

Direction of Investment – Trustee Managed Checking Account

IMPORTANT INFORMATION

This form should be used when you are investing your Custodial Solo 401(k) account into a Checking Account where your 401(k) Plan is the owner, and you are Trustee and authorized signer for that bank checking account. This type of account is referred to as Trustee Managed Checking Account.

Processing Options

Select an option below. If no option is selected, Directed IRA will process your request as normal (within 3 business days). I understand that if my account does not have sufficient funds, my transaction may not be processed. Processing cannot begin until all Investment Documents have been received and determined to be in good order.

Next-Day Service (\$150) – Must be received by 4pm MST Same-Day Service (\$250) – Must be received by 10am MST

1. Account Owner Information

First Name: _____ MI: _____ Last Name: _____

Last 4 of SSN: _____ Date of Birth: _____ Phone Number: _____

Directed Account Number: _____ Account Type: _____

2. Investment Instructions

I authorize Directed Trust Company to invest the following amount from my custodial account at Directed to an account in my plan's name in the amount indicated below. The investment to the Trustee Managed Checking Account will be shown as an asset on my custodial account at Directed.

Amount \$ _____

Note: If the investment amount above exceeds the available cash in my account I hereby request the amount to be decreased to the available cash in my account.

3. Funding Instructions Please select option A or B below:

A. Check

Make Check Payable To Plan or Financial Institution: _____

Mail Check To: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Delivery: Regular Mail (7-10 business days) Priority Mail (2-3 business days) (\$15.00) Overnight Mail (\$35.00)

B. Electronic Funds Transfer

Bank Name: _____ Routing Number: _____

Account Holder's Name: _____ Account Number: _____

Reference Number: _____ Funding Deadline: _____

Delivery: Wire ACH Account Type: Checking Savings

4. General Acknowledgment and Agreement

I acknowledge that I am investing my account funds in a Trustee Managed Checking Account in the name of my Solo 401(k) Plan and I agree to provide certain information about the Checking Account to the Custodian of my Solo 401(k) account to allow them to properly complete any required reporting to the Internal Revenue Service or other governmental agencies.

- a) I acknowledge that the Custodian may determine that the information I provide is not sufficient to complete its obligations to the Internal Revenue Service. After notifying me of such deficiencies and allowing me to correct them, the Custodian, at its sole discretion, may determine the sufficiency of the information to comply with the Internal Revenue Service regulations and if insufficient, elect to close my Custodial 401(k) account.
- b) I acknowledge that any future changes in the Internal Revenue Code or other laws and regulation may require further action by me to allow the Custodian to continue to maintain the Trustee Managed Checking Account within my Custodial Solo 401(k) Account.
- c) I agree to hold harmless, protect and indemnify the Custodian from and against all liabilities, losses, damages, expenses and charges, including but not limited to attorney's fees, penalties and expenses of litigation, which the Custodian may sustain or might sustain resulting directly or indirectly from this investment.

5. Valuation

- a) I agree to provide an annual statement of the Trustee Managed Checking Account's fair market value to Directed on the Custodial Solo 401(K) Valuation form available on Directed IRA's website. This statement will include the balance of the account and the value of any and all assets the Trustee Managed Checking Account has purchased that are not assets directly held by the Custodial 401(k) account at Directed.
- b) I understand that the Custodian may require a fair market valuation from a third-party professional at the time of any taxable distribution, such as a Roth conversion, account owner in-kind asset distribution, or required minimum distribution and that a licensed professional must sign the valuation.

6. Prohibited Transactions

A prohibited transaction is a transaction or benefit between a plan (Solo 401(k) or a 401(k)/LLC) and a disqualified person. If your 401(k) or 401(k)/LLC engages in a prohibited transaction, your account will be distributed. Prohibited transactions are described in IRC Section 4975. Seek out the guidance of a licensed attorney, CPA, or tax advisor regarding compliance with these rules.

Prohibited transactions generally include the following transactions:

- A transfer of plan income or assets to, or use of them by or for the benefit of, a disqualified person;
- Any act of a fiduciary by which plan income or assets are used for his or her own interest;
- The receipt of consideration by a fiduciary for his or her own account from any party dealing with the plan in a transaction that involves plan income or assets;
- The sale, exchange, or lease of property between a plan and a disqualified person;
- Lending money or extending credit between a plan and a disqualified person;

- Furnishing goods, services, or facilities between a plan and a disqualified person.


A disqualified person is any of the following:

- You, the owner of the account;
- A member of your family (e.g., your spouse, parents, children and spouses of children);
- Any corporation, partnership, trust, or estate in which you, or certain family members own (either direct or indirect) 50% or more;
- An officer, director, 10% or more shareholder, or highly compensated employee of a company controlled by disqualified persons.

7. Acknowledgement & Signature

I agree to the foregoing and I understand that I am responsible, and Directed Trust Company and its related entities are NOT responsible, for selecting and reviewing the investment of my account. I understand that I am responsible and Directed Trust Company and its related entities are NOT responsible, for determining the suitability, nature, value, risk, safety and merits of the investment that I am making with my Solo 401(k) custodial account or with any Trustee Managed Checking Account.

Please note electronic signatures on the Direction of Investment form must include the electronic signature Certification page or Certification Stamp. If one is not included, we will not be able to process the Direction of Investment Form.



 Account Owner Signature

 Date

INVESTMENTS: NOT FDIC INSURED ■ NO GUARANTEE ■ MAY LOSE VALUE

Secure File Upload	Email Forms to: Investments@directedira.com	Send Mail to: 3033 N. Central Ave. Ste. 400 Phoenix, AZ 85012	Phone: (602) 899-9396 Fax: (602) 899-9641
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Directed IRA is a tradename of Directed Trust Company, an Arizona Corporation

Direction of Investment Disclosure

1. ACCOUNT OWNER WARRANTIES. As an account owner of a self-directed retirement account, I represent and warrant to Directed IRA Tradename Directed Trust Company (“Custodian”) the following:

- I. I warrant that I have properly titled the asset held by my retirement account;
- II. I warrant that I am not receiving any personal benefit from the investments made by retirement account (e.g. using your rental property as a vacation home);
- III. I acknowledge that if my retirement account invests in an asset that does not provide an automated update in regards to its fair market value (FMV), I must provide that value to Directed IRA each year as requested;
- IV. I acknowledge that an investment in my retirement account may create Unrelated Business Taxable Income (UBTI), and I should consult my tax advisor on the tax consequences of my investment;
- V. I warranty that my retirement account has invested in an asset that complies with all applicable federal and/or state requirements;
- VI. I warrant that I have provided all documentation associated with my investment to Directed IRA.
- VII. I acknowledge that I have read the disclosures provided with the Direction of Investment and accept any and all risk that may be associated with the asset I have chosen; and
- VIII. I understand that Custodian does NOT insure the investments made by retirement account.

2. Custodian nor Custodian’s agent has NOT selected nor recommended any investment for me; and neither Custodian nor any employee of Custodian has acted as a broker dealer or salesperson in completing any purchase or sale of an investment or a security from me.

3. Custodian has no obligation or duty to investigate, analyze, monitor, verify title to or otherwise evaluate any investment contemplated herein, or to obtain or maintain insurance coverage (whether liability, property, or otherwise) with respect to any assets or investment purchased by Account Owner. Custodian shall not be responsible to take any action should there be any default or any other obligation with regard to this investment unless instructed in a signed writing by Account Owner.

4. It is not the responsibility of Custodian to review or consider the prudence, merits, viability or suitability of any investment made by me or to determine whether the investment is acceptable under ERISA, the Internal Revenue Code or any other applicable law. I understand that certain transactions are

prohibited in individual retirement accounts and qualified retirement plans under Section 4975 of the Internal Revenue Code. I further understand that the determination of a prohibited transaction depends on the facts and circumstances that surround the particular transaction.

5. Custodian will make no determination as to whether my investment is prohibited. I further understand that should my account engage in a prohibited transaction, my account will incur a taxable distribution as well as possible penalties.

6. I represent to Custodian that I have consulted with my own legal, tax and accounting advisors to insure that my investment does not constitute a prohibited transaction and that my investment complies with all applicable federal and state laws, regulations and requirements including without limitation that the offering entity or individual is not a disqualified person under IRC 4975(e) (2).

7. In the event any investment for my retirement account produces taxable income (unrelated or debt financed) pursuant to IRC 511-514. I agree to prepare or have prepared for me, the required 990T tax form along with a direction of investment authorizing the Custodian to pay taxes from my account. Forms need to be submitted to the Custodian for filing five (5) days prior to the date on which they are due.

8. Custodian does not provide legal or tax services or advice with respect to my investment; and the undersigned releases and indemnifies, and agrees to hold harmless and defend Custodian in the event that my investment or sale of assets pursuant to the Direction of Investment violates any federal or state law or regulation or otherwise results in a disqualification, penalty, fine or tax imposed upon the account, Custodian, or the undersigned.

9. Custodian shall be fully protected in acting upon any instrument, certificate, or paper believed to be genuine and to be signed or presented by the proper person or persons whether or not by facsimile or other copy, and Custodian shall be under no duty to make any investigation or inquiry as to any statement contained in any such writing, but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

10. The undersigned represents to Custodian that if any investment is a “security” under applicable federal or state securities laws, such investment has been registered or is exempt from registration under federal and state securities laws and the undersigned releases and waives all claims against Custodian for its role in carrying out the instructions of

the undersigned with respect to such investment. The undersigned acknowledges that the foregoing representation is being relied upon by Custodian in accepting the undersigned's Direction of Investment and agrees to indemnify Custodian with respect to all costs, expenses (including attorney's fees). Fines, penalties, liabilities, damages, actions, judgements and claims arising out of such investment and/or breach of the foregoing representation.

11. The undersigned agrees that any documents sent to the undersigned by Custodian in connection with my investment shall be deemed approved by the undersigned, unless written notice to the contrary is received by the Custodian with the documents.

12. Any suit filed against Custodian arising out of or in connection with its role as Custodian of the undersigned's account shall only be initiated in the courts of Maricopa County, Phoenix; and the undersigned agrees to submit to such jurisdiction.

13. The undersigned agrees to reimburse or advance to Custodian, on demand, all legal fees, expenses, costs, fines and penalties incurred or to be incurred in connections with the defense, contest or prosecution of any claim made, threatened or asserted pertaining to the undersigned's investment through Custodian, including, without limitation, claims asserted by the undersigned, any state or federal regulatory authority or self-regulatory organization.

14. The undersigned releases and indemnifies, holds harmless and defends Custodian from any and all claims, damages, liability, actions, costs, expenses (including, without limitation, attorney's fees) and responsibility for any loss resulting to the account, the undersigned or to any beneficiary or incurred by Custodian, in connections with or by reason of any sale or investment made or other action taken (or omitted to be taken) pursuant to and/or in connection with this Direction of Investment or resulting therefrom. Under no circumstances shall Custodian be subject to or liable for any consequential, incidental, indirect, special, exemplary or similar damages, including without limitation, damages or costs incurred as a result of loss of time, loss of savings, loss of data, loss of revenues and/or profits, whether foreseeable or unforeseeable that may arise out of or in connection with this agreement or Custodian complying with your directions, regardless if such damages are based in contract, tort, warranty, negligence, strict liability, products liability or otherwise.

15. The undersigned acknowledges, understands and agrees that this Direction of Investment and any other Direction of Investment of the undersigned is subject to all of the term, conditions, representations, warranties and agreements contained in this Direction of Investment Disclosures, the undersigned's Custodial Agreement and Disclosure Information and any other documents or disclosures provided to you by Custodian.



Account Owner Signature

Date

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[Secure File Upload](http://www.directedira.com/secureupload)

www.directedira.com/secureupload

Email Forms to:

Investments@directedira.com

Send Mail to:

3033 N. Central Ave. Ste. 400
Phoenix, AZ 85012

Phone: (602) 899-9396

Fax: (602) 899-9641

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