

**Regular mail:**  
 Highland Funds  
 PO Box 219424  
 Kansas City, MO 64121-9424  
 Telephone: 877-665-1287

**Overnight mail:**  
 Highland Funds  
 430 W 7th Street, Suite 219424  
 Kansas City, MO 64105-1407

## Coverdell ESA Account Application

**Important Information about procedures for opening a new account:** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents. For certain entities, such as trusts, estates, corporations, partnerships, or other organizations, identifying documentation is also required. Your account may be restricted and/or closed if we cannot verify your information. We will not be responsible for any losses or damages resulting from any failure to provide this information, or from any restriction placed upon, or closing of, your account.

### 1. Account Information

#### A. Designated Beneficiary

(Age restrictions apply: contributions allowed only until age 18, eligible distributions only until age 30, unless special needs beneficiary)

|   |                         |             |                               |   |  |
|---|-------------------------|-------------|-------------------------------|---|--|
| First Name*   | Middle Initial          | Last Name*  |                               |   |  |
|   |                         | Citizen of: | <input type="checkbox"/> U.S. | <input type="checkbox"/> Other (specify): |  |
| Social Security/Tax ID No.*                               | Birthdate* (mm/dd/yyyy) |             |                               |   |  |
| Street Address* (PO Box not permitted, except APO or FPO) |                         | City*       | State*                        | Zip Code*                                 |  |
| *Required Information                                     |                         |             |                               |   |  |

#### B. Responsible Individual (The parent or guardian of the Designated Beneficiary)

|   |                         |             |                               |   |  |
|---|-------------------------|-------------|-------------------------------|---|--|
| First Name*   | Middle Initial          | Last Name*  |                               |   |  |
|   |                         | Citizen of: | <input type="checkbox"/> U.S. | <input type="checkbox"/> Other (specify): |  |
| Social Security/Tax ID No.*                               | Birthdate* (mm/dd/yyyy) |             |                               |   |  |
| Street Address* (PO Box not permitted, except APO or FPO) |                         | City*       | State*                        | Zip Code*                                 |  |
| *Required Information                                     |                         |             |                               |   |  |

#### C. Contributor (Individual establishing the account, if different from Responsible Individual)

|   |                         |             |                               |   |  |
|---|-------------------------|-------------|-------------------------------|---|--|
| First Name*   | Middle Initial          | Last Name*  |                               |   |  |
|   |                         | Citizen of: | <input type="checkbox"/> U.S. | <input type="checkbox"/> Other (specify): |  |
| Social Security/Tax ID No.*                               | Birthdate* (mm/dd/yyyy) |             |                               |   |  |
| Street Address* (PO Box not permitted, except APO or FPO) |                         | City*       | State*                        | Zip Code*                                 |  |
| *Required Information                                     |                         |             |                               |   |  |

The Designated Beneficiary automatically becomes the responsible individual upon attaining the age of majority - See Article V of the Custodial Agreement. The Responsible Individual may designate a family member of the original Designated Beneficiary as the new Designated Beneficiary, but restrictions apply—See the *Transfers* section of the Disclosure Statement for more details.

## 2. Account Address of Record/Contact Information

|  |               |       |          |
|--|---------------|-------|----------|
| Mailing Address (if different from the primary owner's street address) | City          | State | Zip Code |
| ( )  |               |       |          |
| Contact Telephone Number   | Email Address |       |          |

**Consent for E-Delivery**

If you elect E-Delivery, you will receive a notification to the email address provided in Section 3 informing you when a document is available for viewing at [www.highlandfunds.com](http://www.highlandfunds.com)

You may view, change or revoke your E-Delivery preferences and the email address we have on file for you at any time by logging into our online account access system at [www.highlandfunds.com](http://www.highlandfunds.com). Confidential account information will not be sent to you or requested from you via email.

**Document Types for E-Delivery:**

- Prospectus and Shareholder Reports                       Quarterly Statements                       Year-end Statements

## 3. Broker-Dealer Information (if applicable)

By designating a broker/dealer or financial adviser, I/we hereby authorize the Fund and its transfer agent to accept instructions from, and transmit information to, such designee concerning my/our account(s).

|                                  |               |                     |
|----------------------------------|---------------|---------------------|
| Broker/Dealer Name               | Dealer Number | Branch Number       |
| Street Address                   | City          | State      Zip Code |
| Registered Representative's Name | Rep. Number   |                     |

## 4. Your Initial Investment

I have enclosed a check made payable to Highland Funds in the amount of \$\_\_\_\_\_ (do not send cash)

Please purchase shares in the following Funds:

|                               | Class A                       | Class C                       | Class Y/Z                     |                    | Dividends                |                          | Capital Gains            |                          |
|-------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                               |                               |                               |                               |                    | Cash*                    | Reinvest                 | Cash*                    | Reinvest                 |
| Healthcare Opportunities Fund | <input type="checkbox"/> 4746 | <input type="checkbox"/> 4747 | <input type="checkbox"/> 4748 | \$._____ or _____% | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Small Cap Equity Fund Total   | <input type="checkbox"/> 4771 | <input type="checkbox"/> 4773 | <input type="checkbox"/> 4775 | \$._____ or _____% | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Merger Arbitrage Fund         | <input type="checkbox"/> 4950 | <input type="checkbox"/> 4951 | <input type="checkbox"/> 4952 | \$._____ or _____% | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

\*Check here, and complete Section 6B, to have your cash dividends and/or capital gains electronically transmitted to your bank account.



**D. Rights of Accumulation (ROA)/ Letter of Intent (LOI)**

Please link my account to the following accounts for ROA. I certify that all accounts are eligible to be linked for ROA purposes as outlined in the prospectus and Statement of Additional Information.

\_\_\_\_\_  
Account or Tax Identification Number to be linked

\_\_\_\_\_  
Account or Tax Identification Number to be linked

\_\_\_\_\_  
Account or Tax Identification Number to be linked

\_\_\_\_\_  
Account or Tax Identification Number to be linked

\_\_\_\_\_  
Account or Tax Identification Number to be linked

\_\_\_\_\_  
Account or Tax Identification Number to be linked

\_\_\_\_\_  
Account or Tax Identification Number to be linked

\_\_\_\_\_  
Account or Tax Identification Number to be linked

\_\_\_\_\_  
Account or Tax Identification Number to be linked

To qualify for a reduced sales charge, I agree to the Letter of Intent, including the escrow agreement, as described in the prospectus and Statement of Additional Information. Although I am not obligated, it is my intention to invest within a 13-month period in shares of one or more of the Highland funds in an aggregate amount (among the qualifying accounts listed above) at least equal to \$ \_\_\_\_\_

**E. Death Beneficiary Designation**

**Primary Death Beneficiary Designation:**

Please check here if you are attaching any page(s) with additional beneficiaries. Please sign the attached page

| Beneficiary Name | Birthdate (mm/dd/yyyy) | Social Security/Tax ID No. | Relationship | Allocation (%) |
|------------------|------------------------|----------------------------|--------------|----------------|
|                  |                        |                            |              |                |

**Secondary Death Beneficiary Designation:**

Please check here if you are attaching any page(s) with additional beneficiaries. Please sign the attached page

| Beneficiary Name | Birthdate (mm/dd/yyyy) | Social Security/Tax ID No. | Relationship | Allocation (%) |
|------------------|------------------------|----------------------------|--------------|----------------|
|                  |                        |                            |              |                |

In the event of the death of the Designated Beneficiary, the balance in the account shall be paid to the Primary Beneficiaries who survive in equal proportions (or in the specified proportions, if indicated). If any primary death beneficiary predeceases the Designated Beneficiary, his or her share is to be divided among the primary death beneficiaries who survive in the relative proportions assigned to each such surviving primary beneficiary. If none of the primary death beneficiaries survive the Designated Beneficiary, the balance in the account shall be paid to the secondary death beneficiaries who survive in equal proportions (or in the specified proportions, if indicated). I may change my beneficiaries at any time by giving written notice to the Custodian. If no beneficiary is designated, or if all beneficiaries predecease the Designated Beneficiary, the Account will pass to the Designated Beneficiary’s estate (unless otherwise required under the laws of the state of the Designated Beneficiary’s residence).

**F. Automatic Investment Plan** (Section B is required for this option)\* – Allows you to invest automatically each month or quarter by electronically debiting your checking or savings account. Funds are transferred via the Automated Clearing House (ACH) system, and the plan takes approximately 3 days to become effective. I designate that all contributions are for the tax year in which they are made, unless I instruct otherwise in writing.

Please invest \$\_\_\_\_\_ based on the Investment Allocation choices made in Section 4 (minimum \$25 per fund).

Please establish my automatic investment plan as allocated below (minimum \$25 per fund):

Fund \_\_\_\_\_ \$ \_\_\_\_\_

Fund \_\_\_\_\_ \$ \_\_\_\_\_

Fund \_\_\_\_\_ \$ \_\_\_\_\_

Fund \_\_\_\_\_ \$ \_\_\_\_\_

**Frequency** (if left blank, the plan will be established for all months):

All Months or  Jan  Feb  Mar  Apr  May  Jun  Jul  Aug  Sep  Oct  Nov  Dec

I would like my AIP to occur on the following date(s): \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_  
 If you do not select a date, the 20th of the month will be selected as the investment date

**G. Systematic Exchange Plan** – Allows you to exchange from one fund to another automatically each month or quarter.

Please establish my systematic exchange plan as allocated below (minimum \$25 per fund):

**From:** Fund \_\_\_\_\_ **To:** Fund \_\_\_\_\_ \$ \_\_\_\_\_

**From:** Fund \_\_\_\_\_ **To:** Fund \_\_\_\_\_ \$ \_\_\_\_\_

**From:** Fund \_\_\_\_\_ **To:** Fund \_\_\_\_\_ \$ \_\_\_\_\_

**From:** Fund \_\_\_\_\_ **To:** Fund \_\_\_\_\_ \$ \_\_\_\_\_

**Frequency** (if left blank, the plan will be established for all months):

All Months or  Jan  Feb  Mar  Apr  May  Jun  Jul  Aug  Sep  Oct  Nov  Dec

I would like my systematic exchange to occur on the following date(s): \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_  
 If you do not select a date, the 20th of the month will be selected as the exchange date



## 8. Your Signature

All registered account owners or legal representatives must sign this section before the Fund can open your account. The undersigned warrant(s) that the undersigned has (have) full authority and is (are) of legal age to purchase shares of the Fund and has (have) received and read a current prospectus of the Fund, and the ESA Custodial Agreement and Disclosure Statement, and agree(s) to the respective terms of each. The Fund and its transfer agent shall not be liable for acting upon instructions or inquiries believed to be genuine.

### Taxpayer Identification Number Certification

As required by Federal law, I/we certify under penalties of perjury that:

1. The Social Security Number or Taxpayer Identification Number listed above is correct, and
2. I/we HAVE NOT been notified by the IRS that I/we am/are subject to backup withholding, and  
 (Check this box if you ARE subject to backup withholding)
3. I/we am/are a U.S. person (including a U.S. resident alien). (If you are a foreign person, you must provide the Fund with a completed Form W-8BEN).

**The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.**

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature Date

### Signature Guarantee (if required):

If you are adding bank information to your account and there is no common ownership between the XXXXXXXXXXXX account registration and the bank registration, a registered bank account owner must have his/her signature guaranteed by an eligible guarantor institution. An eligible guarantor is a domestic bank or trust company, securities broker/dealer, clearing agency or savings association that participates in a medallion program recognized by the Securities Transfer Agents Association. The three recognized medallion programs are the Securities Transfer Agents Medallion Program (known as STAMP), Stock Exchanges Medallion Program (SEMP), and the Medallion Signature Program (MSP). A notarization from a notary public is NOT an acceptable substitute for a signature guarantee.

The SVP Stamp is intended to provide a signature guarantee for those transactions considered non-financial in nature. The SVP Stamp on a document assures the signature on the document is genuine, the signer was known by or satisfactorily identified by the guarantor and the signer had the authority to sign the document. In the event the bank or financial institution does not offer the SVP Stamp, a Medallion Guarantee Stamp will be accepted.

The SVP Stamp and the Medallion Guarantee Stamp may be obtained from an eligible guarantor of the Medallion Guarantee Program, which includes commercial banks, trust companies, savings associations and credit unions, as defined by the Federal Deposit Insurance Act. Also included are member firms of a domestic stock exchange. Non bar-coded guarantees or stamps from a Notary Public are not acceptable. All bar-coded guarantees must be legible. For those signing in a capacity other than the account owner, a capacity must be indicated beside or beneath the signature. Prior to signing, contact the guarantor to determine what documentation needs to be provided.

\_\_\_\_\_  
Signature Date

SVP/MSG

\_\_\_\_\_  
Signature Date

SVP/MSG