Exhibit (k)(4)  
AGENCY AGREEMENT  
THIS AGREEMENT made the 5th day of Aug. 2014, by and between, NexPoint Capital, Inc., a corporation existing under the laws of the State of Delaware, with offices at 000 Xxxxxxxx Xxxxx, Xxxxx 000, Xxxxxx, Xxxxx 00000 (“Nexpoint Capital”), which is sponsored by Nexpoint Advisors, L.P., a - limited partnership (the “Sponsor”) and any other real estate investment programs set forth on Exhibit A, attached hereto, as amended from time to time and who have executed an amendment to this Agreement agreeing to be bound hereby, each having its principal place of business at 000 Xxxxxxxx XX Xxxxxx, XX 00000 (Nexpoint Capital and each such real estate investment program hereinafter jointly and severally referred to as the “Fund”), and DST SYSTEMS, INC., a corporation organized and existing under the laws of the State of Delaware, having its principal place of business at 000 Xxxx 00xx Xxxxxx, 0xx Xxxxx, Xxxxxx Xxxx, Xxxxxxxx 00000 (“DST”):  
WITNESSETH:  
WHEREAS, the Fund desires to appoint DST as Transfer Agent and Dividend Disbursing Agent, and DST desires to accept such appointment upon the terms and conditions set forth herein;  
NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:  
 1. Documents to be Provided with Appointment.  
In connection with the appointment of DST as Transfer Agent and Dividend Disbursing Agent for the Fund, the Fund will provide DST with the following documents:  
 A. A certified copy of the resolutions of the Board of Directors of the Fund appointing DST as Transfer Agent and Dividend Disbursing Agent, approving the form of this Agreement, and designating certain persons to sign or give written or oral instructions and requests on behalf of the Fund;  
 B. A certified copy of the Certificate of Incorporation of the Fund and all amendments thereto;  
 C. A certified copy of the Bylaws of the Fund and all amendments thereto;  
 D. Copies of Registration Statements and amendments thereto, filed with the Securities and Exchange Commission.  
 E. A certificate of the Fund as to the Shares authorized, issued and outstanding, as well as a description of all reserves of unissued Shares relating to the exercise of options, if any;  
 F. Specimens of the signatures of the officers of the Fund authorized to sign on behalf of the Fund generally and individuals authorized to sign written instructions and requests;  
 G. An opinion of counsel for the Fund (who may be the Fund’s General Counsel) with respect to:  
 (1) The Fund’s organization and existence and status in good standing under the laws of its state of organization,  
 (2) The status of all shares of stock of the Fund covered by the appointment under the Securities Act of 1933, as amended (the “1933 Act”), and any other applicable federal or state statute, and  
 (3) That all issued shares are, and all unissued shares will be, when issued, validly issued, fully paid and non-assessable; and  
 H. Statements as to (i) the existence or termination of any restrictions on the transfer of shares and in the application to or removal of any legend restricting the transfer of such shares, (ii) any authorized but unissued shares reserved for specific purposes, (iii) if any reserved shares are subject to option and, if so, the details of such reservation, and (iv) special instructions regarding dividends and information of any foreign securityholders.  
 I. For this Section 1, a certificate from the Fund’s Secretary or Chief Financial Officer is acceptable.  
 2. Certain Representations and Warranties of DST.  
DST represents and warrants to the Fund that:  
 A. It is a corporation duly organized and existing and in good standing under the laws of Delaware.  
 B. It is duly qualified to carry on its business in the State of Missouri.  
 C. It is empowered under applicable laws and by its Certificate of Incorporation and Bylaws to enter into and perform the services contemplated in this Agreement.  
 D. It is registered as a transfer agent to the extent required under the Securities Exchange Act of 1934, as amended (the “1934 Act”) and is in material compliance with any other federal or state laws applicable to DST’s acting as a transfer agent.  
 E. All requisite corporate proceedings have been taken to authorize it to enter into and perform this Agreement.  
 F. It has and will continue to have and maintain the necessary facilities, equipment and personnel to perform its duties and obligations under this Agreement.  
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3. Certain Representations and Warranties of the Fund.  
The Fund represents and warrants to DST that:  
 A. It is a corporation duly organized and existing and in good standing under the laws of the State of Delaware and it is duly qualified, as required, to carry on its business in the jurisdictions in which it is required to so qualify or in which DST provides the Services, unless failure to so qualify would not have a material adverse effect on the Fund.  
 B. A registration statement under the Securities Act of 1933 has been filed and will be effective with respect to all shares of the Fund being offered for sale.  
 C. All requisite steps have been and will at all times material hereto continue to be taken to register the Fund’s shares for sale in all applicable states and such registration will be effective at all times shares are offered for sale in such state.  
 D. To the extent required to offer shares of the Fund as contemplated herein, the Fund is registered with the Securities and Exchange Commission (the “SEC”), any securities self-regulatory organization, and/or any state or non-US securities regulatory body that asserts the authority to regulate such matter, by regulation, order or otherwise (collectively, the “Applicable Regulatory Authorities”), has made all required notice or other filings with and paid all required fees to all Applicable Regulatory Authorities and is currently, and will remain throughout the term of this Agreement, in substantial compliance with applicable law. To the extent any applicable law requires registration, licensing or other qualifications of the Fund or any of its officers, directors, employees, agents or Affiliates, or payment of fees or filing of documents, the Fund is in compliance with same. The foregoing representations will remain accurate during the term of this Agreement.  
 E. Each offer to sell or sale of shares of the Fund by the Fund or its agents, representatives and dealers in each state in which a share is offered for sale or sold will be made in material compliance with all applicable Federal, State or local laws, rules and regulations.  
 F. The Fund is empowered under applicable laws and by its Certificate of Incorporation and Bylaws to enter into and perform this Agreement.  
 4. Scope of Appointment.  
 A. Subject to the terms and conditions set forth in this Agreement, the Fund hereby appoints DST as Transfer Agent and Dividend Disbursing Agent.  
 B. DST hereby accepts such appointment and agrees that it will act as the Fund’s Transfer Agent and Dividend Disbursing Agent. DST agrees that it will also act as agent in connection with the Fund’s periodic withdrawal payment accounts and other open accounts or similar plans for securityholders, if any.  
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 C. The Fund agrees to use its reasonable efforts to deliver to DST in Kansas City, Missouri, as soon as they are available, all of its securityholder account records.  
 D.  
DST, utilizing TA2000™, DST’s computerized data processing system for securityholder accounting (the “TA2000 System”) and in accordance with the terms and conditions of this Agreement, will perform the following services as transfer and dividend disbursing agent for the Fund; and as agent of the Fund for securityholder accounts thereof, in a timely manner: (i) issuing (including countersigning), transferring and redeeming book entry shares; (ii) maintaining securityholder accounts on the records of the Fund on the TA2000 System; (iii) when and if a Fund participates in the National Securities Clearing Corporation (“NSCC”), accepting and effectuating the registration and maintenance of accounts through Networking and the purchase, redemption and transfer of shares in such accounts through systems or applications offered to its participants by NSCC (the “Programs”) in accordance with instructions transmitted to and received by DST by transmission from NSCC on behalf of broker-dealers and banks which have been established by, or in accordance with the instructions of, an Authorized Person, as hereinafter defined, on the Dealer File maintained by DST; (iv) when and if a Fund participates in the NSCC, issuing instructions to the Fund’s banks for the settlement of transactions between the Fund and NSCC (acting on behalf of its broker-dealer and bank participants); (v) when and if a Fund participates in the NSCC, providing account and transaction information from the Fund’s records on TA2000 in accordance with the applicable Program’s rules for those broker-dealers; (vi) when and if a Fund participates in the NSCC, maintaining securityholder accounts on TA2000 through the Programs; (vii) providing transaction journals; (viii) preparing securityholder meeting lists for use in connection with any shareholder meeting and certifying a copy of such list; (ix) mailing securityholder reports and prospectuses; (x) withholding, as required by federal law, taxes on securityholder accounts, preparing, filing and mailing U.S. Treasury Department Forms 1099, 1042, 1042S, and K-1 and performing and paying backup withholding as required for all securityholders; (xi) disbursing income dividends and capital gains distributions to securityholders and recording reinvestment of dividends and distributions in shares of the Fund; (xii) preparing and mailing confirmation forms to securityholders and intermediaries for securityholders, as instructed, for all purchases and liquidations of shares of the Fund and other confirmable transactions in securityholders’ accounts; (xiii) providing or making available on-line daily and monthly reports as provided by the TA2000 System and as  
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 requested by the Fund or its management company; (xiv) maintaining those records necessary to carry out DST’s duties hereunder, including all information reasonably required by the Fund to account for all transactions on TA2000 in the Fund’s shares; (xv) calculating the appropriate sales charge with respect to each purchase of the Fund’s shares as instructed by an Authorized Person, as hereinafter defined, determining the portion of each sales charge payable to the dealer participating in a sale in accordance with schedules and instructions delivered to DST by the Fund’s managing dealer or distributor (hereinafter “managing dealer”) or any other Authorized Person from time to time, disbursing dealer commissions collected to such dealers, determining the portion of each sales charge payable to such managing dealer and disbursing such commissions to the managing dealer; (xvi) receiving correspondence pertaining to any former, existing or new securityholder account, processing such correspondence for proper recordkeeping, and responding promptly to securityholder correspondence; mailing to dealers confirmations of wire order trades; mailing copies of securityholder statements to securityholders and registered representatives of dealers in accordance with the instructions of an Authorized Person; (xvii) processing, generally on the date of receipt, purchases or instructions to settle any mail or wire order purchases received in proper order as set forth in the prospectus and rejecting promptly any requests not received in proper order (as defined by an Authorized Person or the Procedures as hereinafter defined); (xviii) providing to the person designated by an Authorized Person the daily Blue Sky reports generated by the Blue Sky module of TA2000 with respect to purchases of shares of the Fund on TA2000; (xix) once approval of the Fund therefore has been received by DST, processing timely redemptions (as provided in the Fund’s dividend reinvestment plan) received in proper order as approved by the Fund in accordance with the instructions of the Fund and rejecting promptly any requests not received in proper order (as defined by an Authorized Person or the Procedures as hereinafter defined); (xx) providing to the Fund escheatment reports as requested by an Authorized Person with respect to the status of accounts and outstanding checks on TA2000; and (xxi) providing a Cash Utilization Arrangement consistent with the provisions set forth in Exhibit B. For clarification, with respect to Blue Sky obligations, the Fund is responsible any registration or filing with a federal or state government body or obtaining approval from such body required for the sale of shares of the Fund in each jurisdiction in which it is sold. DST’s sole obligation is to provide the Fund access to the Blue Sky module of TA2000 with respect to purchases of shares of the Fund on  
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 TA2000. It is the Fund’s responsibility to validate that the blue sky module settings are accurate and complete and to validate the output produced thereby and other applicable reports provided by DST, to ensure accuracy. DST is not responsible in any way for claims that the sale of shares of the Fund violated any such requirement (unless such violation results from a failure of the DST Blue Sky module to notify the Fund that such sales do not comply with the parameters set by the Fund for sales to residents of a given state).  
 E. At the request of an Authorized Person, DST shall use all commercially reasonable efforts to provide the services set forth in Section 4.D. in connection with transactions (i) on behalf of retirement plans and participants in retirement plans and transactions ordered by brokers as part of a “no transaction fee” program (“NTF”), the processing of which transactions require DST to use methods and procedures other than those usually employed by DST to perform securityholder servicing agent services, (ii) involving the provision of information to DST after the commencement of the nightly processing cycle of the TA2000 System or (iii) which require more manual intervention by DST, either in the entry of data or in the modification or amendment of reports generated by the TA2000 System than is usually required by non-retirement plan, non-NTF and pre-nightly transactions, (the “Exception Services”).  
 F.  
DST shall use all commercially reasonable efforts to provide, reasonably promptly under the circumstances, the same services with respect to any new, additional functions or features or any changes or improvements to existing functions or features as provided for in the Fund’s instructions, prospectus or application as amended from time to time, for the Fund provided (i) DST is advised in advance by the Fund of any changes therein and (ii) the TA2000 System and the mode of operations utilized by DST as then constituted supports such additional functions and features. If any addition to, improvement of or change in the features and functions currently provided by the TA2000 System or the operations as requested by the Fund requires an enhancement or modification to the TA2000 System or to operations as presently conducted by DST, DST shall not be liable therefore until such modification or enhancement is installed on the TA2000 System or new mode of operation is instituted. If any new, additional function or feature or change or improvement to existing functions or features or new service or mode of operation measurably increases DST’s cost of performing the services required hereunder at the current level of service, DST shall advise the Fund of the amount of such increase and if  
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 the Fund elects to utilize such function, feature or service, DST shall be entitled to increase its fees by the amount of the increase in costs. In no event shall DST be responsible for or liable to provide any additional function, feature, improvement or change in method of operation until it has consented thereto in writing.  
 G. The Sponsor shall add all REITS, Business Development Companies, and other investment programs for which Sponsor or an affiliate of Sponsor is the primary distributor, investment advisor or sponsor, to the TA2000 System upon at least thirty (30) days’ prior written notice to DST provided that the requirements of the new programs are generally consistent with services then being provided by DST under this Agreement. The addition of such new investment products will be by executed of such product of an amendment to this Agreement whereby such product agrees to be bound hereby. Rates or charges for additional programs shall be as set forth in Exhibit B, as hereinafter defined, for the remainder of the contract term except as such programs use functions, features or characteristics for which DST has imposed an additional charge as part of its standard pricing schedule. In the latter event, rates and charges shall be in accordance with DST’s then-standard pricing schedule.  
 H.  
The provisions of this Section 4.H that follow this sentence shall take precedence over and shall govern in the event of any inconsistency between such provisions and any other provisions of this Agreement or any provisions of any exhibit or other attachment to this Agreement (or any provisions of any attachment to any such exhibit or attachment). The parties agree that – to the extent that DST provides any services under this Agreement that relate to compliance by the Fund with the Internal Revenue Code of 1986 or any other tax law, including without limitation the services described in Section 4.D(x) – it is the parties’ mutual intent that DST will provide only printing, reproducing, and other mechanical assistance to the Fund and that DST will not make any judgments or exercise any discretion of any kind, and particularly that DST will not make any judgments or exercise any discretion in: (1) determining generally the actions that are required in connection with such compliance or determining generally when such compliance has been achieved; (2) determining the amounts of taxes that should be withheld on securityholder accounts (except to the extent of making mathematical calculations of such amounts based on express instructions provided by the Fund); (3) determining the amounts that should be reported in or on any specific box or line of any tax form (except to the extent of making mathematical calculations of such amounts based on express  
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 instructions provided by the Fund, which, among other things, identify the specific boxes and lines into which amounts calculated by DST are to be placed); (4) classifying the status of securityholders and securityholder accounts under applicable tax law (except to the extent of following express instructions regarding such classification provided by the Fund); and (5) paying withholding and other taxes, except pursuant to the express instructions of the Fund. The Fund agrees that it will provide express and comprehensive instructions to DST in connection with all of the services that are to be provided by DST under this Agreement that relate to compliance by the Fund with the Internal Revenue Code of 1986 or any other tax law (including without limitation the services described in Section 4.D(x)), including promptly providing responses to requests for direction that may be made from time to time by DST of the Fund in this regard.  
 I. (i) The Fund instructs and authorizes DST to provide the services as set forth in this Agreement in connection with transactions on behalf of certain Individual Retirement (“XXX”) accounts (“XXX Accounts”) featuring the Fund made available by the Fund, and offered through DST’s XXX custodial offering where DST acts as service provider. The Fund acknowledges and agrees that as part of such services, DST will act as service provider to the custodian for such XXX Accounts. The Fund agrees that DST will perform the following functions, among others, with respect to the XXX Accounts:  
 • securityholder recordkeeping;  
 • account servicing (including returning securityholders’ initial principal investment if requested pursuant to the 7-day right of revocation as allowed per statutory regulations);  
 • receipt of securityholder monies within the Fund universal bank account;  
 • movement of securityholder money to either the the Fund or custodian cash positions;  
 • payment, dividend disbursement and bank account reconciliation;  
 • preparing, mailing, distributing and filing all tax reports, information returns and other documents required by the Internal Revenue Code of 1986, as amended, with respect to XXX Accounts and withholding and submitting all taxes relating to such accounts;  
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 • providing all securityholder notices and other information which the Custodian provides with regard to the XXX Accounts under applicable federal and state laws;  
 • providing reasonable assistance to the Fund to complete a block transfer of the securityholders’ custodial accounts to a successor custodian, in the event the custodian resigns as custodian for the securityholders (subject to recompense of DST for such assistance at its standard rates and fees for personnel then in effect at that time);  
 • solicitation and processing of securityholder paid custodial fees; and  
 • processing of annual custodian maintenance fees from cash or reinvested distributions.  
Reimbursable Expenses, including but not limited to postage and mailing, shall apply to the services provided under this Section 4.I.  
(ii) In connection with providing services for the XXX Accounts, the Fund hereby authorizes DST, acting as agent for the Fund: (1) to establish in the name of, and to maintain on behalf of, the Fund, on the usual terms and conditions prevalent in the industry, including limits or caps based on fees paid over some period of time on the maximum liability of such Banks, as hereinafter defined, one or more deposit accounts at a nationally or regionally known banking institution (the “Bank”) into which DST shall deposit the Fund’s funds DST receives for payment of dividends, distributions, purchases of the Fund shares, redemptions of the Fund shares, commissions, corporate re-organizations (including recapitalizations or liquidations) or any other disbursements made by DST on behalf of the Fund and the XXX securityholders provided for in this Agreement; (2) move money to either the Fund or custodian cash positions per securityholder instructions, to draw checks upon such accounts, to issue orders or instructions to the Bank for the payment out of such accounts as necessary or appropriate to accomplish the purposes for which such instructions were provided to DST, and any other banking relationships, arrangements and agreements with such Bank as are necessary or appropriate to fulfill DST’s obligations under this Agreement with respect to the XXX Accounts. DST, acting as agent for the Fund, is also hereby authorized to execute on behalf and in the name of the Fund, on the usual terms and conditions prevalent in the industry, including limits or caps based on fees paid over some period of time on the maximum liability of such Banks, agreements with banks for ACH, wire transfer, draft processing services, as well as any other services which  
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are necessary or appropriate for DST to utilize to accomplish the purposes of this Section 4.I. In each of the foregoing situations, DST shall not be liable for any Adverse Consequences (as hereinafter defined) arising out of or resulting from errors or omissions of the Bank provided, however, that DST shall have acted in good faith, with due diligence and without negligence.  
(iii) Representations, Warranties and Covenants. DST hereby represents, warrants and covenants that:  
 A. Any cash account maintained at any Bank for the XXX Accounts shall be insured in an amount equal to the maximum deposit insurance amount maintained by the Federal Deposit Insurance Corporation limits per securityholder;  
 B. Any agreement between DST and any entity retained to serve as custodian for the XXX Accounts shall provide that such custodian may not terminate such agreement (or otherwise resign as custodian of the XXX Accounts) without providing at least ninety (90) days’ prior written notice to DST except if the termination is for cause, in which event ten (10) days’ prior written notice is required; and  
 C. In the event that the custodian (or any successor custodian for the XXX Accounts) terminates the custodial agreement with DST (or otherwise resigns as custodian of the XXX Accounts), DST shall: (i) provide prompt notice to the Fund regarding such termination or resignation, and (ii) use its reasonable best efforts to find a successor custodian.  
(iv) Investment Authority; No Fiduciary. In no event shall the Fund (i) have or exercise any discretionary authority or discretionary control whatsoever respecting the management or any assets in any XXX Account or any authority or control respecting the disposition of any assets of the XXX Account; (ii) render or have authority or responsibility to render investment advice with respect to any monies or other property of any XXX Account; or (iii) have or exercise any discretionary authority or discretionary responsibility in the administration of any XXX Account. In no event shall the Fund be deemed to be a “fiduciary” as defined in the Employee Retirement Income Security Act of 1974, as amended, and/or Section 4975 of the Code with respect to any assets or property of any XXX.  
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5. Limit of Authority.  
Unless otherwise expressly limited by the resolution of appointment or by subsequent action by the Fund, the appointment of DST as Transfer Agent for the Fund will be construed to cover the full amount of authorized stock of each class or classes for which DST is appointed as the same will, from time to time, be constituted, and any subsequent increase or reduction in such authorized amount.  
In case of such reduction or increase the Fund will file with DST:  
 A. If the appointment of DST was theretofore expressly limited, a certified copy of a resolution of the Board of Directors of the Fund increasing the authority of DST;  
 B. A certified copy of the amendment to the Certificate of Incorporation of the Fund authorizing the increase of stock;  
 C. A certified copy of the order or consent of each governmental or regulatory authority required by law to consent to the issuance of the increased stock, and an opinion of counsel that the order or consent of no other governmental or regulatory authority is required;  
 D. An opinion of counsel for the Fund stating:  
 (1) The status of the additional shares of stock of the Fund under the 1933 Act, and any other applicable federal or state statute; and  
 (2) That the additional shares are, or when issued will be, validly issued, fully paid and non-assessable.  
 6. Compensation and Expenses.  
 A. In consideration for DST’s services hereunder as Transfer Agent and Dividend Disbursing Agent, the Fund will pay to DST from time to time the compensation for all services rendered as Agent as outlined on Exhibit B1, and also, its reasonable out-of-pocket expenses charges, counsel fees, and other disbursements incurred in connection with the agency outlined on Exhibit B, or, if not outlined on Exhibit B, incurred at the request of the Fund (“Compensation and Expenses”). If the Fund has not paid such Compensation and Expenses to DST within a reasonable time, DST may, after prior written notice to the Fund, charge against any monies held under this Agreement, the amount of any Compensation and/or Expenses for which it shall be entitled to reimbursement under this Agreement. The monthly fee for an open account shall be charged in the month during which an account is opened through the month in which such account is closed. The monthly fee for a closed account shall be charged in the month following the month during which such account is closed and shall cease to be charged in the month following the Purge Date, as hereinafter defined in Section 17.  
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 B. The Fund also agrees promptly to reimburse DST for those reasonable out-of-pocket expenses charges, counsel fees, and other disbursements outlined on Exhibit B, or, if not outlined on Exhibit B, incurred at the request of the Fund, incurred by DST in connection with the performance of services under this Agreement including, but not limited to, expenses for postage, express delivery services, freight charges, envelopes, checks, drafts, forms (continuous or otherwise), specially requested reports and statements, telephone calls, telegraphs, stationery supplies, counsel fees, outside printing and mailing firms (including DST Output, LLC), off-site record storage, media for storage of records (e.g., microfilm, microfiche, optical platters, computer tapes), computer equipment installed at the Fund’s request at the Fund’s or a third party’s premises, telecommunications equipment, telephone/telecommunication lines between the Fund and its agents, on one hand, and DST on the other, proxy soliciting, processing and/or tabulating costs, second-site backup computer facility, transmission of statement data for remote printing or processing, and National Securities Clearing Corporation (“NSCC”) transaction fees, if applicable, to the extent any of the foregoing are paid by DST. The Fund agrees to pay postage expenses at least one day in advance if so requested. In addition, any other expenses incurred by DST at the written request or with the written consent of the Fund will be promptly reimbursed by the Fund.  
 C. Amounts due hereunder shall be due and paid on or before the thirtieth (30th) business day after receipt of the statement therefor by the Fund (the “Due Date”). The Fund is aware that its failure to pay all amounts in a timely fashion so that they will be received by DST on or before the Due Date will give rise to costs to DST not contemplated by this Agreement, including but not limited to carrying, processing and accounting charges. Accordingly, subject to Section 6.D. hereof, in the event that any amounts due hereunder are not received by DST by the Due Date, the Fund shall pay a late charge equal to the lesser of the maximum amount permitted by applicable law or the product of one and one-half percent (1.5%) per month times the amount overdue times the number of months from the Due Date up to and including the day on which payment is received by DST. The parties hereby agree that such late charge represents a fair and reasonable computation of the costs incurred by reason of late payment or payment of amounts not properly due. Acceptance of such late charge shall in no event constitute a waiver of the Fund’s or DST’s default or prevent the non-defaulting party from exercising any other rights and remedies available to it.  
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 D. In the event that any charges are disputed, the Fund shall, on or before the Due Date, pay all undisputed amounts due hereunder and notify DST in writing of any disputed charges for billable expenses which it is disputing in good faith. Payment for such disputed charges shall be due on or before the close of the tenth (10th) business day after the day on which DST provides to the Fund documentation which an objective observer would agree reasonably supports the disputed charges (the “Revised Due Date”). Late charges shall not begin to accrue as to charges disputed in good faith until the first business day after the Revised Due Date.  
 E. The fees and charges set forth on Exhibit B shall increase or may be increased as follows:  
 (1) On the first day of each new term or otherwise in accordance with the “Fee Increases” provision in Exhibit B;  
 (2) DST may increase the fees and charges set forth on Exhibit B upon at least ninety (90) days prior written notice, if changes in existing laws, rules or regulations: (i) require substantial system modifications or (ii) materially increase cost of performance hereunder;  
 (3) DST may charge for additional features of TA2000 used by the Fund which features are not consistent with the Fund’s current processing requirements; and  
 (4) In the event DST, at the Fund’s request or direction, performs Exception Services, DST shall be entitled to increase the fees and charges for such Exception Services from those set forth on Exhibit B to the extent such Exception Services increase DST’s cost of performance.  
If DST notifies the Fund of an increase in fees or charges pursuant to subparagraph (2) of this Section 6.E., the parties shall confer, diligently and in good faith and agree upon a new fee to cover the amount necessary, but not more than such amount, to reimburse DST for the Fund’s allocable portion of the cost of developing the new software to comply with regulatory charges and for the increased cost of operation.  
If DST notifies the Fund of an increase in fees or charges under subparagraphs (3) or (4) of this Section 6.E., the parties shall confer, diligently and in good faith, and agree upon a new fee to cover such new fund feature.  
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7. Operation of DST System.  
In connection with the performance of its services under this Agreement, DST is responsible for such items as:  
 A. That entries in DST’s records, and in the Fund’s records created by DST on the TA2000 System, reflect the orders, instructions, and other information received by DST from the Fund, the Fund’s distributor, manager or managing dealer, the Fund’s investment adviser, the Fund’s sponsor, the Fund’s custodian, or the Fund’s administrator and any other person whom the Fund names on Exhibit C (each an “Authorized Person”), broker-dealers or securityholders;  
 B. That securityholder lists, securityholder account verifications, confirmations and other securityholder account information to be produced from its records or data be available and accurately reflect the data in the Fund’s records on the TA2000 System;  
 C. The accurate and timely issuance of dividend and distribution checks in accordance with instructions received from the Fund and the data in the Fund’s records on the TA2000 System;  
 D. That, once approval of the Fund therefor has been received by DST, redemptions and payments be effected timely in accordance with the instructions of the Fund, under normal circumstances on the day of receipt, and accurately in accordance with redemption instructions received by DST from Authorized Persons, broker-dealers or securityholders and the data in the Fund’s records on the TA2000 System;  
 E. The deposit daily in the Fund’s appropriate special bank account of all checks and payments received by DST from NSCC (if applicable), broker-dealers or securityholders for investment in shares;  
 F. The requiring of proper forms of instructions, signatures and signature guarantees and any necessary documents supporting the opening of securityholder accounts, transfers, redemptions and other securityholder account transactions, all in conformance with DST’s present procedures as set forth in its Legal Manual, Third Party Check Procedures, Checkwriting Draft Procedures, Compliance + and Identity Theft Programs and Signature Guarantee Procedures (collectively the “Procedures”) with such changes or deviations therefrom as may be from time to time required or approved by the Fund, its investment adviser or managing dealer, or its or DST’s counsel and the rejection of orders or instructions not in good order in accordance with the applicable prospectus or the Procedures;  
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 G. The maintenance of customary records in connection with its agency in accordance with the transfer agent recordkeeping requirements under the 1934 Act and those records required to be maintained pursuant to subparagraph (2)(iv) of paragraph (b) of Rule 31a-1 under the Investment Company Act of 1940, as amended (“1940 Act”), if any, and  
 H. The maintenance of a current, duplicate set of the Fund’s essential records at a secure separate location, in a form available and usable forthwith in the event of any breakdown or disaster disrupting its main operation.  
 8. Indemnification.  
 A. DST shall provide the services set forth in, and fulfill its obligations under, this Agreement in accordance with the terms and conditions set forth in this Agreement, Section 17A of the 1934 Act, and the rules and regulations thereunder, any other federal or state laws applicable to DST’s acting as a transfer agent or any local laws which are the subject of a Memorandum issued by the Investment Company Institute or brought to DST’s attention by an Authorized Person. For those activities or actions delineated in the Procedures, DST shall be presumed to have acted in accordance with the terms and conditions of this Agreement if DST has acted in accordance with the Procedures in effect when DST acted or omitted to act.  
 B. DST shall not be responsible for, and the Fund shall indemnify and hold DST harmless from and against, any and all losses, damages, costs, charges, counsel fees, payments, expenses and liability which may be asserted against DST or for which DST may be held to be liable (including without limitation any attorney’s fees or court costs incurred by DST in enforcing this right to the Fund’s indemnification) (the “Adverse Consequences”), to the extent arising out of or attributable to:  
 (1) All actions or omissions of DST required to be taken or omitted by DST pursuant to this Agreement, provided that DST has fulfilled all obligations under this Agreement with respect to the matter for which DST is seeking indemnification, and DST’s actions or omissions do not constitute negligence, willful misconduct, lack of good faith, or the material breach of any representation or warranty of DST hereunder;  
 (2) The Fund’s refusal or failure to comply with the terms of this Agreement or the material breach of any representation or warranty of the Fund hereunder;  
 (3)  
The good faith and reasonable reliance on, or the carrying out of, any written or oral instructions or requests of persons designated by the Fund in writing (see Exhibit C)  
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 from time to time as authorized to give instructions on its behalf or representatives of an Authorized Person or DST’s good faith and reasonable reliance on, or use of, information, data, records, transmissions and documents received from, or which have been prepared and/or maintained by the Fund, its investment advisor, its sponsor, its managing dealer or any other person or entity from whom the Fund instructs DST to accept and utilize information, data, records, transmissions and documents;  
 (4) Defaults by dealers or shareowners with respect to payment for share orders previously entered;  
 (5) The negotiation and processing of all checks, including checks that are tendered to DST for the purchase of shares of the Fund;  
 (6) The offer or sale of the Fund’s shares in violation of any requirement under federal securities laws or regulations or the securities laws or regulations of any state or in violation of any stop order or other determination or ruling by any federal agency or state with respect to the offer or sale of such shares in such state or in excess of the authorized number of outstanding shares (unless such violation results from DST’s failure to comply with written instructions of the Fund or of any officer of the Fund that no offers or sales be permitted to remain in the Fund’s securityholder records in or to residents of such state);  
 (7) The Fund’s errors and mistakes in the use of the TA2000 System, the data center, computer and related equipment used to access the TA2000 System (the “DST Facilities”), and control procedures relating thereto in the verification of output and in the remote input of data;  
 (8) Errors, inaccuracies, and omissions in, or errors, inaccuracies or omissions of DST arising out of or resulting from such errors, inaccuracies and omissions in, the Fund’s records, securityholder and other records, delivered to DST hereunder by the Fund or its prior agent(s);  
 (9) Actions or omissions to act by the Fund or agents designated by the Fund with respect to duties assumed thereby as provided for in Section 21 hereof; and  
 (10) DST’s performance of Exception Services except where DST acted or omitted to act in bad faith, with reckless disregard of its obligations or with negligence.  
 C.  
DST shall indemnify and hold the Fund harmless from and against any and all Adverse Consequences to the extent arising out of DST’s failure to comply with the terms of, or to  
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 fulfill its obligations under, this Agreement or arising out of or attributable to DST’s material breach of any representation or warranty hereunder; provided, however, that DST’s cumulative and aggregate liability during any term of this Agreement with respect to, arising from or arising in connection with this Agreement, or from all services provided or omitted to be provided under this Agreement, whether in contract, or in tort, or otherwise, is limited to, and shall not exceed, the amounts paid hereunder by the Fund to DST as fees and charges, but not including reimbursable expenses, during the twelve (12) months immediately preceding the event giving rise to DST’s liability.  
 D. IN NO EVENT AND UNDER NO CIRCUMSTANCES SHALL EITHER PARTY UNDER THIS AGREEMENT BE LIABLE TO ANY PERSON, INCLUDING, WITHOUT LIMITATION THE OTHER PARTY, FOR PUNITIVE, CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR OTHER SPECIAL DAMAGES UNDER ANY PROVISION OF THIS AGREEMENT OR FOR ANY ACT OR FAILURE TO ACT HEREUNDER, EVEN IF ADVISED OF THE POSSIBILITY THEREOF.  
 E.  
Promptly after receipt by an indemnified person of notice of the commencement of any action, such indemnified person will, if a claim in respect thereto is to be made against an indemnifying party hereunder, notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party will not relieve an indemnifying party from any liability that it may have to any indemnified person for contribution or otherwise under the indemnity agreement contained herein except to the extent it is prejudiced as a proximate result of such failure to timely notify. In case any such action is brought against any indemnified person and such indemnified person seeks or intends to seek indemnity from an indemnifying party, the indemnifying party will be entitled to participate in, and, to the extent that it may wish, assume the defense thereof (in its own name or in the name and on behalf of any indemnified party or both with counsel reasonably satisfactory to such indemnified person); provided, however, if the defendants in any such action include both the indemnified person and an indemnifying party and the indemnified person shall have reasonably concluded that there may be a conflict between the positions of the indemnified person and an indemnifying party in conducting the defense of any such action or that there may be legal defenses available to it and/or other indemnified persons which are inconsistent with those available to an indemnifying party, the indemnified person or indemnified persons shall have the right to select one separate  
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 counsel (in addition to local counsel) to assume such legal defense and to otherwise participate in the defense of such action on behalf of such indemnified person or indemnified persons at such indemnified party’s sole expense. Upon receipt of notice from an indemnifying party to such indemnified person of its election so to assume the defense of such action and approval by the indemnified person of counsel, which approval shall not be unreasonably withheld (and any disapproval shall be accompanied by a written statement of the reasons therefor), the indemnifying party will not be liable to such indemnified person hereunder for any legal or other expenses subsequently incurred by such indemnified person in connection with the defense thereof. An indemnifying party will not settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified persons are actual or potential parties to such claim, action, suit or proceeding) unless such settlement, compromise or consent includes an unconditional release of each indemnified person from all liability arising out of such claim, action, suit or proceeding. An indemnified party will not, without the prior written consent of the indemnifying party settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder. If it does so, it waives its right to indemnification therefor.  
 9. Certain Covenants of DST and the Fund.  
 A. All requisite steps will be taken by the Fund from time to time when and as necessary to register, or qualify, as applicable, the Fund’s shares for sale in all states in which the Fund’s shares shall at the time be offered for sale and require registration or qualification. If at any time the Fund receives notice or becomes aware of any stop order or other proceeding in any such state affecting such registration or the sale of the Fund’s shares, or of any stop order or other proceeding under the federal securities laws affecting the sale of the Fund’s shares, the Fund will give prompt notice thereof to DST.  
 B. DST hereby agrees to perform such transfer agency functions as are set forth in Section 4.D. above and establish and maintain facilities and procedures reasonably acceptable to the Fund for safekeeping of check forms, and facsimile signature imprinting devices, if any; and for the preparation or use, and for keeping account of, such forms and devices, and to carry such insurance as it considers adequate and reasonably available.  
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 C. DST agrees that all records maintained by DST relating to services to be performed by DST under this Agreement are the property of the Fund and will be preserved and will be surrendered promptly to the Fund on request  
 D. DST agrees to furnish the Fund annual reports of DST’s financial condition, consisting of a balance sheet, earnings statement and any other public financial information reasonably requested by the Fund. The annual financial statements will be certified by DST’s certified public accountants.  
 E. DST represents and agrees that it will use its reasonable efforts to keep current on the trends of the transfer agent industry relating to securityholder services and will use its reasonable efforts to continue to modernize and improve its systems.  
 F. DST will permit the Fund and its authorized representatives (subject to execution of DST’s standard confidentiality and non-use agreement) to make periodic inspections of its operations as such involves or is utilized by DST to provide services to the Fund at reasonable times during business hours. DST will permit duly authorized federal examiners to make periodic inspections of its operations as such would involve the Fund to obtain, inter alia, information and records relating to DST’s performance of its Compliance + Program or Identity Theft Program obligations and to inspect DST’s operations for purposes of the Program.” Any costs imposed by such examiners in connection with such examination (other than fines or other penalties) shall be paid by the Fund. Notwithstanding anything herein to the contrary, DST is authorized to and will permit the Internal Revenue Service and any other tax authority to inspect its operations in connection with examinations by any such authority of DST’s or other taxpayer’s compliance with the tax laws, and the costs of each such inspection and examination shall be paid by the Fund to the extent that the examination relates to DST’s performance of services under this Agreement.  
 10. Recapitalization or Readjustment.  
In case of any recapitalization, readjustment or other change in the capital structure of the Fund requiring a change in the shares contained in book entry form on the stock record of the Fund as maintained by DST, DST will effectuate or transfer ownership of, the outstanding shares in book entry, upon receiving:  
 A. Written instructions from an officer of the Fund;  
 B. Certified copy of the amendment to the Certificate of Incorporation or other document effecting the change;  
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 C. Certified copy of any order or consent of each governmental or regulatory authority, required by law to the issuance of new book entry shares, and an opinion of counsel that the order or consent of no or no other government or regulatory authority is required;  
 D. Opinion of counsel for the Fund stating:  
 (1) The status of the shares of stock of the Fund in the new form under the 1933 Act and any other applicable federal or state statute; and  
 (2) That the issued shares in the new form are, and all unissued shares will be, when issued, validly issued, fully paid and non-assessable.  
 11. Omitted.  
 12. Death, Resignation or Removal of Signing Officer.  
The Fund will promptly provide DST written notice of any change in the officers authorized to sign stock certificates, written instructions or requests, together with two signature cards bearing the specimen signature of each newly authorized officer.  
 13. Future Amendments of Charter/Declaration and Bylaws/Articles, as appropriate.  
The Fund will promptly file with DST copies of all material amendments to its Certificate of Incorporation or Bylaws made after the date of this Agreement.  
 14. Instructions, Opinion of Counsel and Signatures.  
At any time DST may apply to any person authorized by the Fund to give instructions to DST, and may with the approval of a Fund officer consult with legal counsel for the Fund, or DST’s own legal counsel at the expense of the Fund, with respect to any matter arising in connection with the agency and it will not be liable for any action taken or omitted by it in good faith in reliance upon such instructions or upon the opinion of such counsel. In connection with services provided by DST under this Agreement that relate to compliance by the Fund with the Internal Revenue Code of 1986 or any other tax law, including without limitation the services described in Section 4.D(x), DST shall have no obligation to continue to provide such services after it has asked the Fund to give it instructions which it believes are needed by it to so continue to provide such services and before it receives the needed instructions from the Fund, and DST shall have no liability for any damages (including without limitation penalties imposed by any tax authority) caused by or that result from its failure to provide services as contemplated by this sentence. DST will be protected in acting upon any paper or document reasonably believed by it to be genuine and to have been signed by the proper person or persons and will not be held to have notice of any change of authority of any person, until receipt of written notice thereof from the Fund.  
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15. Force Majeure and Disaster Recovery Plans.  
 A. DST shall not be responsible or liable for its failure or delay in performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation: any interruption, loss or malfunction of any utility, transportation, computer (hardware, provided such equipment has been reasonably maintained, or third-party software) or communication service; inability to obtain labor, material, equipment or transportation, or a delay in mails; governmental or exchange action, statute, ordinance, rulings, regulations or direction; war, strike, riot, emergency, civil disturbance, terrorism, vandalism, explosions, labor disputes, freezes, floods, fires, tornados, acts of God or public enemy, revolutions, or insurrection; or any other cause, contingency, circumstance or delay not subject to DST’s reasonable control which prevents or hinders DST’s performance hereunder.  
 B. Provided the Fund is paying its pro rata portion of the charge therefor, DST shall provide back-up facilities to the data center or centers used by DST to provide the transfer agency services hereunder (collectively, the “Back-Up Facilities”) capable of supplying the transfer agency services specified herein to the Fund in case of damage to the primary facility providing those services. The back-up to the data center operations facility will have no other function that could not be suspended immediately for an indefinite period of time to the extent necessary to allow, or continue to be supported while allowing, the facility to function as a back-up facility and support all functionality scheduled to be supported in DST’s Business Contingency Plan. Transfer to the Back-Up Facility shall commence promptly after DST’s declaration of a disaster and shall be conducted in accordance with DST’s Business Contingency Plan, which Plan calls for the transfer of TA2000 to the Back-Up Facilities to be completed within 4 hours after DST’s declaration of a disaster. The Fund shall not bear any costs (in addition to the Fees and charges set forth in Exhibit B attached hereto) related to such transfer. At least once annually, DST shall complete a successful test of the Business Contingency Plan.  
 C. DST also currently maintains, separate from the area in which the operations which provides the services to the Fund hereunder are located, a Crisis Management Center consisting of phones, computers and the other equipment necessary to operate a full service transfer agency business in the event one of its operations areas is rendered inoperable. The transfer of operations to other operating areas or to the Crisis Management Center is also covered in DST’s Business Contingency Plan.  
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16. Certification of Documents.  
The required copy of the Certificate of Incorporation of the Fund and copies of all amendments thereto will be certified by the Secretary of State (or other appropriate official) of the State of Incorporation, and if such Certificate of Incorporation and amendments are required by law to be also filed with a county, city or other officer of official body, a certificate of such filing will appear on the certified copy submitted to DST. A copy of the order or consent of each governmental or regulatory authority required by law to the issuance of the stock will be certified by the Secretary or Clerk of such governmental or regulatory authority, under proper seal of such authority. The copy of the Bylaws and copies of all amendments thereto, and copies of resolutions of the Board of Directors of the Fund, will be certified by the Secretary or an Assistant Secretary of the Fund.  
 17. Records.  
DST will maintain customary transfer agent records in connection with its agency, and particularly will maintain those records required to be maintained pursuant to subparagraph (2) (iv) of paragraph (b) of Rule 31a-1 under the 1940 Act, if any. Notwithstanding anything in this Agreement to the contrary, the records to be maintained and preserved by DST on the TA2000 System under this Agreement shall be maintained and preserved in accordance with the following:  
 A. Annual Purges by August 31: DST and the Fund shall mutually agree upon a date for the annual purge of the appropriate history transactions from the Transaction History (A88) file for accounts (both regular and tax advantaged accounts) that were open as of January 1 of the current year, such purge to be complete no later than August 31. Purges completed after this date will subject the Fund to the Aged History Retention fees set forth in the Fee Schedule attached hereto as Exhibit B.  
 B. Purge Criteria: In order to avoid the Aged History Retention fees, history data for regular or ordinary accounts (that is, non-tax advantaged accounts) must be purged if the confirmation date of the history transaction is prior to January 1 of the current year and history data for tax advantaged accounts (retirement and educational savings accounts) must be purged if the confirmation date of the history transaction is prior to January 1 of the prior year. All purged history information shall be retained on magnetic tape for seven (7) years.  
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 C. Purged History Retention Options (entail an additional fee): For the additional fees set forth on the Fee Schedule attached hereto as Exhibit B, the Fund may choose (i) to place purged history information on the Purged Transaction History (A19) table or (ii) to retain history information on the Transaction History (A88) file beyond the timeframes defined above. Retaining information on the A19 table allows for viewing of this data through online facilities and E-Commerce applications. This database does not support those histories being printed on statements and reports and is not available for on request job executions.  
 18. Disposition of Books, Records and Canceled Certificates.  
DST may send periodically to the Fund, or to where designated by the Secretary or an Assistant Secretary of the Fund, all books, documents, and all records no longer deemed needed for current purposes, upon the understanding that such books, documents, and records will be maintained by the Fund under and in accordance with the requirements of Section 17Ad-7 adopted under the 1934 Act, including by way of example and not limitation Section 17Ad-7(g) thereof. Such materials will not be destroyed by the Fund without the consent of DST (which consent will not be unreasonably withheld), but will be safely stored for possible future reference.  
 19. Provisions Relating to DST as Transfer Agent.  
 A. DST will make original issues of shares upon written request of an officer of the Fund and upon being furnished with a certified copy of a resolution of the Board of Directors authorizing such original issue, an opinion of counsel as outlined in subparagraphs 1.D. and G. of this Agreement, any documents required by Sections 5 or 10 of this Agreement, and necessary funds for the payment of any original issue tax.  
 B. Before making any original issue of shares, the Fund will furnish DST with sufficient funds to pay all required taxes on the original issue of the stock, if any. The Fund will furnish DST such evidence as may be required by DST to show the actual value of the shares. If no taxes are payable DST will be furnished with an opinion of outside counsel to that effect.  
 C.  
Shares of stock will be transferred by book entry in accordance with the instructions of the securityholders thereof and, upon receipt of the Fund’s instructions that shares of stock be redeemed and funds remitted therefor, such redemptions will be accomplished and payments dispatched provided the securityholder instructions are deemed by DST to be properly endorsed by an appropriate person to originate such instructions under applicable law accompanied by such documents as DST may deem necessary to evidence the  
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 authority of the person making the transfer, sale or redemption. DST reserves the right to refuse to transfer, sell or redeem shares until it is satisfied that the endorsement or signature on the certificate or any other document is valid and genuine, and for that purpose it may require a guaranty of signature in accordance with the Signature Guarantee Procedures. DST also reserves the right to refuse to transfer, sell or redeem shares until it is satisfied that the requested transfer or redemption is legally authorized, and it will incur no liability for the reasonable refusal in good faith to make such transfers, sales or redemptions which, in its judgment, are improper or unauthorized. DST may, in effecting transfers, sales or redemptions, rely upon the Procedures, Simplification Acts, Uniform Commercial Code or other statutes that protect DST and the Fund or both in not requiring complete fiduciary documentation. In cases in which DST is not directed or otherwise required to maintain the consolidated records of securityholder’s accounts, DST will not be liable for any loss which may arise by reason of not having such records, except to the extent that such loss arose from DST’s negligence, willful misconduct or lack of good faith.  
 D. DST will supply a securityholders list to the Fund for a shareholder meeting upon receiving a request from an officer of the Fund. DST will also, at the expense of the Fund, supply lists at such other times as may be requested by an officer of the Fund.  
 E. Upon receipt of written instructions of an officer of the Fund, DST will, at the expense of the Fund, address and mail notices to securityholders.  
 F. In case of any request or demand for the inspection of the stock books of the Fund or any other books in the possession of DST, DST will endeavor to notify the Fund and to secure instructions as to permitting or refusing such inspection. DST reserves the right, however, to exhibit the stock books or other books to any person in case it is advised by its counsel that it may be held responsible for the failure to exhibit the stock books or other books to such person.  
 G. DST agrees to furnish the Fund with (1) annual reports of its financial condition, consisting of a balance sheet, earnings statement and any other financial information as is made public by DST in connection with the foregoing and (2) semi-annually with a copy of a Statement on Standards for Attestation Engagements No. 16 or successor Report issued by DST’s certified public accountants pursuant to Rule 17Ad-13 under the 1934 Act as filed with SEC. The annual financial statements will be certified by DST’s certified public accountants and the posting of a current copy thereof on DST’s website shall be deemed to be delivery to the Fund.  
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H. (1) DST shall assist the Fund to fulfill certain of the Fund’s responsibilities under certain provisions of the 1933 Act, the 1934 Act, the 1940 Act, including, inter alia, Rule 38a-l of the 1940 Act, USA PATRIOT Act, Xxxxxxxx-Xxxxx Act, Title V of Gramm Xxxxx Xxxxxx Act, the Red Flags Regulations promulgated jointly by the Office of the Comptroller of the Currency, Treasury (OCC); Board of Governors of the Federal Reserve System (Board); Federal Deposit Insurance Corporation (FDIC); Office of Thrift Supervision, Treasury (OTS); National Credit Union Administration (NCUA); and Federal Trade Commission (FTC or Commission) implementing section 114 of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act) and final rules implementing section 315 of the FACT Act, and the applicable federal securities laws (collectively the “Reform Regulations”), by complying with Compliance +™, a compliance program that focuses on certain business processes that represent key activities of the transfer agent/service provider function (the “Compliance + Program”), a copy of which has hitherto been made available to Fund. These business processes are anti-money laundering, identity theft, red flag reporting, certificate processing, correspondence processing, fingerprinting, lost securityholder processing, reconciliation and control, transaction processing, transfer agent administration and safeguarding fund assets and securities. DST reserves the right to make changes thereto as experience suggests alternative and better ways to perform the affected function. DST shall provide the Fund with written notice of any such changes.  
 (2) DST shall perform the procedures set forth in the Compliance + Program, as amended by DST from time to time, which pertain to DST’s performance of those transfer agency services in accordance with the terms and conditions set forth in this Agreement, (ii) implement and maintain internal controls and procedures reasonably necessary to insure that DST’s employees act in accordance with the Compliance + Program, and (iii) provide the Fund with written notice of any material changes made to the Program as attached hereto.  
 (3) Notwithstanding the foregoing, DST’s obligations shall be solely as are set forth in this Section and in the Compliance + Program, as amended, and any of obligations under the enumerated Acts and Regulations that DST has not agreed to perform on the Fund’s behalf under the Compliance + Program or under this Agreement shall remain the Fund’s sole obligation.  
 25  
 I. With respect to DST’s activities under the Compliance + Program, DST will permit duly authorized governmental and self-regulatory examiners to make periodic inspections of its operations as such would involve the Fund and the Fund to obtain, inter alia, information and records relating to DST’s performance of its obligations under the Compliance + Program and to inspect DST’s operations for purposes of determining DST’s compliance with the Identity Theft Program. Any costs imposed by such examiners in connection with such examination (other than fines or other penalties arising solely out of DST’s failure to fulfill its obligations under the Compliance + Program) shall be paid by the Fund.  
 J. The Fund hereby advises DST that all of the shares of the Fund are sold by broker-dealers who have executed selling group or dealer agreements with the Fund pursuant to which agreements the affected broker-dealer has assumed all obligations and responsibilities under applicable laws with respect to CIP, Identity Theft and the Red Flag Regulations and that, therefore, such obligations and responsibilities are not among the obligations and responsibilities that the Fund is employing DST to provide or fulfill. Accordingly, notwithstanding anything in DST’s Compliance + Program and the Reform Regulations to the contrary, the Fund hereby directs and instructs DST not to perform any CIP checks or otherwise to seek to verify the identity of any new or existing purchaser of shares of the Fund, that that function shall not be an obligation of DST under this Agreement and that any requirement to comply with applicable law with respect to any attempt to verify the identity of securityholders of the shares of the Fund shall remain with the Fund and the Fund’s broker-dealers. The Fund shall be responsible and liable for and shall indemnify, defend and hold DST harmless from any and all costs, expenses, losses, damages, charges, reasonable counsel fees, payments and liability, which may be asserted against DST or for which DST may be held liable associated with DST’s not performing the functions specified in the Compliance + Program or otherwise to seek to verify the identity of any new or existing purchaser of shares of the Fund.  
 K. DST shall establish on behalf of the Fund banking relationships for the conduct of the business of the Fund in accordance with the terms set forth in Section 20.D. of this Agreement.  
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20. Provisions Relating to Dividend Disbursing and Paying Agency (as well as the receipt, deposit and payment of funds by the Transfer Agent in connection with the purchase and redemption of the Fund’s shares).  
 A. DST will, at the expense of the Fund, provide a special form of check containing the imprint of any device or other matter desired by the Fund. Said checks must, however, be of a form and size convenient for use by DST.  
 B. If the Fund desires to include additional printed matter, financial statements, etc., with the dividend checks, the same will be furnished DST within a reasonable time prior to the date of mailing of the dividend checks, at the expense of the Fund.  
 C. If the Fund desires its distributions mailed in any special form of envelopes, sufficient supply of the same will be furnished to DST but the size and form of said envelopes will be subject to the approval of DST. If stamped envelopes are used, they must be furnished by the Fund; or if postage stamps are to be affixed to the envelopes, the stamps or the cash necessary for such stamps must be furnished by the Fund.  
 D.  
DST, acting as agent for the Fund, is hereby authorized (1) to establish in the name of, and to maintain on behalf of, the Fund, on the usual terms and conditions prevalent in the industry, including limits or caps (based on fees paid over some period of time or a flat amount, as required by the affected Bank) on the maximum liability of such Banks, as hereinafter defined, one or more deposit accounts at a nationally or regionally known banking institution (the “Bank”) into which DST shall deposit the funds DST receives for payment of dividends, distributions, purchases of the Fund’s shares, transfers of the Fund’s shares, redemptions of the Fund’s shares, commissions, corporate re-organizations (including recapitalizations or liquidations) or any other disbursements made by DST on behalf of the Fund provided for in this Agreement, (2) to draw checks upon such accounts, to issue orders or instructions to the Bank for the payment out of such accounts as necessary or appropriate to accomplish the purposes for which such funds were provided to DST, and (3) to establish, to implement and to transact Fund business through Automated Clearinghouse (“ACH”), Draft Processing, Wire Transfer and any other banking relationships, arrangements and agreements with such Bank as are necessary or appropriate to fulfill DST’s obligations under this Agreement. DST, acting as agent for the Fund, is also hereby authorized to execute on behalf and in the name of the Fund, on the usual terms and conditions prevalent in the industry, including limits or caps (based on fees paid over some period of time or a flat amount, as required by the affected Bank) on the maximum  
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 liability of such Banks, agreements with banks for ACH, wire transfer, draft processing services, as well as any other services which are necessary or appropriate for DST to utilize to accomplish the purposes of this Agreement. In each of the foregoing situations the Fund shall be liable on such agreements with the Bank as if it itself had executed the agreement and DST shall not be personally liable on such agreements, but DST’s liability shall be judged under the standards set forth in this Agreement. DST shall not be liable for any Adverse Consequences arising out of or resulting from errors or omissions of the Bank provided, however, that DST shall have acted in good faith, with due diligence and without negligence.  
 E. DST is authorized and directed to stop payment of checks theretofore issued hereunder, but not presented for payment, when the payees thereof allege either that they have not received the checks or that such checks have been mislaid, lost, stolen, destroyed or through no fault of theirs, are otherwise beyond their control, and cannot be produced by them for presentation and collection, and, to issue and deliver duplicate checks in replacement thereof.  
 21. Assumption of Duties By the Fund or Agents Designated By the Fund.  
 A. The Fund or its designated agents other than DST may assume certain duties and responsibilities of DST or those services of Transfer Agent and Dividend Disbursing Agent as those terms are referred to in Section 4.D. of this Agreement including but not limited to answering and responding to telephone inquiries from securityholders and brokers, accepting securityholder and broker instructions (either or both oral and written) and transmitting orders based on such instructions to DST, preparing and mailing confirmations, obtaining certified TIN numbers, classifying the status of securityholders and securityholder accounts under applicable tax law, establishing securityholder accounts on the TA2000 System and assigning social codes and Taxpayer Identification Number codes thereof, and disbursing monies of the Fund, said assumption to be embodied in writing to be signed by both parties.  
 B. To the extent the Fund or its agent or affiliate assumes such duties and responsibilities, DST shall be relieved from all responsibility and liability therefor and is hereby indemnified and held harmless against any liability therefrom and in the same manner and degree as provided for in Section 8 hereof.  
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22. Termination of Agreement.  
 A. Subject to Section 22.B, this Agreement shall be in effect upon execution by both the Fund and DST and shall continue in full force and effect for an initial period of four (4) years (the “Initial Term”) commencing upon the first use of DST’s Services in production after the conversion of the Fund’s securityholder records onto TA2000. Effective upon the last day of such initial four (4) year term, this Agreement may be terminated by either the Fund or DST as of the last day of the then current term by the giving to the other party of at least one hundred eighty (180) day’s prior written notice (such notice for a termination as of the last day of such Initial Term or any succeeding term shall therefore be given no later than the last day of the fourth year of the Initial Term and the last day of the penultimate year of any succeeding term), provided, however, that the effective date of any termination shall not occur during the period from December 15 through March 30 of any year to avoid adversely impacting year end. If such notice is not given by either party to the other at least one hundred eighty (180) day’s prior to the end of the then current term, this Agreement shall automatically extend for a new term of two (2) years unless a different period is contained in any new Fee Schedule as the period during which such Fee Schedule shall be effective (in which latter event the period for which the Fee Schedule applies shall be the length of the new term), each such successive term or period, as applicable, being a new “term” of this Agreement, upon the expiration of any term hereof unless terminated as hereinafter provided in Section 22. B.  
 B. Notwithstanding anything to the contrary set forth in this Agreement, in addition to the other rights provided herein, a Fund shall have the right to terminate this Agreement, upon the payment to DST of the amounts specified below, in the event (each, a “Termination Event”): (i) the Fund lists its securities on a national securities exchange or (ii) a sale of all of the Fund’s assets and liabilities or (iii) a sale, merger or similar transaction that results in the cessation of the existence as a legal entity of the Fund. Such termination will be effective upon the later to occur of (i) the Termination Event, or (ii) 180 days after the Fund provides DST notice of an impending Termination Event, In such event, the Fund will pay to DST, as liquidated damages and not as a penalty, for such early termination, the product of (i) the average monthly fees paid by the Fund to DST exclusive of reimbursements for the prior six (6) months, times (ii) one-half of the remaining months or partial months from the termination through the expiration of the then current term.  
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 C. Each party, in addition to any other rights and remedies, shall have the right to terminate this Agreement forthwith upon the occurrence at any time of any of the following events with respect to the other party:  
 (1) The bankruptcy of the other party or its assigns or the appointment of a receiver for the other party or its assigns; or  
 (2) A material breach of this Agreement by the other party, which breach continues for thirty (30) days after receipt of written notice from the first party; or  
 (3) Failure by the Fund to pay Compensation and Expenses as they become due, which failure continues for thirty (30) days after receipt of written notice from DST.  
 D. In the event of termination, the Fund will promptly pay DST all amounts due to DST hereunder and DST will use its reasonable efforts to transfer the records of the Fund to the designated successor transfer agent, to provide reasonable assistance to the Fund and its designated successor transfer agent, and to provide other information relating to its services provided hereunder (subject to the recompense of DST for such assistance at its standard rates and fees for personnel then in effect at that time); provided, however, as used herein “reasonable assistance” and “other information” shall not include assisting any new service or system provider to modify, alter, enhance, or improve its system or to improve, enhance, or alter its current system, or to provide any new, functionality or to require DST to disclose any DST Confidential Information, as hereinafter defined, or any information which is otherwise confidential to DST.  
 23. Confidentiality.  
 A. DST agrees that, except as provided in the last sentence of Section 19.E. hereof, or as otherwise required by law, DST will keep confidential all records of and information in its possession relating to the Fund or its securityholders or securityholder accounts and will not disclose the same to any person not an affiliate of DST except as necessary to fulfill DST’s obligations under this Agreement or at the request or with the consent of the Fund. The Fund owns all of the data supplied by or on behalf of the Fund to DST. The Fund has proprietary rights to all such data, records and reports containing such data, but not including the software programs upon which such data is installed or the form and formats of such records and reports, and all records containing such data will be transferred in accordance with Section 22.D above in the event of termination.  
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 B. The Fund agrees to keep confidential all non-public financial statements and other financial records received from DST, the terms and provisions of this Agreement, all accountant’s reports relating to DST, and all manuals, systems and other technical information and data, not publicly disclosed, relating to DST’s operations and programs furnished to it by DST pursuant to this Agreement and will not disclose the same to any person except at the request or with the consent of DST.  
 C. (1) The Fund acknowledges that DST has proprietary rights in and to the TA2000 System used to perform services hereunder including, but not limited to the maintenance of securityholder accounts and records, processing of related information and generation of output, including, without limitation any changes or modifications of the TA2000 System and any other DST programs, data bases, supporting documentation, or procedures (collectively “DST Confidential Information”) which the Fund’s access to the TA2000 System or computer hardware or software may permit the Fund or its employees or agents to become aware of or to access and that the DST Confidential Information constitutes confidential material and trade secrets of DST. The Fund agrees to maintain the confidentiality of the DST Confidential Information.  
 (2) Confidential Information does not include information that can be shown by clear documentary evidence: (i) is, at the time of disclosure, a part of the public domain, ii) is subsequently made public through no breach of this Agreement by the receiving party; (ii) was known to the receiving party before the execution of this Agreement; (iii) was learned from third parties without obligation of confidentiality or wrongdoing; or (iv) was independently developed by the receiving party without reference to the Confidential Information of the disclosing party.  
 (3) The Fund acknowledges that any unauthorized use, misuse, disclosure or taking of DST Confidential Information which is confidential as provided by law, or which is a trade secret, residing or existing internal or external to a computer, computer system, or computer network, or the knowing and unauthorized accessing or causing to be accessed of any computer, computer system, or computer network, may be subject to civil liabilities and criminal penalties under applicable state law. The Fund will advise all of its employees and agents who have access to any DST Confidential Information or to any computer equipment capable of accessing DST or DST hardware or software of the foregoing.  
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 (3) The Fund acknowledges that disclosure of the DST Confidential Information may give rise to an irreparable injury to DST inadequately compensable in damages. Accordingly, DST may seek (without the posting of any bond or other security) injunctive relief against the breach of the foregoing undertaking of confidentiality and nondisclosure, in addition to any other legal remedies which may be available, and the Fund consents to the obtaining of such injunctive relief. All of the undertakings and obligations relating to confidentiality and nondisclosure, whether contained in this Section or elsewhere in this Agreement shall survive the termination or expiration of this Agreement for a period of ten (10) years; provided that, to the extent Confidential Information includes information that is also a Trade Secret as defined by the Uniform Trade Secrets Act, the obligation to protect such Trade Secrets shall survive the termination of this Agreement and shall remain for so long as such Confidential Information constitutes a Trade Secret, as defined by the Uniform Trade Secrets Act.  
 (4) In the event the Fund obtains information from DST or the TA2000 System which is not intended for the Fund, the Fund agrees to (i) promptly notify DST that unauthorized information has been made available to the Fund; (ii) after identifying that such information is not intended for the Fund, not review, disclose, release, or in any way, use such unauthorized information; (iii) provide DST reasonable assistance in retrieving such unauthorized information and/or destroy such unauthorized information, and (iv) deliver to DST a certificate executed by an authorized officer of the Fund certifying that all such unauthorized information in the Fund’s possession or control has been delivered to DST or destroyed as required by this provision.  
 24. Changes and Modifications.  
 A.  
During the term of this Agreement DST will use on behalf of the Fund without additional cost all modifications, enhancements, or changes which DST may make to the TA2000 System in the normal course of its business and which are applicable to functions and features offered by the Fund, unless substantially all DST clients are charged separately for such modifications, enhancements or changes, including, without limitation, substantial system revisions or modifications necessitated by changes in existing laws, rules or regulations. The Fund agrees to pay DST promptly for modifications and improvements that are charged for separately at the rate provided for in DST’s standard pricing schedule  
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 which shall be identical for substantially all clients, if a standard pricing schedule shall exist. If there is no standard pricing schedule, the parties shall mutually agree upon the rates to be charged.  
 B. DST shall have the right, at any time and from time to time, to alter and modify any systems, programs, procedures or facilities used or employed in performing its duties and obligations hereunder; provided that the Fund will be notified as promptly as possible prior to implementation of such alterations and modifications and that no such alteration or modification or deletion shall materially adversely change or affect the operations and procedures of the Fund in using or employing the TA2000 System or DST Facilities hereunder or the reports to be generated by such system and facilities hereunder, unless the Fund is given thirty (30) days prior notice to allow the Fund to change its procedures and DST provides the Fund with revised operating procedures and controls.  
 C. At the Fund’s expense, DST will use reasonable efforts to make any reasonable changes to the TA2000 System requested by the Fund (“Client Requested Software”). Charges attendant to the development of Client Requested Software shall be at DST’s standard rates and fees in effect at the time. If the cost to DST of operating the TA2000 System is increased by the addition of Client Requested Software, DST shall be entitled to increase its fees by an amount to be mutually agreed upon. Significant new features or functions which are utilized by the Fund may be charged for on a allocated basis, as provided in Section 24.A, above.  
 D.  
All enhancements, improvements, changes, modifications or new features added to the TA2000 System however developed or paid for, including, without limitation, Client Requested Software (collectively, “Deliverables”), shall be, and shall remain, the confidential and exclusive property of, and proprietary to, DST. The parties recognize that during the Term of this Agreement the Fund will disclose to DST, Confidential Information of the Fund and, from time to time, DST may partly rely on such Confidential Information of the Fund to design, structure or develop a Deliverable. Provided that, as developed, such Deliverable contains no Confidential Information of the Fund that identifies the Fund, (i) the Fund hereby consents to DST’s use of such Confidential Information to design, to structure or to determine the scope of such Deliverable or to incorporate into such Deliverable and that any such Deliverable, regardless of who paid for it, shall be, and shall remain, the sole and exclusive property of DST and (ii) the Fund hereby grants DST a perpetual, nonexclusive license to  
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 incorporate and retain in such Deliverables Confidential Information of the Fund. All Confidential Information of the Fund shall be and shall remain the property of the Fund and shall remain protected under Section 23(A)  
 25. Third Party Vendors.  
Nothing herein shall impose any duty upon DST in connection with or make DST liable for the actions or omissions to act of the following types of unaffiliated third parties: (a) courier and mail services including but not limited to Airborne Services, Federal Express, UPS and the U.S. Mails, (b) telecommunications companies including but not limited to AT&T, Sprint, MCI and other delivery, telecommunications and other such companies not under the party’s reasonable control, and (c) third parties not under the party’s reasonable control or subcontract relationship providing services to the financial industry generally, such as, by way of example and not limitation, the National Securities Clearing Corporation (processing and settlement services), Fund custodian banks (custody and fund accounting services) and administrators (blue sky and Fund administration services), and national database providers such as Choice Point, Acxiom, TransUnion or Lexis/Nexis and any replacements thereof or similar entities, provided, if DST selected such company, DST shall have exercised due care and good faith in selecting the same. Such third party vendors shall not be deemed, and are not, subcontractors for purposes of this Agreement.  
 26 Miscellaneous.  
 A. This Agreement shall be construed according to, and the rights and liabilities of the parties hereto shall be governed by, the laws of the State of Delaware, excluding that body of law applicable to choice of law.  
 B. All terms and provisions of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns.  
 C. The representations and warranties, and the indemnification extended hereunder, if any, are intended to and shall continue after and survive the expiration, termination or cancellation of this Agreement.  
 D. No provisions of this Agreement may be amended or modified in any manner except by a written agreement properly authorized and executed by each party hereto.  
 E. The captions in this Agreement are included for convenience of reference only, and in no way define or delimit any of the provisions hereof or otherwise affect their construction or effect.  
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 F. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.  
 G. If any part, term or provision of this Agreement is by the courts held to be illegal, in conflict with any law or otherwise invalid, the remaining portion or portions shall be considered severable and not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be illegal or invalid.  
 H. This Agreement may not be assigned by the Fund or DST without the prior written consent of the other. DST may subcontract certain of its obligations hereunder, to any domestic or foreign affiliate of DST.  
 I. Neither the execution nor performance of this Agreement shall be deemed to create a partnership or joint venture by and between the Fund and DST. It is understood and agreed that all services performed hereunder by DST shall be as an independent contractor and not as an employee of the Fund. This Agreement is between DST and the Fund and neither this Agreement nor the performance of services under it shall create any rights in any third parties. There are no third party beneficiaries hereto.  
 J. Except as specifically provided herein, this Agreement does not in any way affect any other agreements entered into among the parties hereto and any actions taken or omitted by any party hereunder shall not affect any rights or obligations of any other party hereunder.  
 K. The failure of either party to insist upon the performance of any terms or conditions of this Agreement or to enforce any rights resulting from any breach of any of the terms or conditions of this Agreement, including the payment of damages, shall not be construed as a continuing or permanent waiver of any such terms, conditions, rights or privileges, but the same shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.  
 L. This Agreement constitutes the entire agreement between the parties hereto and supersedes any prior agreement, draft or agreement or proposal with respect to the subject matter hereof, whether oral or written, and this Agreement may not be modified except by written instrument executed by both parties.  
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 M. All notices to be given hereunder shall be deemed properly given if delivered in person or if sent by U.S. mail, first class, postage prepaid, or if sent by facsimile and thereafter confirmed by mail as follows:  
If to DST:  
DST Systems, Inc.  
0000 Xxxxxxxx, 0xx Xxxxx  
Xxxxxx Xxxx, Xxxxxxxx 00000  
Attn: Group Vice President-Full Service  
Facsimile No.: 000-000-0000  
With a copy of non-operational notices to:  
DST Systems, Inc.  
000 Xxxx 00xx Xxxxxx, 0xx Xxxxx  
Xxxxxx Xxxx, Xxxxxxxx 00000  
Attn: Legal Department  
Facsimile No.: 000-000-0000  
If to the Fund:  
NexPoint Capital, Inc.  
000 Xxxxxxxx Xxxxx, Xxxxx 000  
Xxxxxx, Xxxxx 00000  
Attn: Xxxxx Xxxxx  
Facsimile No.:  
or to such other address as shall have been specified in writing by the party to whom such notice is to be given.  
 N. DST and the Fund (including all agents of the Fund) agree that, during any term of this Agreement and for twelve (12) months after its termination, neither party will solicit for employment or offer employment to any employees of the other.  
 O. The representations and warranties contained herein shall survive the execution of this Agreement. The representations and warranties contained in this Section and the provisions of Section 8 of this Agreement shall survive the termination of the Agreement and the performance of services hereunder until any statute of limitations applicable to the matter at issues shall have expired.  
 P. DST will not be precluded from offering services similar to those offered to the Fund to other parties, including competitors of the Fund.  
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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized officers, to be effective as of the day and year first above written.  
NEXPOINT CAPITAL, INC.  
 NEXPOINT CAPITAL, INC.  
 By:   
/s/ Xxxxx Xxxxx  
 Title: Xxxxx Xxxxx  
 COO  
DST SYSTEMS, INC.  
 By:   
/s/ Xxxxx X. Xxxxxx  
 Title:   
Vice President  
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EXHIBIT A  
LIST OF TRUSTS  
 Name: CUSIP  
NexPoint Capital, Inc.  
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EXHIBIT B  
HIGHLAND FEE SCHEDULE  
TERM: 4 YEARS  
 I. Account Service Fees – Non-listed Funds2:  
 A. Complex Minimum Fee  
 Year 1 $100,000 per year  
 Year 2 $200,000 per year  
 Years 3-5 $300,000 per year  
(Note: Includes up to 2 non traded public REIT product offerings. These minimums apply to the initial product offering. If a subsequent product offering is added the complex minimum will increase by 50% with each additional product offering.)  
 B. Account and Processing Fees Compared to Minimum:  
 Open Account Fee   
 0 –10,000 $28.00 per acct per year  
 10,001 – 20,000 $26.00 per acct per year  
 20,001 + $24.00 per acct per year  
 Closed Account Fee $1.80 per acct per year  
 New Account Setup Fee $15.00 per NASU  
 Phone Calls $5.00 per call  
 Manual Correspondence $5.00 per item  
 Base Fee $72,000 per year  
(Note: Complex Minimum (Section 1.A) applies unless aggregate charges in the affected month included in Section B exceed one-twelfth of the annual minimum. Complex Minimum starts when escrow of the first Trust is broken and contract Term commences to age. Base Fee includes SalesConnect monthly minimum fee.)  
 II. Other Services:  
Compliance+ Program: 10% of annual fees, not to exceed $32,000 per year.  
 Disaster Recovery3, $0.206 per account per year  
 Automated Work Distributor ™ (AWD)4 $5,200 per user  
 (Does not include hardware or third-party software, products will be priced separately as requested)  
 2 The fees specified in Sections I and II shall cease to apply for any Fund which lists its securities on a national securities exchange in the event such Fund does not terminate pursuant to Section 22.B. In such event, effective upon the time of such listing, the fees outlined in Exhibit D shall replace the fees specified in Sections I and II of this Exhibit B.  
3 The annual charge of $0.206 per account, paid monthly in increments of one-twelfth of the annual charge, will increase proportionate to any increase in DST’s costs to provide the recovery service or in the event that the current recovery goal is shortened. The current recovery goal is to have the TA2000 System as provided for in the Business Contingency Plan operational 4 hours after DST’s declaration of a disaster. Data communications expenses for connectivity to the backup sites (DST owned or recovery vendor provided) are part of the DST network charges and are billed monthly as an out-of-pocket expense unless network is Fund-provided, in which case connectivity is the responsibility of Fund.  
4 Requires separate Agreement.  
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 Closing Services $25,000 flat rate  
 (Closing Services include Listing, Deconversion, and Liquidation. Does not include programming charges associated with the event.)  
 AIP $35,000 one-time implementation fee, $5,000 per month  
 Self Directed Custodial Services $25.00 per SSN-paid by shareowner  
 K-1 Account Fee TBD  
 (Provide K-1 allocation file to the client selected tax preparer)  
 TA2000 Data Transmission to non DSTO print vendors $0.02 per record  
 Aged History Retention Fee – Online $5.00 per 1,000 lines  
 Aged History Retention Fee – Offline $3.50 per 1,000 line  
 Internet Dealer Commissions $200 per month  
 Services Provided Exhibit B.1  
 \* Vision – requires separate agreement Exhibit B.2  
 \*FAN Mail – requires separate agreement Exhibit B.3  
 Cash Utilization Exhibit B.4  
 Cash Utilization Arrangements Exhibit B.5  
 Salesconnect – requires separate agreement Exhibit B.6  
 III. Programming/Implementation Fees\*:  
 \*Computer/Technical Personnel (2014 Standard Rates):  
 \*Business Analyst/Tester:  
 Dedicated  
 $113,087 per year (1,690 hours)  
On Request  
 $90.48 per hour  
\*Cobol Programmer:  
 Dedicated  
 $173,663 per year (1,690 hours)  
On Request  
 $135.20 per hour  
\*Workstation Programmer:  
 Dedicated  
 $220,630 per year (1,690 hours)  
On Request  
 $180.96 per hour  
\*Web Developer:  
 Dedicated  
 $260,543 per year (1,690 hours)  
On Request  
 $215.28 per hour  
\*Full Service Staff Support:  
 Senior Staff Support  
 $77.50 per hour  
Staff Support  
 $57.50 per hour  
Clerical Support  
 $47.50 per hour  
Systems Implementation Fee  
 $20,000  
(Applies to the initial implementation of the business only. Due at signing of Letter of Intent).  
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Notes to Above Fees:  
 1) The initial term is four (4) years. A Cost of Living increase will occur annually upon each anniversary of the Service Agreement in an amount not less than the annual percentage of change in the Consumer Price Index for all Urban Consumers (CPI-U) in the Kansas City, Missouri-Kansas Standard Metropolitan Statistical Area, All Items, Base 1982-1984=100, as last reported by the U.S. Bureau of Labor Statistics. Items marked by an “\*” are subject to change with 60 days’ notice.  
 2) Reimbursable Expenses are billed as incurred. Reimbursable expenses include but are not limited to: confirmation statements, AML/CIP, escheatment, freight, internal postage, quarterly statements, postage, long distance telephone calls, records retention, customized programming/enhancements, federal wire fees, bank fees, transcripts, microfilm, microfiche, hardware at customer’s facility, telecommunications/network configuration, and lost shareholder search/tracking.  
 3) The Annual Account Service Fee includes the services listed on Exhibit B.1 of this Exhibit, basic TA2000 Voice, FAN Web and PowerSelect. This does not include any reimbursable expenses related to these three products. FAN Web and PowerSelect require a separate contract.  
 4) Any fees or reimbursable expenses not paid within 30 days of receipt of invoice will be charged a late payment fee of 1.5% per month until payment is received.  
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EXHIBIT B.1  
Services Provided – Non-Listed Funds  
 • Distribution Center  
 • Receipt and sort of incoming mail  
 • Creation of electronic images for all paper received  
 • Automated distribution of work based on assigned priority  
 • Issuance of redemption and replacement checks  
 • Transaction Processing  
 • New Account Establishment  
 • Account Maintenance  
 • Purchases  
 • Redemptions  
 • Transfers  
 • Control  
 • Input of daily prices and dividend rates  
 • Processing of dividend and capital gain distributions  
 • Reconciliation of daily bank accounts  
 • Blue Sky Transmissions/Support  
 • Commission Processing and Reconciliation  
 • Cash and Share Reconciliation  
 • Year-End  
 • IRS Reporting  
 • 1099  
 • 5498  
 • Broker Servicing (phones)  
 • Inquiry  
 • Correspondence  
 • Commission Inquiries  
 • Shareholder Servicing (phones)  
 • Inquiry  
 • Telephone Transactions  
 • Correspondence  
 • Internet Support  
 42  
EXHIBIT B.2, p.1  
 VISION  
Fee Schedule  
Unless specifically indicated otherwise, all fees, charges and discounts will be applied separately to each individual affiliate of Customer that has been assigned a unique management code.  
 ID Charges  
 Number of ID Breakpoints  
 ID Charge Breakpoints  
1 - 500 $3.25 per month/per ID for each of the first 500 IDs  
501 - 1,000 $3.00 per month/per ID for each of the next 500 IDs  
1,001 - 2,000 $2.75 per month/per ID for each of the next 1,000 IDs  
2,001 - 3,450 $2.50 per month/per ID for each of the next 1,450 IDs  
3,451 - + No charge for each additional ID over 3,450  
In accordance with the schedule above, ID Charges for each affiliate of Customer cannot exceed a monthly maximum of $9,500.  
 Inquiry Charges  
 Initial Set-up Fee None  
Per View Charge6   
 Standard $0.05  
 Reduced $0.025  
 Statement Charges (optional)   
 Individual Statement Retrieval Charge $0.05 per statement  
Batch Statement Load Charge7 $0.03 per image  
Monthly Statement Interface Support Charge8 $1,300  
The Statement Retrieval Charges do not cover any charges or expenses Customer may incur from its statement vendor.  
 Data Extract Charges2   
 Advisor Requests $0.12 per file  
Non-Advisor Requests $6.00 per file  
 Email Alert Charges   
 Per email charge $0.05  
 6 The Standard Per View Charge is currently assessed when an information request retrieves data from individual system-level tables to return a response. DST may, from time to time, determine that certain information requests that retrieve data from a consolidated table to return a response are eligible for the Reduced Per View Charge. Although the foregoing represents the approach DST has historically taken with respect to Per View Charges, DST reserves the right at any time to change the components and/or structure of the Per View Charge. If applicable, Vision Charges do not include any charges or expenses Customer may incur separately from DST for AWD transactions or images offered through Vision.  
7 The Batch Statement Load charge and the Data Extract charge will only be assessed at the time the statements are provided to Vision by the statement vendor or at the time data files are retrieved by Vision, as applicable, not at the time of viewing or downloading.  
8 If Customer uses DST Output, LLC or a subsidiary of DST Output, LLC as its electronic statement vendor, the Monthly Statement Interface Support Charge will be waived.  
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EXHIBIT B.2, p.2  
 Transaction Processing Charges (optional)   
 Initial Set-up Fee None  
Purchase, Redemption, Exchange, Maintenance $0.10 per transaction  
NSCC Reject Processing $0.10 per transaction  
Workflow Response $0.10 per transaction  
New Account Establishment (each new account transaction may contain one or more new accounts)9 $0.35 per transaction  
New Account Web Service Image Delivery $0.65 per image  
Monthly Minimum10 Greater of $500 or actual usage  
 Dealer/Branch/Rep Updates (optional)   
 Flat Fee6   
SalesConnect Customers (Rep level)  
 Waived  
SalesConnect Customers (Branch level) and Non-SalesConnect Customers  
 Number of Accounts  
 Flat Fee Charge  
0 – 25,000  
 $0 per month  
25,001 – 100,000  
 $250.00 per month  
100,001 – 500,000  
 $500.00 per month  
500,001 – 1,000,000  
 $1,000.00 per month  
1,000,001 - +  
 $2,000.00 per month  
 Per Update   
SalesConnect Customers (Rep level)  
 Waived  
SalesConnect Customers (Branch level) and Non-SalesConnect Customers  
 $0.10 per transaction  
DST will combine accounts for all affiliates of Customer for purposes of determining the applicable Flat Fee for Customer’s affiliated corporate complex. It is Customer’s responsibility to notify DST in writing of qualifying company affiliations. Customer’s number of accounts will be reviewed every January 1 for purposes of determining the monthly Flat Fee charges for that year.  
 Volume Discounts   
 Discount Schedule (monthly)11   
 $7,500 - $15,000  
 20 %   
$15,001 - $30,000  
 25 %   
$30,001 - $45,000  
 30 %   
$45,001 - +  
 35 %   
The percentage discount is applied incrementally to the dollars associated with each breakpoint.  
 9 For clarity, regardless of whether Customer has elected to allow the Financial Products to participate in DST Prime for New Account Establishment and New Account Web Service Image Delivery (DST Prime is a service offered through DST Brokerage Solutions, LLC (“DST BS”) to brokers and other intermediaries and requires an agreement between the broker and DST BS and payment by the broker to DST BS), the Vision charges specified above will apply to all New Account Establishment and New Account Web Service Image Delivery transactions.  
10 NSCC Reject Processing and Workflow Response shall not be considered when calculating the Monthly Minimum charge for Transaction Processing.  
11 ID Charges, Monthly Statement Interface Support Charges and Dealer/Branch/Rep Updates Flat Fee are not included in Volume Discount calculations.  
 44  
EXHIBIT B.2, p.3  
 Platinum/Gold Discount  
An additional discount shall be applied to the net Fees (i.e., after Volume Discounts) paid by Customer for DST’s Vision Services if Customer is utilizing DST’s Basic FAN Mail Services pursuant to the applicable Master Agreement for DST FAN Mail Services, as follows:  
At the beginning of the next calendar year following the first calendar year in which Customer has received Basic FAN Mail Services pursuant to the Service Exhibit to the Master Agreement for DST FAN Mail Services, and at the beginning of each calendar year thereafter, DST shall review the average combined annual usage fees actually paid by Customer for Basic FAN Mail Services and Vision Services for the previous calendar year. Customer shall receive the following discounts on Vision Services fees for the then current calendar year, in the event the total annual combined usage fees paid by Customer for Basic FAN Mail Services and Vision Services equal or exceed at least:  
Gold Level  
 Qualification: $180,000.00 annually, but less than $300,000.00.  
Discount: The discount for each billing cycle equals 2 1⁄2% of Vision usage fees billed for such cycle.  
Platinum Level  
 Qualification: $300,000.00 annually, but less than $2,000,000.00.  
Discount: The discount for each billing cycle equals 5% of Vision usage fees billed for such cycle.  
Platinum Plus Level  
 Qualification: $2,000,000.00 annually.  
Discount: The discount for each billing cycle equals 10% of Vision usage fees billed for such cycle.  
DST will combine qualified usage fees for all affiliates of Customer for purposes of determining the applicable discount for Customer’s affiliated corporate complex. It is Customer’s responsibility to notify DST in writing of qualifying company affiliations. DST will not combine an affiliate’s usage fees with Customer’s unless and until Customer has so notified DST. No retroactive adjustments to the Gold and Platinum discounts will be made based on previously undisclosed company affiliations. If Customer qualifies, the discount will be shown on each invoice issued to Customer.  
 45  
EXHIBIT B.3, p.1  
 FILE AND USAGE FEE SCHEDULE – TA2000  
TO  
BASIC FAN MAIL SERVICES EXHIBIT  
 1. Files.  
The following Files may be made available to Recipients:  
“Account Position” - This file reports the current Financial Product Unit balance and net asset value for every account, regardless of whether the account had activity. This file is generally provided on a monthly basis and consists of two (2) records per account.  
“Direct Financial Activity” - This file is generated as a result of activity being posted to the Financial Product Unit owner account. The information in this file reports all activity involving the movement of money and/or Financial Product Units (with the exception of distributions) and consists of two (2) records per account.  
“Account Master Position/New Account Activity/Non-Financial Activity” - This file provides registration information on each Financial Product Unit holder account for the Recipient. The Account Master Position is used to initialize the Recipient’s database. The New Account Activity provides any new accounts established for the Recipient. The Non-Financial Activity is generated from maintenance activity to the Financial Product Unit owner registration. These files consist of three (3) records per account.  
“Distribution Activity” - This file is used to confirm all activity resulting from the distribution of a dividend, and long or short term capital gain. The file will be generated after the distribution has been applied to the Financial Product Unit holder account. This file consists of two records (2) per account.  
“Daily Price” - This file contains the daily offering price and Net Asset Value of every CUSIP (separate security). This file consists of one (1) record per CUSIP.  
“Security” - This file is systematically generated by DST and appended to the end of each associated Account Master Position/New Account Activity/Non-Financial Activity file being delivered. This file may also be generated upon request based on the month-end Account Position file. Unique security investment details such as Ticker/Quotron, CUSIP, Fund and Product Names are reported within this file. This file consists of one (1) record per unique CUSIP delivered in the associated file. Because this file is used to supplement the Account Master Position/New Account Activity/Non-Financial Activity files, DST does not charge any fees for the records provided in this file.  
“Average Cost Position/Activity” - This file reports cost basis details including initial cost basis, the source of reporting, the last calculation date, the current net investment figure and current shares. The Average Cost Position file is used to initialize a Recipient’s database. The Average Cost Activity file is generated as a result of a change to the cost basis of an account. These files consist of one (1) record per account.  
 2. Usage Fees.  
DST will charge Customer fees per record made available, including all “header” records and “trailer” records, in accordance with the following fee schedule. Typically, a single header record is used to designate the beginning of data for a Recipient within a given File and a single trailer record is used to designate the end of data for a Recipient within a given File. One to many records may be included between the “header” and “trailer” records. Most Files consist of two (2) to three (3) records per account, each 160 bytes of information being a separate record.1  
 46  
EXHIBIT B.3, p.2  
 Accordingly, by way of example, if Customer sends an Account Position File for two Recipients, one with 25 accounts and one with 50 accounts, the following records would be billable to Customer.  
 File Type  
 Records  
Recipient A Header 1  
 25 Accounts (2 records per account) 50  
 Trailer 1  
Recipient B Header 1  
 50 Accounts (2 records per account) 100  
 Trailer 1  
 Total Records 154  
DST will not xxxx Recipients for the Files made available to them.  
 Level  
 Per Record Fees  
Branch/Rep  
 $.018  
Dealer  
 $.012  
Daily Price File  
 $.002 or $1.75  
per Recipient per month,  
whichever is less  
 3. Volume Discounts.  
DST will offer Customer discounts based on the amount of each total per record charge per method of delivery incurred by Customer in a month. The following discount schedule will apply:  
 Total Per Record Fees  
 % Discount on  
Amount Over Threshold   
$0.00 - $2,500.00  
 0 %   
$2,501.00 - $5,000.00  
 10 %   
$5,001.00 - $7,500.00  
 15 %   
$7501.00 - $10,000.00  
 20 %   
$10,001 - $30,000.00  
 25 %   
$30,001.00 - +  
 50 %   
Monthly FAN Mail Access and Support Charge  
 $ 500.00   
The Monthly FAN Mail Access and Support Charge paid by Customer shall not be included in the eligible fees for purposes of determining any discount.  
 47  
EXHIBIT B.3, p.3  
 4. Gold and Platinum Discounts.  
An additional discount shall be applied to the usage fees paid by Customer for (i) Basic FAN Mail Services and (ii) if Customer is utilizing DST’s Vision Services pursuant to the applicable DST agreement for such services, Vision Services as follows:  
At the beginning of the next calendar year following the first calendar year in which Customer has received Basic FAN Mail Services pursuant to this Service Exhibit, and at the beginning of each calendar year thereafter, DST shall review the average combined monthly usage fees actually paid by Customer for Basic FAN Mail Services and Vision Services for the previous calendar year. In the event the average monthly usage fees paid equal or exceed at least $15,000.00, Customer shall receive the following discounts on all usage fees for Basic FAN Mail Services and, if applicable, Vision Services for the then current calendar year:  
Gold Level  
Qualification: Average combined monthly usage fees paid by Customer for Basic FAN Mail Services and Vision Services equal or exceed $15,000.00 ($180,000.00 annually) but are less than $25,000.00.  
Discount: If Customer receives only Basic FAN Mail Services, the discount for each billing cycle equals 10% of the usage fees billed for such billing cycle.  
If Customer receives both Basic FAN Mail Services and Vision Services, the discount for each billing cycle equals 21/2% of Vision usage fees and an additional 21/2% (i.e., 121/2% total) of Basic FAN Mail usage fees billed for such cycle.  
Platinum Level  
Qualification: Average combined monthly usage fees paid by Customer for Basic FAN Mail Services and Vision Services equal or exceed $25,000.00 ($300,000.00 annually).  
Discount: If Customer receives only Basic FAN Mail Services, the discount for each billing cycle equals 15% of the usage fees billed for such billing cycle.  
If Customer receives both Basic FAN Mail Services and Vision Services, the discount for each billing cycle equals 5% of Vision usage fees and an additional 21/2% (i.e., 171/2% of total) of Basic FAN Mail usage fees billed for such cycle.  
Platinum Plus Level  
Qualification: Average combined monthly usage fees paid by Customer for Basic FAN Mail Services and Vision Services equal or exceed $166,666.67 ($2,000,000.00 annually).  
Discount: If Customer receives only Basic FAN Mail Services, the discount for each billing cycle equals 25% of the usage fees billed for such billing cycle.  
 48  
EXHIBIT B.3, p.4  
 If Customer receives both Basic FAN Mail Services and Vision Services, the discount for each billing cycle equals 10% of Vision usage fees billed for such cycle.  
DST will combine qualified usage fees for all affiliates of Customer for purposes of determining the applicable discount for Customer’s affiliated corporate complex. In order to qualify, an affiliate of Customer must be an entity which directly or indirectly controls12, is controlled by or under common control with, Customer. It is Customer’s responsibility to notify DST in writing of qualifying company affiliations. DST will not combine an affiliate’s usage fees with Customer’s unless and until Customer has so notified DST. No retroactive adjustments to the Gold and Platinum discounts will be made based on previously undisclosed company affiliations. If Customer qualifies, the discount shall be shown on each invoice issued to Customer.  
 12 Control” over an entity shall mean (i) the possession, directly or indirectly, of 100% of the voting power to elect directors, in the case of an entity that is a corporation, or members of a comparable governing body, in the case of a limited liability company, firm, joint-venture, association or other entity, in each case whether through the ownership of voting securities or interests, by contract or otherwise and (ii) with respect to a partnership, a general partner thereof or an entity having management rights comparable to those of a general partner shall be deemed to control such entity. The terms “controlling” and “controlled” shall have corollary meanings.  
 49  
EXHIBIT B.4, p.1  
 DST CASH UTILIZATION  
INVESTMENT SERVICE13  
The following describes the DST Cash Utilization investment service:  
 1) Net collected balances: Net collected balances in the Client’s transfer agency bank accounts at UMB Bank, N. A. (“UMB”), will be invested each day in two separate overnight UMB sponsored sweep vehicles with comparable rates of return to UMB’s earnings credit rate.  
Money Market Sweep: Balances able to be determined by a predetermined cutoff time each business day will be swept into a Money Market account in DST’s name. This account will be registered as “for the account of DST (Client Name)”. The next morning of a business day, the identical principal amounts will be swept back into the originating accounts with the earnings remaining in the Money Market account. The following business day, balances will again be swept into the Money Market account and will be invested overnight along with residual earnings from previous days, and so on each business day.  
Overnight Repo: Each evening of a business day, balances exclusive of those already swept into the Money Market account (with some UMB constraints) will be swept into an overnight Repo investment. The next morning of a business day, principal and earnings amounts will be swept back into the originating accounts, with DST maintaining an ongoing reconciliation of principal versus earnings in customer’s accounts.  
No investment advisory functions: DST would not be performing investment advisory functions as a part of this service. The Money Market and Repo sweep vehicles are UMB product offerings.  
 2) Lower bank account service charges: For customers electing to use the new Cash Utilization service, DST has renegotiated lower bank account service charges (projected to be 10% less than customer’s current service charges) from UMB by leveraging our collective Transfer Agent and Corporate relationships with the bank. These reduced fees will benefit customer directly and will not be available to smaller, individual customers of the bank.  
Service Fee Payment: Each month, UMB will determine customer’s service fees and invoice them to DST. DST will pay them on customer’s behalf from the accumulated earnings of both overnight investment vehicles. DST will provide customer with a copy of the UMB invoice supporting these charges.  
 3) DST Fee: DST’s fee for this service allows for DST to collect 25% of all gross overnight investment earnings from both investment vehicles for this Cash Utilization service.  
 13 Requires a separate contract.  
 50  
EXHIBIT B.4, p.2  
 DST Fee Collection: Each month, DST will determine the amount of this fee and deduct it from the accumulated earnings of both overnight investment vehicles. DST will provide customer with detail supporting the calculation of this fee.  
 4) Net Earnings Credit: Each month, the remaining net earnings, reduced by both UMB and DST service charges, will be credited against the Trusts’ Transfer Agency fees as a direct reduction of Trust expenses. Should earnings exceed fees, the excess earnings will be available to be credited against future fees or returned to the client based on direction from the client.  
Reconciliation: DST will perform the reconciliation of earnings, service charges and credits. DST will also determine the apportionment of the credits to the individual Trusts in accordance with the following procedure the portion of the total credit that each Trust receives shall be equal to the percentage of total TA fees that each Trust’s individual fees represent each month. On customer’s TA fee invoice, DST will provide the detail of original gross charges, the amount of the credit for each individual Trust and the net amount due for each Trust. The Trusts would pay DST only the net of total TA fees and reimbursable expenses less the amount of the credits.  
 5) Independent, Otherwise Unaffiliated Directors: Customer hereby advises DST that the agreement now being negotiated by and between the Trusts and DST whereby DST is appointed as the transfer agent for the Trusts and this Cash Utilization Investment Service will be, approved by a majority of the directors or trustees of each Trust, including a majority of those directors or trustees who are not officers or employees or, except with respect to their serving as a member of the board of directors or trustees are not otherwise affiliated with the Trust or the Trust’s affiliates, that is, are not “interested persons” of the Trust or its affiliates, as that term is defined in the 0000 Xxx.  
 6) Authorization: Notwithstanding anything in any agreement under which DST is authorized, directly or indirectly, to perform transfer agency, shareholder servicing agency, or related services, whether as principal, agent or sub-agent, to the contrary, DST is hereby authorized and instructed to open bank accounts in DST’s name for the deposit and holding of, and to deposit into and hold in such accounts, all checks and payments received by DST from NSCC, broker-dealers or shareholders, and any other sums received by DST, for investment in shares, while such sums await their actual delivery to and investment in such Trusts.  
 51  
EXHIBIT B.5, p.2  
 DST CASH UTILIZATION ARRANGEMENT  
THIS EXHIBIT (the “Arrangement”) describes the DST’s Cash Utilization Arrangement. The signature of OOO (the “Client”) at the end hereof represents Client’s agreement on its own behalf and on behalf of all of its affiliated Funds serviced on DST’s TA2000® System (the “Fund” or “Funds”) to participate in the arrangement upon the terms set forth in the agreement to which this Arrangement is an exhibit (the “Agreement”) and in this Arrangement. Any capitalized terms not defined in this Arrangement shall have the meaning ascribed to them in the Agreement. Notwithstanding the foregoing, DST shall be entitled, in its reasonable discretion, to exclude from the operation of this Arrangement any specific Fund or Funds. In the event of a conflict between terms set forth in this Arrangement and those in the Agreement, the terms of this Arrangement shall prevail and control:  
 1) Net Collected Balances and Expected Settlements: In accordance with this Arrangement, net collected balances and certain expected settlements in the transfer agency demand deposit accounts at a bank, thrift or other depository institution (the “Depository Institution”) that are maintained in connection with DST’s services to the Client and as to which DST has authority to make deposits and withdrawals (the “Operating Accounts”) will be transferred each day to an investment account at the Depository Institution registered in the name of DST with a reference to the Client in parentheses or on the second line of the registration (each an “Investment Account”) and invested in overnight investments made available to DST by the Depository Institution.  
 2) Investment Account and Investments: Operating Account collected balances and certain expected settlements, if available, will be transferred each business day into the Investment Account for investment in short-term, high-quality, liquid obligations such as money market mutual funds, government bills, certificates of deposit, commercial paper, banker’s acceptances and repurchase agreements made available by the Depository Institution. In the morning of the next following, or second, business day, the balances from the previous business day will be transferred back to the Operating Accounts, and any earnings attributable to the overnight investment will remain in the Investment Account. During the second and each following business day, balances in the Operating Accounts will again be transferred into the Investment Account and invested overnight along with any residual earnings in the Investment Account from the previous business day or previous business days. All investments of amounts in the Investment Account by the Depository Institution will be made in the name and for the account and risk of DST, and DST will be obligated to Client to transfer to the Operating Accounts on the next business day any amounts transferred from such Operating Accounts to the Investment Account.  
 2)  
Treatment of Earnings: Each month, from any earnings in the Investment Account the “Earnings”), DST will retain for itself percent ( %) of the gross Earnings and credit as directed by Client the remaining portion of the Earnings against amounts due to DST from the Client for the services DST or the Depository Institution or both provide to the Client during the month. In any month in which the amount of the remaining portion of the Earnings exceeds the amounts due to DST or  
 52  
EXHIBIT B.5, p.2  
 the Depository Institution or both, the excess portion will be segregated and remain available to be applied against future amounts due to DST or the Depository Institution or both or will be paid to the Client or at its direction.  
 3) Apportionment of Credits and Payments: DST, if requested, will assist the Client in accordance with such procedures as the Client instructs DST to follow in determining the apportionment of any available credits or cash payments to individual series of the Client or any Funds for which the Client is acting, and, at the Client’s instruction, DST will apply any such credits to amounts owed to DST or to the Depository Institution by, or make any such cash payments to, the appropriate series or Fund.  
 4) Authorization: Notwithstanding anything to the contrary in any agreement under which DST is authorized, directly or indirectly, to perform for the Client transfer agency, shareholder servicing agency, or related services, whether as principal, agent or sub-agent, DST is hereby authorized and instructed to accept or deposit into the Operating Accounts, (i) all checks and payments received by DST from NSCC (if NSCC’s services are utilized by the affected Fund), broker-dealers, intermediaries for shareholders or shareholders, and any other sums received by DST on behalf of the Client, for investment in shares of the Funds while such sums await their crediting to the Funds and (ii) any amounts received from a custodian for any Fund for payment to an existing or former shareholder until such amounts are paid to the shareholder and to withdraw from the Operating Accounts and to transfer to the Investment Account and to invest for DST’s account and risk through the Investment Account the amounts from time to time on deposit in the Operating Accounts, subject to DST’s obligation to return to the Operating Accounts any balances transferred from the Operating Accounts to the Investment Account.  
 5) Client Representation: The Client represents and warrants to DST that the arrangements described in this Agreement, whereby DST is appointed as the transfer agent for the Funds, and in the Arrangement, whereby the Client receives banking services from UMB through DST and DST borrows idle Client funds and invests them at DST’s risk, have been approved by a majority of (a) the directors or trustees, as applicable, of the Client and (b) the trustees of each Fund for which the Client is acting, including in with respect to each Fund a majority of the disinterested or unaffiliated trustees of any Fund or its affiliates.  
 6) Effective Date: This Agreement shall take effect as soon as reasonably practicable after the Conversion of the Funds’ data onto the TA2000 System and DST’s commencement of the provision of transfer agency services to the Funds.  
 53  
EXHIBIT B.5, p.3  
 ACCEPTED AND AGREED TO:   
DST SYSTEMS, INC. OOO, on its own behalf and on behalf of and in the name of all of its affiliated Funds  
By:   
 By:   
 Title:   
 Title:   
 54  
EXHIBIT  
B.6, p.1  
 TO BE ADDED  
Sales Connect  
 55  
Exhibit C  
AUTHORIZED PERSONNEL  
Pursuant to Section 8.A. of the Agency Agreement between NexPoint Capital, Inc. (the “Fund”) and DST (the “Agreement”), the Fund authorizes the following Fund personnel to provide instructions to DST, and receive inquiries from DST in connection with the Agreement:  
 Name  
 Title  
 This Exhibit may be revised by the Fund by providing DST with a substitute Exhibit C. Any such substitute Exhibit C shall become effective twenty-four (24) hours after DST’s receipt of the document and shall be incorporated into the Agreement.  
 56  
ACKNOWLEDGMENT OF TRUST INSTRUCTION AND DST RECEIPT:  
 AAA,  
BBB,  
CCC,  
DDD,  
EEE,  
FFF,  
NNN,  
GGG,  
HHH,  
PPP, and  
JJJ.  
 By:  
 Title:  
 DST SYSTEMS, INC.  
 By:  
 Title:  
 57  
EXHIBIT D  
DST SYSTEMS, INC.  
LISTED REIT FEE SCHEDULE  
 I. Listed REIT Account Fees:  
 Open Accounts  
 Open Accounts  
 $2.25 per position in first class  
 $1.58 per position in additional classes 2, 3, & 4  
Account Fee Minimum $25,000 per year  
Closed Account Fee $1.00 per acct per year  
Listing Event One Time Fee $3.00 per position at time of listing  
 II. Transaction Based Fees (apply during pre and post listed periods):  
 Direct Reinvestment Plan   
Administration Fee (per DRP Program) $24,000 per year   
DRP per Account Participation Fee $1.20 per year   
Activity Based Fees   
Incoming / Outgoing Telephone Calls $5.00 per call   
Account Processing Fees   
Transaction Maintenance $ 2.00 per item   
Share Purchase Program $10.00 per item   
Manual Transfers $10.00 per item   
Correspondence $4.00 per item   
Automated DRS Transfers $1.00 per item   
DWAC Transfers $100.00 per request   
Shareholder Paid Fees   
Annual XXX Custodial Fee year As Negotiated per   
Direct Redemption $20.00 per item   
Reporting   
Ad-Hoc Report Generation $60.00 per report   
Tax Form Production   
Open & Closed accounts requiring form production $1.00 per year   
Note: DTCC related expenses will be incurred for some of the services described above. Those charges will be billed to the Fund/Fund Sponsor in the regular out of pocket billing cycle   
 58  
III. Other Services:  
 Other Product Base Fee   
$10,000 per year per  
TA2000 fund setup  
(Other Products include, but are not limited to Limited partnerships, Reg D offerings, DST, TIC, 1031 or other similar products that have a limited number of investors allowed. Account and Processing Fees in I and II above apply in addition to the Other Product Base Fee.)  
Automated Work Distributor ™ (AWD) $5,200 per user  
(Does not include hardware or third-party software, products will be priced separately as requested)  
CUSIP Setup Fee $10,000 per CUSIP  
CUSIP Deconversion Fee TBD  
Fiduciary Fee (Paid by Shareholder)  
K-1 Account Fee  
 $25.00 per SSN  
To be determined  
TA2000 Data Transmission to non DSTO print vendors $0.020 per record  
\*Aged History Retention Fee – Online $5.00 per 1,000 lines  
\*Aged History Retention Fee – Offline $3.50 per 1,000 lines  
Services Provided Exhibit D.1  
\*Vision – requires separate agreement Exhibit B.2  
\*FAN Mail – requires separate agreement Exhibit B.3  
Cash Utilization Exhibit B.4  
Cash Utilization Arrangements Exhibit B.5  
Salesconnect – requires separate agreement Exhibit B.6  
 59  
Exhibit D.1  
Services Provided – Listed Funds  
 • Distribution Center  
 • Receipt and sort of incoming mail  
 • Creation of electronic images for all paper received  
 • Automated distribution of work based on assigned priority  
 • Issuance of redemption and replacement checks  
 • Transaction Processing  
 • New Account Establishment  
 • Account Maintenance  
 • Purchases  
 • Redemptions  
 • Exchanges  
 • Transfers  
 • Control  
 • Input of daily prices and dividend rates  
 • Processing of dividend and capital gain distributions  
 • Reconciliation of daily bank accounts  
 • Blue Sky Transmissions/Support  
 • Commission Processing and Reconciliation  
 • Cash and Share Reconciliation  
 • Year-End  
 • Basis tracking by investor  
 • IRS Reporting  
 • 1099  
 • 5498  
 • Broker Servicing (phones)  
 • Inquiry  
 • Correspondence  
 • Commission Inquiries  
 • Shareholder Servicing (phones)  
 • Inquiry  
 • Telephone Transactions  
 • Correspondence  
 • Internet Support  
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