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SOLO(K) SECURED NOTE INVESTMENT KIT

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MAILING ADDRESS

Please return originals to:

Regular Delivery

P.O. Box 26903
San Francisco, CA 94126-6903

Overnight Delivery

450 Sansome Street Floor 14
San Francisco, CA 94111-3306



- ✓ Use this guide when investing in a secured note within your PENSCO Trust Account.
- ✓ A secured note is a note secured by some type of collateral, i.e., real property, equipment, private stock, etc..
- ✓ When funding a secured note within your retirement Account, you should exercise the same due diligence as if you were lending it personally. PENSCO Trust acts only as a passive custodian and does not provide investment advice. We require an independent escrow.

Overview

Terms Defined:

- ✓ The "IRA Owner" and "Solo(k) Participant" are referred to as: "Accountholder"
- ✓ "IRA" or "Solo(k) Plan" are referred to as: "Account"

1. The Accountholder must read, approve and sign all documents before forwarding them to PENSCO Trust for the custodial signature. The signed documents will then be returned, along with the funds, to the identified escrow agent for closing.
2. All documents must be vested:
 - For IRAs: PENSCO Trust Company Custodian FBO 'Accountholder Name' IRA 'PENSCO Account #'
 - For Solo(k)s: PENSCO Trust Company Custodian of 'Plan Name' FBO 'Accountholder Name', 'PENSCO Account #'
3. PENSCO Trust Company's Tax ID: 02-0526633
4. Address of Lender: PENSCO Inc., 450 Sansome St., 14th Floor, San Francisco, CA 94111

Required Documentation and Other Information Needed

Secured Note to an Individual or a Business Entity:

1. **Secured Note Authorization:** Authorizes PENSCO Trust to fund the note within your self-directed Account.
2. **Secured Note Servicing Agreement:** PENSCO Trust does not service any notes (i.e., track note payments, handle defaults, foreclosures, etc.). You may use either the note servicer's own agreement or the *Secured Note Servicing Agreement* form provided by PENSCO Trust. Both Accountholder and the note servicer must sign.
3. **Copy of Note:** Make sure the note is vested correctly (see #2 in the Overview above). If it's a multi-beneficiary note (more than one lender) then the note servicer keeps the original documents. If a sole beneficiary note (i.e., the Account is the sole lender), then PENSCO Trust keeps all documents. IRA holders are not permitted by law to hold their IRA assets. Original note is required after funding.

4. Copies of required security agreements:

Note Secured By:

- Real Property
- Manufactured or Mobile Home
- Vehicle
- Equipment
- Company Shares
- Participation Agreement/ Mortgage Pool
- Other Collateral Types

Required Security Documents (copies acceptable):

- Deed of Trust / Mortgage
- Assignment of Deed of Trust/Mortgage to PENSCO IRA (see vesting instructions)
- Certificate of Ownership
- Reregistration of Title to PENSCO IRA (see vesting instructions)
- Certificate of Ownership
- UCC Filing, any refiling application
- Security Agreement
- Pledge Agreement
- Consent of shareholders
- Participation Agreement
- Applicable Security Agreement

5. **Payment and Funding Instructions:** Funding can be made by either wire or check. For "Investment Name" please indicate the borrower's name.

6. **Escrow Instructions:** Either from the broker or escrow/title company.



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Secured Note Authorization

www.pensicotrust.com
800-969-4472

- ✓ Use this form to authorize a note secured by some type of collateral, i.e., real property, equipment, private stock, etc..
- ✓ **IMPORTANT:** Please refer to the vesting and other instructions on our *Secured Note Checklist*.

Terms Defined:

- ✓ The "IRA Owner" and "Solo(k) Participant" are referred to as: "Accountholder"
- ✓ "IRA" or "Solo(k) Plan" are referred to as: "Account"

1. Accountholder Information

Account #: _____

Accountholder's First Name _____ M.I. Last _____

2. Note Information

 This note information applies to Accountholder's investment amount:

_____ % \$ _____ Interest Rate: _____
 Percentage of Ownership Dollar Amount

Maturity Date: _____
 M M D D Y Y Y Y

Monthly Payment / Breakdown:

Principal: \$ _____ + Interest: \$ _____ = Total Monthly Payment: \$ _____

Note Position: First Position Second Third Other

3. Borrower Information

Borrower's First Name _____ M.I. Last _____

Borrower's Tax ID #: _____

4. Type of Securing Collateral

- Real Property Vehicle Company Shares Other Collateral Type: _____
- Manufactured or Mobile Home Equipment Participation Agreement/Mortgage Pool _____

5. Authorization

I understand that I am responsible (and PENSICO Trust Company and PENSICO, Inc. are not responsible) for selecting and reviewing the above investment(s) and for determining the suitability, nature, value, risk, safety and merits of any investment(s) that I authorize PENSICO Trust to make for my Account.

I understand that PENSICO Trust Company and PENSICO Inc. neither endorse nor recommend the above investment, and I therefore release and hold PENSICO Trust Company and PENSICO Inc. harmless from all claims arising out of making such investments.

I agree that any dispute regarding this investment shall be submitted to binding arbitration at JAMS in Boston, MA or San Francisco, CA at PENSICO Trust's discretion, and the prevailing party shall be entitled to recover all legal fees, reasonable costs and expenses. These shall be in addition to any award of damage or any other relief to which the prevailing party is entitled.

I represent that the above investment is not a prohibited transaction, as defined in the Internal Revenue Code and IRS and Department of Labor regulations.

I agree to follow any guidelines applicable to this investment as may be required by PENSICO Trust.

AUTHORIZED BY:

- Accountholder
 Account's Designated Representative

Printed Name of Authorizing Party

➔ _____
Signature (Required) Date



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Secured Note Servicing Agreement

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- Use this form when funding a secured note within your PENSICO Trust Account.
- Please Note: You may substitute a signed copy of your Note Servicer's own agreement for this form.

1. Accountholder Information

Account #: _____

Accountholder's First Name _____

M.I. Last _____

2. Note Servicer Information

If the Note Servicer has their own note servicing agreement, a copy signed by both the Accountholder and the Note Servicer may be substituted in lieu of this form. In either case, a note servicing agreement must accompany each Secured Note Authorization.

PENSICO Trust Company is not responsible for any note servicing function, note collection, or payments due on any note. It is also not responsible for late payments, late fees, default on the note, filing a notice of default or any part of the foreclosure process other than signing documents upon the written instruction of the Accountholder or their Designated Representative. For this reason, we require that a note servicing agreement be provided for all notes funded by a PENSICO Trust Account. You may use this form as your note servicing agreement, or you may furnish a copy of an agreement provided by your note servicer.

- The Note Servicer can be an independent agent/broker or the note can be serviced by the Accountholder. If the Accountholder services the note, write 'Self' in the "Note Servicer" field below.
- The Note Servicer agrees to forward promptly to PENSICO Trust Company all payments received for this note and record all payments received from the borrower. In addition, the Note Servicer will allow all parties to review these records upon request. On all notes, and particularly on amortized notes, the Note Servicer will keep track of current balance owed.
- PENSICO Trust Company must be advised immediately upon any default by the borrower on this note or default on any note or encumbrance relating to the note's security instrument.
- In the event of a default, the Note Servicer agrees to take immediate action to correct the default.
- All funds received for this loan by the Note Servicer will not be commingled with any other funds.
- Note Servicer agrees to provide borrower with a mortgage/interest statement for tax purposes as required.
- Note Servicer agrees to prepare or arrange for the preparation of any demand for payoff or request for the re-conveyance of this loan, upon request of the borrower.

The original note and all related documents must be vested as follows:

- For IRAs:** PENSICO Trust Company Custodian FBO 'Accountholder Name' IRA 'PENSICO Account #'
- For Solo(k)s:** PENSICO Trust Company Custodian of 'Plan Name' FBO 'Accountholder Name', 'PENSICO Account #'

All borrower checks must be payable to "PENSICO Trust FBO 'Accountholder Name or Plan Name,' Account #" on the payee line.

Make sure to:

- Include note name in memo field/check voucher.
- Include payment breakdown (interest, principal, etc.) in memo field/check voucher.

Note Servicer Contact Name _____

Note Servicer Company Name (if any) _____

Address Type: Home Business Address: _____

City: _____ State: _____ Zip Code: _____

Phone #: _____ Ext.: _____ Fax #: _____

AUTHORIZED BY:

- Accountholder
- Account's Designated Representative

Printed Name of Authorizing Party _____



Authorizing Party Signature (Required) _____

Date _____

Printed Name of Note Servicer Contact _____



Note Servicer Contact Signature (Required) _____

Date _____



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Solo(k) Non-Public Investment Authorization

www.pensicotrust.com
800-969-4472

- ✓ Use this form to invest into non-publicly traded assets such as LLCs, LPs, Corporations, Real Property, Trust Deeds, etc.
- ✓ Must attach *Payment and Funding Instructions* form (see www.PENSICOTrust.com, "Forms") and any other paperwork necessary for your investment.
- ✓ This form and most investment paperwork may be faxed to: 415-956-3016

1. Participant Information

Account #: _____

First Name _____ Middle _____ Last _____
 Social Security # _____ Primary Phone # _____ Ext.: _____ Primary Phone # _____

2. Investment Information

Choose One: Buy Sell Units/Shares: _____ Total Investment Amount: \$ _____

Name of Investment (This might be the name of an LLC, LP or C-Corp) _____ Additional Information _____

3. Subaccount Allocation Options Please Check One:

- Invest total amount prorata across the Solo(k) plan subaccounts. By checking this box you elect to spread your total investment amount across your Solo(k) plan subaccounts on a prorated basis, **based on available cash**.
Note: If you do not check a box, we will default to this prorated option.
- Allocate total amount between subaccounts per my instructions in Section 4 below:
 This option allows you to specify a certain dollar amount to be invested within each particular subaccount.

4. Subaccount Allocation

Only fill out this section if you wish to specify a certain dollar amount within each particular subaccount.

Type of Subaccount	Subaccount Description	Investment Amount
After-Tax Roth Elective	After tax salary deferrals made under the Solo(k) or rolled over to the Solo(k) from plan of another employer	\$
Pre-Tax Elective	Before tax salary deferrals made under the Solo(k) or rolled over to the Solo(k) from plan of another employer	\$
Profit Sharing	Other(pre-tax) contributions made to the Solo(k)	\$
Rollover	Amounts (other than salary deferrals) rolled over from plan of another employer, non-Roth IRA or SEP IRA	\$
Roth Elective Deferral Transfer		\$
Non-Roth Elective Deferral Transfer		\$
Profit Sharing Transfer		\$
Total must equal "Total Investment Amount" in Section 2: ➡ =		\$

3. Investment Acknowledgements

I understand that I am responsible (and PENSICO Trust Company and PENSICO, Inc. are not responsible) for selecting and reviewing the above investment(s) and for determining the suitability, nature, value, risk, safety and merits of any investment(s) that I authorize PENSICO Trust to make for my Account.

I understand that PENSICO Trust Company and PENSICO Inc. neither endorse nor recommend the above investment, and I therefore release and hold PENSICO Trust Company and PENSICO Inc. harmless from all claims arising out of making such investments.

I agree that any dispute regarding this investment shall be submitted to binding arbitration at JAMS in Boston, MA or San Francisco, CA at PENSICO Trust's discretion, and the prevailing party shall be entitled to recover all legal fees, reasonable costs and expenses. These shall be in addition to any award of damage or any other relief to which the prevailing party is entitled.

I represent that the above investment is not a prohibited transaction, as defined in the Internal Revenue Code and IRS and Department of Labor regulations.

I agree to follow any guidelines applicable to this investment as may be required by PENSICO Trust.

AUTHORIZED BY:

Accountholder _____ Printed Name of Authorizing Party
 Account's Designated Representative ➡ _____ Signature (Required) _____ Date _____



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Payment and Funding Instructions

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If funding an investment, use this in conjunction with our *Investment Authorization Form*

A STOP PAYMENT CANNOT BE PLACED UNTIL 4 BUSINESS DAYS HAVE ELAPSED FROM THE ISSUANCE OF THE ORIGINAL CHECK.

1. Account / Payment Information

Account #: _____

Accountholder's First Name _____ M.I. _____ Last _____

Primary Phone # _____ Purpose of Payment (e.g., "Membership in LLC," "Purchase Property," "Expense Payment") _____ Memo/Reference (Escrow #, APN #, Invoice #, Policy #, Account #) _____

Name of Investment (i.e., name of asset if LLC, LP or C-Corp, see checklist for real property or notes) _____ \$ _____
Amount _____

2. Payee Information

Payee's Name _____

Address Type: Home Business Address: _____

City: _____ State: _____ Zip Code: _____

3. Funding Instructions Select method

VIA WIRE VIA ACH
(\$30 fee for wires)

VIA CHECK (No fee for regular mail and pick-up options, \$18 fee for overnight mail)

Bank Name _____

Bank Address _____

City _____ State _____ Zip Code _____

Phone #: _____

ABA/Routing #: _____

Bank Account #: _____

Other Instructions: _____

Check One:
 Pick-Up By: _____
Printed Name _____

Signature (upon pick-up)

Mail Check to Payee Address (above)

Mail Check to:

Name _____

Address _____


City _____ State _____ Zip Code _____

Overnight Check to Above Address
(Physical Address only; Fee \$18)

4. Authorization Must be authorized by either the Accountholder or a Designated Representative for the Account on file with PENSCO Trust Company.

I agree to release, indemnify, defend, and hold PENSCO Trust harmless for any claims arising out of this payment. This includes, but is not limited to, claims that this payment is not prudent, proper, legal, or diversified. I also understand and agree PENSCO Trust will not be responsible to take any action should the investment noted herein become subject to default, including fraud, insolvency, bankruptcy, or other court order or legal process. These *Payment and Funding Instructions* are further subject to all terms and conditions of the accountholder's Custodial Agreement with PENSCO Trust and all applicable State and Federal laws.

AUTHORIZED BY:

Accountholder _____ Printed Name of Authorizing Party _____
 Account's Designated Representative  _____ Signature (Required) _____ Date _____

For Office Use Only:

Asset ID: _____ Tran Code: _____ FW Officer: _____ Additional Inv. Overnight

Processed By: _____ Notes: _____ Date: _____