

Transfer on Death (TOD) Agreement

A Transfer on Death registration account (TOD) designates and authorizes the specified Lincoln Investment account and all assets in the specified Lincoln Investment account to be transferred upon the owner's death to the designated beneficiaries named herein without the necessity of passing such assets through probate. **Please read the following agreement carefully before signing.**

This Agreement shall govern the TOD account established with Lincoln Investment (Lincoln) on the **Investor Solutions (IS)** or **Investor Solutions Premier (ISP)** platform.

Important Note: Due to the complex legal and tax ramifications of TOD registrations that vary from state to state, Lincoln cannot and does not offer advice as to whether the TOD registration is, OR is not, an appropriate or legally recognized tax and/or estate planning tool in your state. Certain states may have specific restrictions which may limit the use or benefits of a TOD account. Clients should consult with legal and tax advisors before electing the TOD account designation. Neither Lincoln nor its Financial Representatives may give legal or tax advice.

1. **Terminology:** For purposes of this agreement, the terms "Account Owner" and "Beneficiary" in the singular shall be deemed to include the plural, if applicable.
2. **Establishment of TOD Registration:** This agreement is intended to establish a TOD account for the Account Owner of record. Until the death of the Account Owner, the Account Owner shall retain all ownership rights and control with regard to all purchases, sales, transfers, and distributions of the assets in the TOD account, including the right to change or revoke the beneficiary designation. During the Account Owner's lifetime, the Beneficiary has no ownership rights to or rights to transact business in or for the TOD account.

This TOD agreement is not transferrable to another Broker/Dealer or provider. If the investments under this agreement are transferred to another Broker/Dealer, a new TOD agreement must be established with that new Broker/Dealer or provider.

3. **Eligible Account Types:** The Account types that are eligible for a TOD registration include Individual and Joint Tenants with Rights of Survivorship accounts only.
4. **Beneficiary Designation:** The Account Owner may designate Primary Beneficiaries and Contingent Beneficiaries. Natural persons, Trusts or such entities as a charity, association, or corporation may be designated as a beneficiary. The Account Owner may specify the instruction "Lineal Descendents Per Stirpes" or "LDPS" next to any Beneficiary Name. LDPS is a lineal descendent beneficiary designation that specifies that if a beneficiary predeceases the Account Owner, the beneficiary's share of the inheritance will go to his or her lineal descendants. The Account Owner must provide all requested information with respect to designated beneficiaries, including full name, address, date of birth, relationship and Social Security number. If a Trust or other Entity is designated, Trustee/Authorized contact information must be provided as well as the Date of the Trust. The Account Owner has the right to revoke the TOD agreement or change the designated beneficiaries at any time.

Should the Beneficiary disclaim his/her share of the TOD Account Assets, in whole or in part, then the disclaimed TOD Account Assets shall be transferred to the other designated Beneficiaries according to their respective percentages designations. Should all Beneficiaries disclaim the TOD Account Assets, the property disclaimed shall become part of the Account Owner's Estate.

If your beneficiary allocation totals at least 99%, but less than 100% (e.g., 3 named beneficiaries are each assigned a 33% interest in the account), Lincoln will assign the unallocated remainder to the first named beneficiary.

If the account owner(s) lives in a community property state (e.g., Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Washington, or Wisconsin), spousal consent shall be required to name a TOD beneficiary other than the spouse. An account owner(s) should consult with his or her legal advisor. Lincoln has no obligation to determine an account owner's marital status, whether property placed into an account is separate or community property, or whether spousal consent is necessary.

5. **Incapacity of the Account Owner:** If the Account Owner becomes incapacitated, a duly appointed guardian, conservator or an attorney-in-fact acting under a durable power of attorney may authorize any transactions in the TOD account, including revoking or changing the Beneficiary, provided the Power of Attorney document authorizes such powers.
6. **Change in Relationship of a Beneficiary:** A change in relationship between the Account Owner and Beneficiary will not be recognized as a change in designated beneficiary. For instance, if an Account Owner has designated his/her spouse as the designated beneficiary and later becomes divorced, the dissolution of the marriage shall not nullify the spouse as a primary beneficiary. Such ex-spouse shall remain a primary beneficiary until Lincoln receives from the Account Owner or attorney-in-fact written notice revoking the TOD registration or changing the designated beneficiary.
7. **Procedures Surrounding Death of the Account Owner:** In the event of an individual ownership TOD Account Owner's death, all assets shall be transferred to the primary beneficiary(ies) designated by the Account Owner in the TOD agreement last received by Lincoln. A designated beneficiary may opt to disclaim the assets of the Account Owner.
 - i. **Standard Beneficiary Rules of Succession:** If no "Lineal Descendents Per Stirpes" instruction exists for any primary or contingent beneficiary, when a primary beneficiary predeceases the Account Owner, that beneficiary's portion will be assigned pro rata to any remaining primary beneficiaries; or, if no other primary beneficiaries have been named, to the contingent beneficiaries, if named. In the absence of any surviving contingent beneficiaries, all shares shall be assigned to the estate of the deceased Account Owner. A predeceased Beneficiary's estate, heirs or assigns shall have no rights, claims or interest to the TOD account assets in the absence of a "per stirpes" instruction from the Account Owner.
 - ii. **Lineal Descendents Per Stirpes Rules of Succession:** If a "Lineal Descendents Per Stirpes" instruction is on file for a primary or contingent beneficiary and that primary or contingent beneficiary predeceases the Account Owner, the portion of the account to which that beneficiary is entitled to receive at the death of the Account Owner shall be transferred to the lineal descendants of the deceased beneficiary. If there are no lineal descendants for a deceased primary or contingent beneficiary, the Standard Beneficiary Rules of Succession will be followed as defined in 7.i.

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Transfer on Death Agreement (continued)

In the event of the death of one of the Account Owners in a joint ownership TOD account, all shares in the Joint TOD account shall be reregistered to a TOD account in the name of the surviving Account Owner (or Owners), and the designated beneficiaries shall transfer with the surviving Account Owner(s) to the new TOD account.

Prior to any transfer of TOD account assets, all obligations to Lincoln Investment for fees, charges or pending transactions owed shall have a first lien on the TOD account assets.

8. **Proof of Entitlement to Transfer:** In order to transfer TOD account assets to the Beneficiary or to the surviving Account Owner(s), Lincoln shall require the following documentation:
 - i. proof of death of the Account Owner, typically in the form of a certified copy of a death certificate;
 - ii. an Inheritance Tax Waiver, if required by the deceased Account Owner's state of domicile, or
 - iii. an Affidavit of Domicile, if the decedent's state of domicile does not require an inheritance tax waiver
 - iv. such additional information or documents as Lincoln deems necessary or appropriate to affect the transfer of TOD account assets.
9. **TOD Transfers to Minors or Incapacitated Adults:** If at the time of the Account Owner's death, a designated Beneficiary is a minor or an incapacitated adult who is represented by a duly appointed guardian, conservator, or custodian (referred to collectively as the "Beneficiary's Nominee"), Lincoln may distribute the TOD account assets to the Beneficiary's Nominee for the benefit of the Designated Beneficiary and be deemed to have satisfied the instructions of the Account Owner.
10. **Ability to Locate and Identify Beneficiaries:** When Lincoln receives notice of the death of the Account Owner, Lincoln shall use reasonable efforts to notify the Designated Beneficiary of the TOD account assets, as directed in this agreement. Lincoln is not expressly liable for any market loss that could occur in the TOD account following the death of the Account Owner and prior to Proof of Entitlement being received by Lincoln and the transfer being completed to the Designated Beneficiary.
11. **In the Event of a Dispute:** In the case of a dispute concerning the transfer of assets to a named TOD beneficiary, the Account Owner's estate, or the Account Owner's surviving spouse, heirs, creditors, representatives, or any other person, Lincoln shall require the parties in interest to arrive at a final resolution by adjudication, arbitration, or other dispute resolution means acceptable to all parties, and Lincoln shall honor the decision of the court of competent jurisdiction.
12. **Governing Law:** The provisions of this Agreement are governed by the Transfer on Death laws of the Commonwealth of Pennsylvania. Not all states recognize TOD registration, and the Account Owner acknowledges that Lincoln is not making any representation as to the validity of this registration as a means of transfer on death. The Account Owner will consult with an attorney or tax advisor with respect to its validity and appropriateness. This agreement, and the duties and obligations of Lincoln to the Account Owner carry over to Lincoln's successors and assigns, and shall be binding upon the heirs, personal representatives, successors and assigns of the Account Owner.
13. **Indemnification:** By signing this Agreement, the Account Owner directs Lincoln to transfer the TOD account assets in accordance with this Agreement. The Account Owner agrees that Lincoln, its officers, directors, employees and successors shall be fully released and discharged from all claims, liabilities, losses, taxes, costs and expenses (including attorney's fees) that it may incur by acting in accordance with the aforesaid directive. This indemnity shall include, but not be limited to, claims by any person, entity, or taxing authority in relation to the TOD account assets either prior or subsequent to their distribution to the Beneficiary. Lincoln shall be entitled to recover the full amount of this indemnity from the assets of the TOD account or any other accounts maintained by the Account Owner or Beneficiary at Lincoln prior to any distribution or transfer.