



The Arbitrage Funds

ADVISED BY WATER ISLAND CAPITAL

DESIGNATION/CHANGE OF IRA BENEFICIARY FORM

Use this form to designate and/or change the primary and secondary beneficiaries for your IRA account with The Arbitrage Funds. You may change your beneficiaries at any time. To include additional beneficiaries please complete an additional form.

SECTION 1: Account Type

I would like this designation of beneficiary to apply to my IRA account with the Arbitrage Funds:

- Traditional IRA
 Roth IRA
 SEP IRA

If you want to designate different beneficiaries for different account types, please complete a separate form for each.

SECTION 2: Investor Information

Account Number

Owner's Name (First, Middle, Last)

Owner's Social Security Number Date of Birth (MM/DD/YY)

Address of Residence - (P.O. Box is not accepted)

City, State, Zip Code

Mailing Address - If different from above (P.O. Boxes accepted)

City, State, Zip Code

() ()
Day Phone Evening Phone

E-mail Address

SECTION 3: Designation/Change of Beneficiary(ies)

The following individual(s) or entity(ies) shall be my primary and/or contingent beneficiary(ies). **If neither primary nor contingent is indicated, the individual or entity will be deemed to be a primary beneficiary.** If more than one primary beneficiary is designated and no distribution percentages are indicated, the beneficiaries will be deemed to own equal share percentages in the IRA. Multiple contingent beneficiaries with no share percentage indicated will also be deemed to share equally.

If any primary or contingent beneficiary dies before I do, his or her interest and the interest of his or her heirs shall terminate completely, and the percentage share of any remaining beneficiary(ies) shall be increased on a pro rata basis. If no primary beneficiary(ies) survives me, the contingent beneficiary(ies) shall acquire the designated share of my IRA.

- Primary
 Contingent

Beneficiary's Name (First, Middle, Last)

Beneficiary's Social Security Number Date of Birth (MM/DD/YY)

Relationship Percentage

SECTION 3: Designation/Change of Beneficiary(ies) (continued)

- Primary
 Contingent

Beneficiary's Name (First, Middle, Last)

Beneficiary's Social Security Number Date of Birth (MM/DD/YY)

Relationship Percentage

- Primary
 Contingent

Beneficiary's Name (First, Middle, Last)

Beneficiary's Social Security Number Date of Birth (MM/DD/YY)

Relationship Percentage

- Primary
 Contingent

Beneficiary's Name (First, Middle, Last)

Beneficiary's Social Security Number Date of Birth (MM/DD/YY)

Relationship Percentage

Spousal Consent:

This section should be reviewed if either the trust or the residence of the IRA holder is located in a community or marital property state and the IRA holder is married. Due to the important tax consequences of giving up one's community property interest, individuals signing this section should consult with a competent tax or legal advisor.

CURRENT MARITAL STATUS

- I Am Not Married** - I understand that if I become married in the future, I must complete a new IRA Designation/Change Of Beneficiary form.
- I Am Married** - I understand that if I choose to designate a primary beneficiary other than my spouse, my spouse must sign below.

CONSENT OF SPOUSE

I am the spouse of the above-named IRA holder. I acknowledge that I have received a fair and reasonable disclosure of my spouse's property and financial obligations. Due to the important tax consequences of giving up my interest in this IRA, I have been advised to see a tax professional.

I hereby give the IRA holder any interest I have in the Fund or property deposited in this IRA and consent to the beneficiary designation(s) indicated above. I assume full responsibility for any adverse consequences that may result. No tax or legal advice was given to me by the Custodian.

Signature of Spouse Date (MM/DD/YY)

Signature of Witness Date (MM/DD/YY)

SECTION 4: Trust Beneficiary(ies)

Complete this section if a trust is one of your primary beneficiaries. Consult your attorney regarding this designation.

Name of Trust

Street or P.O. Box

City, State, Zip Code

Percentage % Date of Trust Trust's Tax Identification Number

SECTION 5: Signature

I hereby revoke all previous beneficiary designations for my The Arbitrage Funds. I understand that I may change my beneficiary at any time and that the change is effective when received in writing and accepted by The Arbitrage Funds.

Owner's Signature Date (MM/DD/YY)

Please mail completed form to:

Mailing Address

The Arbitrage Funds
P.O. Box 219842
Kansas City, MO 64121

Overnight Address

The Arbitrage Funds
C/O DST Systems, Inc.
430 West 7th Street
Kansas City, MO 64105

If you have any questions, please contact an Investor Service Representative at 1-800-295-4485 or visit www.arbitragefunds.com.