

# TRANSFER ON DEATH AGREEMENT



Transfer on Death (“TOD”) is a form of ownership that enables the owner of a mutual fund account to transfer ownership directly to a designated beneficiary when the owner dies. The ownership of the account generally passes to the beneficiary outside of probate.

The beneficiary has no rights in, to, or with respect to the account until the owner (or, in the case of joint owners, the last surviving owner) dies. The owner retains all normal rights of ownership during his or her lifetime, and can transfer and redeem shares, cash dividend, or other checks; add, change, or remove beneficiaries; or revoke the TOD registration, without the signature or consent of the beneficiary.

This Agreement sets forth the following terms and conditions for establishing a TOD registration for MFS® mutual fund accounts:

- 1. Applicable Law** MFS Service Center, Inc. (MFSC), which is incorporated in the state of Delaware, will administer TOD subject to the Delaware Uniform TOD Act and this Agreement.
- 2. Eligible Accounts** TOD registration is available only for accounts registered in the name of a single individual, or in the name of two or more individuals holding the account as joint tenants with rights of survivorship (JTWRWS) or tenants by the entirety (TEN BY ENT).
- 3. Special TOD Account Registration** TOD registrations are indicated by an additional line of registration after the shareholder name(s) reading: U/Delaware Unif TOD Act.

[Name of Owner(s)]  
U/Delaware Unif TOD Act

- 4. Eligible TOD Beneficiaries** The beneficiary may be an individual, trust, corporation, partnership, or other legal entity. Each beneficiary must be specified by name. Designations such as “per stirpes,” “by right of representation,” or “lineal descendants” are not permitted.

Note: Beneficiary information will be held in a separate file rather than in the account registration to accommodate multiple beneficiaries when registration space is limited and to keep your beneficiary designations confidential.

- (a) Number of Primary and Secondary Beneficiaries** You may designate one or more primary beneficiaries. You may also designate one or more secondary beneficiaries in the event your primary beneficiaries do not survive you. MFSC reserves the right to limit the number of primary and secondary beneficiaries that you may designate on your account if the number is impractical, in MFSC’s sole discretion.
- (b) Percentage Share** If two or more primary beneficiaries are designated (or, where no primary beneficiary survives the last surviving account owner, if two or more secondary beneficiaries are designated), the account owner(s) may specify the percentage share to be received by each beneficiary. If percentage shares are not specified, the beneficiaries will receive equal shares.
- (c) Community Property States** Spousal consent may be required in community property states if you designate a beneficiary other than your spouse. If you live in a community property state, you are advised to consult with your legal or tax advisors as to the consequences of establishing a TOD registration on your MFS mutual fund account.
- (d) Divorce, Remarriage or Subsequent Marriage** Dissolution of marriage, remarriage, or subsequent marriage will not automatically add or revoke designations of beneficiaries. For example, if a former spouse was a designated beneficiary prior to dissolution of the marriage, the former spouse would remain a beneficiary after the dissolution unless his or her designation as a beneficiary was expressly revoked by execution of a new TOD Beneficiary Form signed by the account owner and received and accepted by MFSC as provided herein.

(e) *Disputes* If any disputes are raised by a beneficiary(ies) or by a beneficiary's descendants as to the proper transfer of ownership or if claims are made by creditors of the owner's estate, surviving spouse, children, personal representative, heirs, or others, MFSC reserves the right to require the parties in interest to arrive at a final resolution by adjudication, arbitration, or other method acceptable to MFSC, prior to transferring any TOD account assets. MFSC, in its sole discretion, may at any time suspend all distributions from the TOD account pending instructions from a court or arbitration forum of competent jurisdiction. In such event, all court costs, legal expenses, and any other expenses related to the dispute shall be paid from the assets of the account in such manner as MFSC, in its sole discretion, shall determine. The account owner requesting registration in TOD beneficiary form assents to the protections given to MFSC by Delaware law and this TOD Agreement.

- 5. How to Establish the TOD Registration on a New Account** The new account owner must submit a properly completed MFS TOD Registration Form along with a regular mutual fund account application and check.

Note: If a new account is opened by an exchange of MFS fund shares from an account with a TOD registration, the TOD registration and beneficiary designation will be automatically carried over to the new account and will be subject to this TOD Agreement, as currently in effect.

- 6. How to Establish the TOD Registration on an Existing Account** An existing account owner(s) must submit a completed TOD Registration Form. The form must be signed by all owner(s) and a signature/medallion guarantee stamp is required. All outstanding share certificates must also be returned. We recommend that you return the unsigned certificates by registered mail. The TOD registration will be added to your existing account.

- 7. How to Add or Change Owner(s) for an Existing Account with a TOD Registration** An existing account owner must submit a properly completed Transfer Authorization form with a signature/medallion guarantee stamp. The new owner(s) of the transferred account must submit a properly completed TOD Registration Form. The TOD Registration form must be signed by all new owners. A signature/medallion guarantee stamp must accompany each owner's signature. All outstanding share certificates must also be returned. We recommend that you return the unsigned certificates by registered mail. The shares held in your existing account will be transferred into a new account with the TOD registration.

- 8. How to Add or Remove a Beneficiary** The account owner can add or remove a beneficiary at any time. To add or remove a beneficiary, complete the applicable sections of the TOD Registration Form. The form must be signed by all owners and a signature/medallion guarantee stamp is required. Your submission of a new TOD Registration Form serves to revoke all previous beneficiary designations, and the only beneficiary designations that will be recognized by MFSC will be the beneficiaries designated on the most recent TOD Registration Form received by MFSC in proper order. Example: If you have previously designated multiple beneficiaries and you intend to only change one beneficiary, you must re-designate all beneficiaries on the new TOD Registration Form.

If a beneficiary has changed his or her name and you wish to update the name MFSC has on file, you may send a letter notifying MFSC of the name change.

- 9. Rules for Transfer to Beneficiaries** When the account owner dies, or in the case of joint accounts, when the last surviving joint owner dies, the account shall be transferred to the surviving beneficiaries as follows:

**(a) *Sole Primary Beneficiary Designated***

- (i) If a sole primary beneficiary was designated, the account shall be transferred to the primary beneficiary if the beneficiary survived the account owner(s).
- (ii) If the sole primary beneficiary does not survive the account owner(s), the account shall be transferred to the surviving secondary beneficiary or, if multiple secondary beneficiaries were designated, to the surviving secondary beneficiaries according to the percentage share specified by the account owner for each secondary beneficiary. If the account owner did not specify percentage shares, then the account shall be transferred to the secondary beneficiaries in equal shares.
- (A) If one or more of multiple secondary beneficiaries do not survive the account owner, each such nonsurviving secondary beneficiary's share shall be transferred to the surviving secondary beneficiaries in the proportion that their shares bear to each other.

**(b) Multiple Primary Beneficiaries Designated**

- (i) If multiple primary beneficiaries were designated, the account shall be transferred to the surviving primary beneficiaries according to the percentage share specified by the account owner for each primary beneficiary. If the account owner did not specify percentage shares, then the account shall be transferred to the primary beneficiaries in equal shares.
  - (A) If one or more primary beneficiaries do not survive the account owner(s), each such nonsurviving primary beneficiary's share shall be transferred to the surviving primary beneficiaries in the proportion that their shares bear to each other;
  - (B) If no primary beneficiaries survive the account owner(s), the shares shall be transferred to the secondary beneficiary, or if multiple secondary beneficiaries were designated, to the surviving secondary beneficiaries according to the percentage share specified by the account owner for each primary beneficiary. If the account owner did not specify percentage shares, then the account shall be transferred to the secondary beneficiaries in equal shares;
  - (C) If one or more of multiple secondary beneficiaries do not survive the account owner, each such nonsurviving secondary beneficiary's share shall be transferred to the surviving secondary beneficiaries in the proportion that their shares bear to each other.

**(c) No Surviving Beneficiaries** If no primary or secondary beneficiaries survive the account owner(s), the shares will be transferred to the last surviving account owner's estate.

**(d) Death of Beneficiary Prior to Completion of Transfer** If a designated beneficiary (primary or secondary, as the case may be) survives the account owner(s) but dies before the shares are transferred to a new account in his or her name, MFSC will transfer the shares to the designated beneficiary's estate.

**(e) Special Circumstances**

- (i) *Trust or other Legal Entity as Beneficiary* Any trust, partnership, corporation or other legal entity designated as a beneficiary that does not exist on the date of the account owner's death will be deemed not to have survived the account owner.
- (ii) *Minority or Incapacity of Beneficiaries* The account owner may specify a custodian for a minor beneficiary under the Uniform Transfers to Minor Act ("UTMA") of any state. However, custodial accounts under the Uniform Gifts to Minors Act (UGMA) are not permitted. If a distribution upon the date of death of the last surviving account owner is payable to a person known by MFSC to be a minor or otherwise under a legal disability, MFSC may, in its absolute discretion, make all or any part of the distribution to: (1) a parent of such person; (2) the guardian, conservator, or other legal representative, wherever appointed, of such person; (3) a custodial account established under UTMA; (4) any person having control or custody of such person; or (5) to such person directly. If there is no existing custodial account for a minor beneficiary, a court-appointed guardian may be required for the administration of any assets otherwise payable to a minor.
- (iii) *Missing Beneficiary* When there is no proof of a beneficiary's death and the beneficiary cannot be located at the time of transfer pursuant to the TOD registration, MFSC will retain the share of the missing beneficiary in the account owner's name.
- (iv) *Disclaimer* If a surviving beneficiary disclaims a transfer in whole or in part before MFSC makes a transfer pursuant to the TOD registration, the portion disclaimed will be transferred as if the beneficiary had not survived the account owner.
- (v) *Small Accounts* If, on the effective date of a transfer on death, the shares to be transferred to any one beneficiary have a value below the minimum account value established by MFSC or the MFS funds, MFSC may, at its option, elect to redeem the shares and make payment to such beneficiary in cash.

**10. How to Revoke a TOD Registration** The account owner may revoke the TOD registration on any account by submitting to MFSC a letter of instruction that identifies the account by the account number, signed by all account owners. A signature/medallion guarantee stamp must accompany each owner's signature. In addition, a TOD registration is revoked and has no further effect when the account owner transfers fund shares to a new account with a different account registration or redeems all shares held in the account.

**11. How to Transfer the Account on the Death of All Owners**

- (a) It is the responsibility of each designated beneficiary to notify MFSC of the death of the sole account owner or the last remaining joint owner. To transfer the account upon the death of all account owners, each beneficiary must submit:
- a certified copy of the death certificate for each account owner;
  - a completed Transfer Authorization Form;  
**Note:** If the beneficiary is a non-U.S. Person, upon transfer of ownership, the beneficiary will be restricted from making additional purchases into, or exchanges into or out of, the account. The beneficiary will, however, be able to redeem shares at any time.
  - inheritance tax waiver, from states that require it; and
  - such additional information or documents as MFSC may deem necessary or appropriate in its sole discretion.
- (b) Transfer on death shall include any interest, earnings, dividends, or other payments associated with account assets not paid or credited before the date of death of the last surviving account owner, except for such interest, earnings, and dividends paid after death and before MFSC has had reasonable time to act following receipt of written notice of the account owner's death.

**12. Tax and Legal Consequences** The account owner acknowledges that establishing a TOD account creates tax and legal consequences and understands that he or she is solely responsible for consulting with an independent tax or legal advisor prior to establishing a TOD account. MFSC cannot advise whether the TOD designation is appropriate for the account owner's tax or estate planning. Account owner's signature on the TOD Registration Form constitutes the owner's acknowledgement that neither MFSC nor any of its employees or representatives has furnished such advice.

**13. Rights and Limitations on Obligations of MFSC** MFSC shall:

- (a) have no obligation to act upon any TOD registration or beneficiary designation request, amendment thereto, or revocation thereof, or to take any other action pursuant to this TOD Agreement until such time such request has been received by MFSC and all requirements for such action have been fully satisfied;
- (b) have no duty to withhold a transfer based on knowledge of an adverse claim unless written notice is given of that claim that affords MFSC reasonable opportunity to act, and shall bear no responsibility for any transfers made pursuant to the Agreement before such notice is given;
- (c) reserve the right to determine the disposition of fractional shares;
- (d) reserve the right to require a court order before making transfer of any assets transferable pursuant to this TOD Agreement;
- (e) reserve the right to withhold a portion of the account transferable to any beneficiary, which may be subject to tax under any provision of the Internal Revenue Code or any state statute;
- (f) not be responsible for determining the tax and legal consequences to any account owner concerning the decision to register his or her account in TOD form or for the payment of any debts, claims, taxes and, estate administration expenses imposed by state or federal law;
- (g) be entitled to refuse to accept any TOD registration request;

- (h) have no obligation to:
  - (i) locate any beneficiary, the spouse, or legal heirs of any account holder or the personal representative of the estate of any account holder;
  - (ii) notify any person of any proposed or completed transfer of assets pursuant to this TOD Agreement;
  - (iii) independently verify any information submitted by any person claiming an interest in an account subject to this TOD Agreement; or
  - (iv) perform annual TOD beneficiary confirmation mailings for any account holder;
- (i) be entitled to interpret the provisions of this TOD Agreement, to impose additional requirements where it deems necessary, and to resolve issues that may arise in a manner not inconsistent with this TOD Agreement, acting in good faith and in its sole discretion.

**14. Changes to TOD Agreement** MFSC reserves the right to terminate the TOD Agreement (and transfer accounts out of the TOD registration) or modify or amend it at any time subject to 60 days notice to TOD account owners.

**15. Indemnification** The account owner, on behalf of the owner and his or her estate, successors, heirs, and beneficiaries, hereby agrees to indemnify and hold harmless MFSC, the MFS funds, and their affiliates (collectively, the "Indemnified Parties") against any loss, claim, damage, settlement amount, or expense (including attorney's fees) arising out of or relating to any transfer on death effected pursuant to this Agreement that is alleged or found to be unlawful, invalid, or ineffective for any reason, including, without limitation:

- (a) any conflicting designation of beneficiary under the Agreement made in the account owner's will, revocable living trust, or any other instrument;
- (b) any written change of beneficiaries that the account owner has made that has not been accepted by MFSC as provided herein;
- (c) any other action taken by MFSC in opening and maintaining an account under the Agreement and completing transfers on death from the account.

The Indemnified Parties will be entitled to attach or debit any account established pursuant to the TOD Agreement to the extent necessary or appropriate to enforce their rights to indemnity hereunder.

# TRANSFER ON DEATH AGREEMENT



This form can be used with an MFS Account Application to establish a TOD registration or make amendments to existing beneficiary designations. This form must be completed in its entirety, including all beneficiary designations.

## 1. Account Action Required

- New Account** *(MFS Account Application attached and complete this form)*
- Establish a TOD Registration on an Existing Account** This option must be used for existing accounts with no ownership changes. *(Please return all outstanding certificates and complete this form. **A signature/medallion guarantee stamp is required.**)*
- Add or Change Owner(s) for an Existing Account with a TOD Registration** This option must be used for existing accounts that require an ownership change prior to adding the TOD Registration. *(Please return all outstanding certificates, complete MFS Transfer Authorization form, and this form. **A signature/medallion guarantee stamp is required.**)*
- Beneficiary Change** *(Please complete this form. **A signature/medallion guarantee stamp is required.**)*

## 2. Account Information Required

ACCOUNT REGISTRATION

DAYTIME PHONE NUMBER

SOCIAL SECURITY NUMBER

ADDRESS

CITY STATE ZIP CODE

This is my new address; please update my account information.

**Note:** If the new address is a non-U.S. address, you will be restricted from making additional purchases into this account and exchanges into and out of this account.

This is a new account.

Or

MFS FUND NUMBER

ACCOUNT NUMBER

MFS FUND NUMBER

ACCOUNT NUMBER


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### 3. Beneficiary Designation Required

If this form is being used to make changes to your existing TOD account, all previous designations will be replaced.

- MFS Funds reserves the right to round up fractional shares for distribution.
- For trusts, please list the trust name and the under agreement date (U/A Date).
- If a minor is named as the beneficiary, please provide the name of the custodian. The TOD account owner cannot be listed as the custodian. If a minor is named as a secondary beneficiary, the primary beneficiary cannot be listed as custodian.
- An estate is not a valid beneficiary designation.

#### Primary Beneficiary

If you are naming more than one primary beneficiary, please indicate whole number percentages. All stated percentages must add up to 100%. If not, transfers shall be made proportionally on the percentages stated. If you name more than four primary beneficiaries, attach a separate page.

NAME	SSN/ TIN	% SHARE	DOB/TRUST U/A DATE (MM/DD/YYYY)	RELATIONSHIP	NAME OF CUSTODIAN IF BENEFICIARY IS A MINOR
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

TOTAL 100%

#### Secondary Beneficiary Optional

If you are naming more than one secondary beneficiary, please indicate whole number percentages. All stated percentages must add up to 100%. If not, transfers shall be made proportionally on the percentages stated. If you name more than four secondary beneficiaries, attach a separate page.

NAME	SSN/ TIN	% SHARE	DOB/TRUST U/A DATE (MM/DD/YYYY)	RELATIONSHIP	NAME OF CUSTODIAN IF BENEFICIARY IS A MINOR
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

TOTAL 100%

