

Important things investors need to know prior to opening their self-directed IRA account with IRA Services Trust Company

If you have any questions after reviewing this guide, please call our Contact Center at (800) 248-8447 or visit www.IRAServices.com

1. WHAT ARE YOUR RESPONSIBILITIES AS AN ACCOUNT HOLDER?

- Choosing the investment(s)
- Performing due diligence on the investment(s)
- Understanding the risks related to your investment(s)
- Monitoring the investment(s)' performance
- Knowing whether your investment is liquid and how to liquidate
- Understanding Prohibited Transaction rules (see below) and avoiding them
- Ensuring that valuations are provided to IRA Services Trust Company for all assets on **at least** an annual basis
- Understanding IRA Services Trust Company fees and minimum balance requirement. Please read our *FEE SCHEDULE & FINANCIAL DISCLOSURE* (see attached) for more information.

2. WHAT ARE OUR RESPONSIBILITIES AS A CUSTODIAN OF YOUR RETIREMENT ACCOUNT?

- Assisting in opening & funding your account
- Making the investment(s) on your behalf
- Making distributions & paying expenses per your request
- Providing you with quarterly statements
- Explaining IRS regulations, and answering questions about your account and our procedures
- Reporting information required by the IRS and other governmental agencies
 - 1099R – Distributions from your IRA
 - 5498 – Contributions to, and Fair Market Value of, your IRA

IMPORTANT: As a Custodian of self-directed accounts, we are not permitted to give investment, legal or tax advice.

3. WHAT ARE PROHIBITED TRANSACTIONS?

A Prohibited Transaction (PT) is any transaction between your retirement account (the Plan) and a “disqualified” person or entity. A “disqualified” person is any lineal ascendant (i.e. parents, grandparents, etc.), descendants (children, grandchildren, etc.), spouse, spouse's ascendants, descendants or any entity for which a disqualified person has 50% or more ownership. The following are examples of prohibited transactions:

- Lending money or engaging in some other extension of credit between the retirement account and a disqualified person. For example, you cannot personally guarantee a loan for a real estate purchase by your retirement account.
- Furnishing goods, services or facilities between the retirement account and a disqualified person. For example, you cannot personally make an improvement to a rental property held by your retirement account.
- Transferring or using by or for the benefit of a disqualified person, the income or assets of a retirement account. For example, you may not stay in a vacation property that is owned by your retirement account.
- Dealing with income or assets of a plan by a disqualified person who is a fiduciary acting in his/her own interest or for his/her own account. For example, you should not loan money from your retirement account to your CPA.
- Receiving any consideration for his/her personal account by a disqualified person who is a fiduciary from any party dealing with the plan in connection with a transaction involving the income or assets of the plan. For example, you cannot pay yourself income from profits generated from the rental property held by your retirement account.

For more information about prohibited transactions, please refer to IRS Publication 590a.

4. HOW TO OPEN YOUR ACCOUNT

To open an account, please visit our website, www.IRAServices.com, and click on the “Open an Account” button. This will take you to our secure online application system. If you complete the transfer in funding information, please follow email instruction and mail in the form with a copy of the most recent account statement from your financial institution.

Please note that there is a \$500 minimum balance requirement to keep your account open. The \$500 must come from qualified funds (i.e. funds transferred from another IRA or rolled over from a qualified plan, or cash contributed to the IRA; contact us if you are not eligible to do a transfer, rollover or make a contribution).

If you prefer not to use the online application system to establish your account, you may complete DocuSign or a paper application, which you may obtain from the “Forms & Fees” section of our website. Please note there is an account setup fee if you choose to open an account via DocuSign or paper application. The following documents must be mailed with your paper application:

- A copy of your valid government-issued photo ID (such as a driver's license), not required for DocuSign application.
- A check made payable to “IRA Services Trust Company” to cover your account setup fee and first quarterly account fee.

Please refer to the current fee schedule for account setup fee and first quarterly account fee.

Please read the Account Disclosure and Custodial Agreement documents as they provide you with more information about our requirements for maintaining the account. These forms can be found in the "Forms & Fees" section of our website.

For assistance with establishing your account, please call our Contact Center at (800) 248-8447.

5. ADDITIONAL SERVICES WE PROVIDE (AT NO EXTRA COST!)

24/7 Internet Access

You have the option to sign up for online access to your account. Currently, online access allows you to view your account's recent transactions and transaction history, your custodial cash balance, your asset(s) and their last reported value, tax information, and quarterly and year-end statements. We will continuously be adding more features to enhance your online access experience.

To gain online access, please complete our *INTERNET ACCESS REQUEST* form. You will receive a temporary password from "webmaster@IRAServices.com". Please add this email address to your Spam filter list, otherwise the email with your temporary password may end up in your Spam or Junk Mail folder.

Email Notification Service

We will send you automated email notifications to inform you:

- When your account is established
- When a Transfer Authorization request is forwarded to your financial institution (if you are transferring cash and/or assets from another IRA)
- When cash has been deposited to your account
- When there are insufficient funds to make an investment or disbursement
- When an investment or disbursement is made

Please provide us with a valid email address when you establish your account so that you may receive these updates and other important information regarding your account. To ensure that you receive our automated emails, please add "iraservices@IRAServices.com" to your Spam filter list, otherwise the emails may end up in your Spam or Junk Mail folder.

Representative Services

If you designate a Representative (an interested third party, i.e. your spouse, financial advisor, investment sponsor, attorney, or accountant, etc) for your account, you will not only be granting them permission to speak with and correspond with us regarding your account, but they will have the option to gain online access to your account, and they will receive the same automated emails that you will, so that they may also be kept abreast your account activity (they have the option to "opt out" of our Email Notification if they wish).

You also have the option to designate your Representative as the "Primary Contact" on your account; which will cause us to contact the Representative first, should any questions or concerns arise regarding your account.

To designate a Representative for your account, please provide your Representative's information on the online application, or complete the *REPRESENTATIVE AUTHORIZATION* form if you open your account using our paper application.

6. HOW CUSTODIAL FEES ARE CHARGED AND COLLECTED & HOW TO PAY THEM

Your account has a minimum balance requirement of \$500. You must keep \$500 in your custodial cash balance at all times. This balance must comprise of qualified funds (i.e. funds transferred from another IRA or rolled over from a qualified retirement plan, or cash contributed to the IRA -- contact us if you are not eligible to do a transfer, rollover, or make a contribution).

Our fees are collected from your custodial cash account. To re-instate the required minimum balance, you may reimburse your custodial cash account for the fees we have collected using out-of-pocket (personal) funds. Any funds deposited to your account for the purpose of reimbursing fees will not be considered a contribution to your IRA. To reimburse your account, send us a check made payable to "IRA Services Trust Company" with a completed *DEPOSIT NOTIFICATION* form. Note: You may not pre-pay the current year's fees. If you do choose to reimburse your account, we recommend that you do so at the end of the year, once the fourth quarter fees have been collected (in October).

What if you fail to maintain the \$500 minimum balance requirement?

With every quarterly statement you receive, you will be notified if you have fallen below the \$500 minimum balance requirement. We will continue to collect our fees from your custodial cash account until the cash is depleted or there are insufficient funds in the account for us to collect our fees. If we are unable to collect our fees, we will send you an invoice if you owe more than \$50 in fees (invoice fee applies; to avoid invoice fees, please check your account periodically, by checking online or by giving us a call, to ensure that it is in good standing). Please note that you will not be penalized if you do not maintain the minimum required balance throughout the year. However, the balance will be re-instated any time the account is funded.

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To make your initial investment purchase, you are required to submit supporting documents **with** your *INVESTMENT AUTHORIZATION* form. Below is a list of common investment assets and their document requirements. For all other assets not listed below, please call us at (800) 248-8447.

Please ensure that all paperwork is completed correctly prior to submitting to IRA Services Trust Company and that all required paperwork is submitted together with the *INVESTMENT AUTHORIZATION* form.

IMPORTANT: Investments must be registered and/or titled "IRA Services Trust Company CFBO [Investor Name] [IRA Account No.]" (Tax ID: 26-2627205)

BROKERAGE ACCOUNT (For publicly traded securities, foreign exchange, commodity exchange, etc.)

Brokerage firm's account application form—Please ensure that the firm is able to establish an account under the name of "IRA Services Trust Company CFBO [Investor Name] [IRA Account No.]"

CERTIFICATE OF DEPOSIT (CD)

CD with Fremont Bank: No additional documentation required. Please ensure that you include the length of the term and the amount to be invested on the Investment Authorization form.

CD with another financial institution: Application form provided by financial institution of your choice—Please ensure that the financial institution is able to establish an account under the name of "IRA Services Trust Company CFBO [Investor Name] [IRA Account No.]"

HEDGE FUNDS

Application form provided by hedge fund manager

Subscription Agreement

Investment interest/membership must be registered under "IRA Services Trust Company CFBO: [Investor Name] [IRA Account No.]" with a signature line for IRA Services Trust Company's authorized signer

Subscription Agreement must also include the investor's name and signature

IRA Services' Prohibited Transaction Questionnaire

IRA LLC (Private, Single-Member, Family)

Operating Agreement (see IRA LLC REQUIREMENTS document)

EIN Confirmation

Articles of Organization or Certificate of Formation

IRA LLC Agreement

PRECIOUS METALS

Invoice/purchase contract/order form from precious metals dealer under the name of "IRA Services Trust Company CFBO: [Investor Name] [IRA Account No.]"

You are responsible for finding a precious metals dealer and contacting them to obtain an invoice, purchase contract or order form to be submitted with our Investment Authorization form. All precious metals are to be stored at a facility approved by IRA Services Trust Company (see our Fee Schedule for a list of approved storage facilities and their respective storage fees). For a list of precious metals allowed in an IRA, please see the "Acceptable Precious Metals" document. You may find this on our website, www.IRAServices.com, or call us at (800) 248-8447 to obtain a copy.

PRIVATE PLACEMENTS, LIMITED PARTNERSHIPS, PUBLIC LLCs, NON-PUBLIC PARTNERSHIPS, etc.

Subscription Agreement and Private Placement Memorandum

Investment interest/membership must be registered under "IRA Services Trust Company CFBO: [Investor Name] [IRA Account No.]" with a signature line for IRA Services Trust Company's authorized signer

Subscription Agreement must also include the investor's name and signature

IRA Services' Prohibited Transaction Questionnaire form

PRIVATE STOCK (Non-publicly traded)

Stock purchase agreement/contract

IRA Services' Prohibited Transaction Questionnaire form

PROMISSORY NOTES – see attached

PUBLICLY-TRADED SECURITIES (Stocks, Bonds, Mutual Funds)

No additional documentation required. Please ensure that you include the stock market symbol and number of shares or amount to purchase on the INVESTMENT AUTHORIZATION form.

REAL ESTATE (Residential, Commercial, Land, Mobile Home, etc) – see attached

REITs (Real Estate Investment Trust)

Application form from REIT company

TAX LIENS – see attached

IMPORTANT: Investments must be registered and/or titled "IRA Services Trust Company CFBO [Investor Name] [IRA Account No.]" (Tax ID: 26-2627205).

Asset Type	Required Pre-Funding Documents	Required Post-Funding Documents
1. UNSECURED PROMISSORY NOTE		
If borrower is an individual	Investment Authorization with funding instructions Original notarized note* Note servicing agreement (if applicable)	Amortization/payment schedule (if applicable)
If borrower is a business entity	Investment Authorization with funding instructions Copy of notarized note* Copy of assignment of note Documents certifying formation of entity Evidence that the entity is in good standing Prohibited Transactions Questionnaire	Amortization/payment schedule (if applicable)
2. SECURED PROMISSORY NOTE		
If borrower is an individual	Investment Authorization with funding instructions Original notarized note* Note servicing agreement (if applicable)	Amortization/payment schedule (if applicable)
If borrower is a business entity	Investment Authorization with funding instructions Copy of the secured note* Note servicing agreement (if applicable) Documents certifying formation of entity Evidence that the entity is in good standing Prohibited Transactions Questionnaire	Amortization/payment schedule (if applicable)
a.) Secured by Real Estate	Applicable documents listed in Section 2 plus: Copy of deed of trust/mortgage Copy of assignment of deed of trust (if applicable) Copy of note endorsement (if applicable) Evidence that borrower is/will be on the title	Applicable documents listed in Section 2 plus: Recorded deed of trust/mortgage Recorded assignment of deed of trust (if applicable) Executed note endorsement (if applicable)
b.) Secured by Vehicle, Manufactured or Mobile Home	Applicable documents listed in Section 2 plus: Copy of certificate of ownership in borrower's name Registration of title/lien holder to "IRA Services Trust Company CFBO [Investor Name] [IRA Account No.]" Evidence that borrower is/will be on the title	Applicable documents listed in Section 2 plus: Executed security agreement Certificate of ownership
c.) Secured by Equipment	Applicable documents listed in Section 2 plus: Copy of UCC filing (if applicable) Evidence that borrower is/will be on the title	Applicable documents listed in Section 2 plus: Executed security agreement Recorded UCC filing (if applicable)
d.) Secured by Company Shares	Applicable documents listed in Section 2 plus: Copy of security agreement (if applicable) Copy of pledge agreement (if applicable) Documents certifying formation of entity Evidence that the entity is in good standing Private Placement Memorandum/Subscription Agreement/Operating Agreement	Applicable documents listed in Section 2 plus: Executed security agreement Stock Certificate (if applicable) Stock Power (if applicable)
e.) Secured by Participation Agreement	Applicable documents listed in Section 2 plus: Copy of participation agreement Evidence that borrower is/will be on the title Documents certifying formation of entity Evidence that the entity is in good standing Private Placement Memorandum/Subscription Agreement/Operating Agreement	Applicable documents listed in Section 2 plus: Executed participation agreement
f.) Secured by Other Collateral	Applicable documents listed in Section 2 plus: Evidence that borrower is/will be on the title Applicable security agreement	Applicable documents listed in Section 2 plus: Executed security agreement Executed certificate of ownership
3. REAL ESTATE		
Earnest money/For deposit only	When purchasing real estate, be sure that the third party understands that the buyer is "IRA Services Trust Company CFBO [Investor Name] [IRA Account No.]" Investment Authorization with funding instructions Purchase Contract or Preliminary Settlement Statement in the name of "IRA Services Trust Company CFBO [Investor Name] [IRA Account No.]"	
Purchase/Closing	Investment Authorization with funding instructions Purchase Contract (without deposit) Estimated Closing Statement Preliminary title report Escrow package (if applicable) Loan package (if applicable) Proposed deed with "When Recorded Return To" address listed as: IRA Services Trust Company – PO Box 7080, San Carlos, CA 94070	Recorded Grant Deed Title Insurance Policy
4.) TAX LIEN	Investment Authorization with funding instructions Application for purchase	Tax lien certificate

*Promissory note must outline the following terms, with signature lines for both the borrower and the lender:

- Amount of loan
- Date of issuance
- Interest rate
- Interest compounding period (annual, quarterly, monthly, daily, none)
- Re-payment terms (payments must be sent to IRA Services Trust Co: PO Box 7080, San Carlos, CA 94070)
- Maturity date

Lender must be listed as "IRA Services Trust Company CFBO [Investor Name] [IRA Account No.]" (Tax ID: 26-2627205).