require the parties involved to adjudicate the dispute by means (arbitration, etc.) acceptable to Hilltop Securities.

Hilltop Securities shall not be required to make any distribution until the rights of the disputants have been finally settled.

Revocation

This Agreement may be revoked or changed by the Owner or last surviving Owner, at any time prior to death by filing a new Agreement with Hilltop Securities only if such Agreement is received by Hilltop Securities prior to the last Owner's death.

A personal representative, attorney-in-fact, or conservator of the Owner shall not amend or revoke the Agreement without a court order of a court having proper jurisdiction on the subject matter. However, a conservator or attorney-in-fact acting on behalf of the Owner may, within the scope of their authority, authorize the sale, purchase or transfer of securities or assets for the TOD.

Incapacity of Owner

Should the Owner become incapacitated, a duly appointed guardian or conservator or an agent acting under a durable power of attorney may effect transactions within the TOD account, but may not change the designation of Beneficiaries or revoke the TOD ownership. Likewise, no guardian, conservator or attorney-in-fact may establish a TOD account for their principal or ward in the first instance; Hilltop Securities will only establish TOD accounts upon written request of the Owner personally.

Terms and Conditions

IMPORTANT NOTE TO OWNERS: THIS AGREEMENT AND ALL TOD ACCOUNTS ACCEPTED BY HILLTOP SECURITIES SHALL BE GOVERNED BY THE LAWS OF TEXAS INCLUDING WITHOUT LIMITATION THE PAYMENT ON DEATH PROVISION UNDER NON-TESTAMENTARY TRANSFERS. IF THE TRANSFER ON DEATH REGISTRATION IS NOT PERMITTED UNDER THE LAWS OF THE JURISDICTION WHERE THE OWNER IS DOMICILED AT THE TIME OF DEATH, HILLTOP SECURITIES SHALL DISTRIBUTE THE ACCOUNT PURSUANT TO THE BENEFICIARY DESIGNATIONS AS SET FORTH IN THE TOD AGREEMENT AND SHALL HAVE NO LIABILITY TO THE ESTATE OF THE OWNER OR ANY BENEFICIARY THEREOF UNLESS HILLTOP SECURITIES HAS RECEIVED WRITTEN NOTICE OF OBJECTION PRIOR TO DISTRIBUTION. HILLTOP SECURITIES, ITS EMPLOYEES, AND CORRESPONDENTS WILL USE THEIR BEST EFFORTS TO INFORM THE CLIENT OF THE AVAILABILITY OF TOD ACCOUNTS IN EACH STATE. HOWEVER, COMPLICATED TAX AND LEGAL ISSUES MAY BE INVOLVED IN SETTING UP THE ACCOUNT. HILLTOP SECURITIES, ITS EMPLOYEES, AND CORRESPONDENTS CANNOT ADVISE THE CLIENT ON WHETHER THE TOD ACCOUNT IS APPROPRIATE FOR AN INDIVIDUAL'S TAX AND OR ESTATE PLANNING NEEDS. CLIENTS SHOULD ALWAYS CONSULT THEIR OWN LEGAL AND TAX PROFESSIONALS BEFORE ELECTING OR REVOKING THE TOD ACCOUNT DESIGNATION.

TRANSFER ON DEATH APPLICATION

Use this form to designate the beneficiaries who will receive the assets in your account, upon your death.

Account Information

Account Name _____ Account Number _____

Primary Beneficiary Designation (See next section for Contingent Beneficiary Designation.)

1. Account Name (First, Middle, Last)	Date of Birth	Beneficiary Type: Primary
Relationship to Account Holder	Social Security Number	
_____ % Percentage		
Home Address (P.O. BOX unacceptable):		
2. Account Name (First, Middle, Last)	Date of Birth	Beneficiary Type: Primary
Relationship to Account Holder	Social Security Number	
_____ % Percentage		
Home Address (P.O. BOX unacceptable):		
3. Account Name (First, Middle, Last)	Date of Birth	Beneficiary Type: Primary
Relationship to Account Holder	Social Security Number	
_____ % Percentage		
Home Address (P.O. BOX unacceptable):		
4. Account Name (First, Middle, Last)	Date of Birth	Beneficiary Type: Primary
Relationship to Account Holder	Social Security Number	
_____ % Percentage		
Home Address (P.O. BOX unacceptable):		
5. Account Name (First, Middle, Last)	Date of Birth	Beneficiary Type: Primary
Relationship to Account Holder	Social Security Number	
_____ % Percentage		
Home Address (P.O. BOX unacceptable):		
6. Account Name (First, Middle, Last)	Date of Birth	Beneficiary Type: Primary
Relationship to Account Holder	Social Security Number	
_____ % Percentage		
Home Address (P.O. BOX unacceptable):		

Contingent Beneficiary Designation

If Primary or Contingent Beneficiary # _____, Name _____ predeceases account holder(s), I (we) wish to have Beneficiary's portion granted to the following Contingent Beneficiary:

7. Account Name (First, Middle, Last)	Date of Birth	Beneficiary Type: Contingent _____% Percentage
Relationship to Account Holder	Social Security Number	

Home Address (P.O. BOX unacceptable):

If Primary or Contingent Beneficiary # _____, Name _____ predeceases account holder(s), I (we) wish to have Beneficiary's portion granted to the following Contingent Beneficiary:

8. Account Name (First, Middle, Last)	Date of Birth	Beneficiary Type: Contingent _____% Percentage
Relationship to Account Holder	Social Security Number	

Home Address (P.O. BOX unacceptable):

If Primary or Contingent Beneficiary # _____, Name _____ predeceases account holder(s), I (we) wish to have Beneficiary's portion granted to the following Contingent Beneficiary:

9. Account Name (First, Middle, Last)	Date of Birth	Beneficiary Type: Contingent _____% Percentage
Relationship to Account Holder	Social Security Number	

Home Address (P.O. BOX unacceptable):

If Primary or Contingent Beneficiary # _____, Name _____ predeceases account holder(s), I (we) wish to have Beneficiary's portion granted to the following Contingent Beneficiary:

10. Account Name (First, Middle, Last)	Date of Birth	Beneficiary Type: Contingent _____% Percentage
Relationship to Account Holder	Social Security Number	

Home Address (P.O. BOX unacceptable):

If Primary or Contingent Beneficiary # _____, Name _____ predeceases account holder(s), I (we) wish to have Beneficiary's portion granted to the following Contingent Beneficiary:

11. Account Name (First, Middle, Last)	Date of Birth	Beneficiary Type: Contingent _____% Percentage
Relationship to Account Holder	Social Security Number	

Home Address (P.O. BOX unacceptable):

If Primary or Contingent Beneficiary # _____, Name _____ predeceases account holder(s), I (we) wish to have Beneficiary's portion granted to the following Contingent Beneficiary:

12. Account Name (First, Middle, Last)	Date of Birth	Beneficiary Type: Contingent _____% Percentage
Relationship to Account Holder	Social Security Number	

Home Address (P.O. BOX unacceptable):

