

**Real Choice. Real Control. Real Wealth.**

Dear *RealTrust* Self-Director:

The following action steps must be completed and pertinent documents delivered to *RealTrust's* Operations Center at least ***48 hours prior*** to the requested funding date for a Private Placement investment. As your contemplated investment opportunity is to be held in a *RealTrust* Self-Directed Account, the instructions set forth below must be followed to ensure compliance with both IRS requirements and *RealTrust* policies.

- (1) **Account Holder must fully and accurately complete/sign/return an Asset Purchase Directive to *RealTrust* (on forms provided by *RealTrust*).**
  
- (2) **Account Holder must review, sign and return the following documents to *RealTrust*:**
  - *RealTrust* Private Placement Instructions (included herewith)
  - Subscription Agreement (with correct vesting as shown in the Private Placement Instructions)
  
- (3) **Account Holder must provide *RealTrust* a copy of the following legal documents (as applicable):**
  - LLC: Operating Agreement & Subscription Agreement
  - LP: Partnership Agreement & Subscription Agreement
  - Corporation: Articles of Incorporation, By Laws & Subscription Agreement
  - Private Placement Offering Memorandum
  - EIN of investment entity
  - Other: \_\_\_\_\_
  
- (4) **Account Holder must sign as “Reviewed and Approved” on all documents PRIOR to *RealTrust* executing the pertinent document(s) and funding the investment.**

***Please take Note:*** Delays in completing the action steps and/or returning the documents listed above (including providing incomplete or inaccurate documentation) will likely result in a delay of funding. *RealTrust* reserves the right to charge a “Rush” or “Special Handling Fee” in such event.

If you have any questions, please contact the *RealTrust* Operations Center at (509) 888-8100 or [info@realtrustgroup.com](mailto:info@realtrustgroup.com). We are here to help our clients throughout the process and to expedite funding.

We look forward to serving you!

**RealTrust Operations Staff**

Operations Center

312 E. Trow Avenue, Suite 201 ♦ P.O. Box 69 ♦ Chelan, WA 98816  
(509) 888-8100 (office) ♦ (877) 536-4100 (toll free)  
[www.realtrustgroup.com](http://www.realtrustgroup.com)



**Instructions for 401(k) Investment  
in Private Placement**

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**Account Owner:**

**Name:** \_\_\_\_\_

**RealTrust Account Number:** \_\_\_\_\_

**Name of Entity for Investment:** \_\_\_\_\_

**Administrator/Record-Keeper: Foundation Trust Company, LLC/RealTrust IRA Alternatives, LLC ("RealTrust")**

*RealTrust* has received instructions from the above-referenced Account Owner concerning an investment in the above-named entity through his or her 401(k) Account. The investing Account is referred to in this document as the "Account", regardless of whether it is a retirement account under Internal Revenue Code (the "IRC") §401, §408 or §408A.

**The following instructions must be followed to ensure compliance with both IRS requirements and *RealTrust* policy:**

**1) Account vesting to read (EXAMPLE ONLY, no action required):**

" \_\_\_\_\_ 401(k) Plan & Trust FBO \_\_\_\_\_ Participant"  
(Employer Plan Name) (Account Owner)

**2) *RealTrust* requires the Employer Identification Number (EIN) for the Private Placement entity being invested in. Please provide us this information **at least 48 hours prior** to the requested funding date for this investment. *Client Initials:* \_\_\_\_\_**

Please do not use the Account Owner's personal social security number with respect to this investment for any purpose. If the Account is an Investor to which a K-1 or similar tax document will be issued, please use the following Trust EIN: \_\_\_\_\_.  
**(401(k) Plan EIN)**

Even if the Account will be a 100% owner of the given entity, the entity must obtain its own EIN. The Account is not permitted to use *RealTrust's* or the 401(k) Plan's EIN for any purpose other than the issuance of a K-1 or similar report to the Account Owner.

**3) Contact information and the correct mailing address for this investment should be listed as follows in your records:**

**RealTrust IRA Alternatives, LLC**  
**Attention: Operations Center**  
312 E. Trow Avenue, Suite 201  
P.O. Box 69  
Chelan, WA 98816  
Phone: (509) 888-8100

All notices concerning the investment in the entity should be sent to *RealTrust* at the above address, with a copy to the Account Owner. Any questions pertaining to the Account should be referred to *RealTrust*.

**RealTrust IRA Alternatives, LLC    Toll Free (877) 536-4100    Fax: (866) 904-8117    [info@realtrustgroup.com](mailto:info@realtrustgroup.com)**

**[www.RealTrustGroup.com](http://www.RealTrustGroup.com)**

**Instructions for 401(k) Investment  
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- 4) Original stock certificates, LLC membership certificates or other proof of ownership showing the proper vesting must be sent to and held by *RealTrust* on behalf of the Administrator and Account. *Client Initials:* \_\_\_\_\_
- 5) Because of federal privacy laws, *RealTrust* is not able to answer third party inquiries about the Account unless the Account Owner has filed with *RealTrust* an original Interested 3<sup>rd</sup> Party Designation or Limited Power of Attorney, with the signature(s) either notarized or Medallion Guaranteed, giving the person making the inquiry authority to obtain information about the Account. *Client Initials:* \_\_\_\_\_
- 6) *RealTrust* must be provided with a fair market value of the Account's interest in the Private Placement entity by January 15th of each year, in a form acceptable to *RealTrust*. *RealTrust* is required to send the Account Owner a year end account statement by January 31 each year showing the fair market value as of December 31 of the prior year. *Client Initials:* \_\_\_\_\_
- 7) All payments, income, distributions or payoffs for this investment must be sent to *RealTrust* for the benefit of the Account. Under the Internal Revenue Code, it is not acceptable to send funds directly to the Account Owner (or the Account Owner's nominee or designee). *Client Initials:* \_\_\_\_\_
- 8) As the Record-Keeper of the investment on behalf of the Account, *RealTrust* must be notified promptly of any change in address, telephone number, or Company status (such as bankruptcy, governmental investigations or litigation). *Client Initials:* \_\_\_\_\_
- 9) If the Account Owner dies, requests a distribution of the asset, converts the 401(k) to an IRA or to a Roth IRA, obtains a divorce in which all or part of the Account is awarded to the Account Owner's former spouse, or changes the custodian or administrator of the Account, it may be necessary to change the ownership and address listed as the investor in the entity. In any of these events, *RealTrust*, the Account Owner, or the successor to a deceased Account Owner in the case of death, will provide written notice of any such change and the pertinent records must be changed to reflect the new information at that time. *Client Initials:* \_\_\_\_\_
- 10) In the event that future capital contributions to the entity are requested or desired (and provided the Account Owner determines that the capital call is not a prohibited transaction under Internal Revenue Code §4975 and there are sufficient funds in the Account), all such funds must come from the Account. The Account Owner may not advance personal funds on behalf of the Account.
- 11) The Account Owner may not personally guarantee any indebtedness of the Private Placement entity in favor of a third party nor may the Account Owner guarantee any indebtedness of the Account in favor of such entity. *Client Initials:* \_\_\_\_\_
- 12) If the Private Placement entity will operate a business or own debt-financed property, and is a pass-through entity for federal income tax purposes, the Account may incur Unrelated Business Income Tax (UBIT) on income or profits from the investment. *RealTrust* does not prepare or file IRS Form 990T or any similar state tax filings on behalf of the Account. The Account Owner is responsible for causing these forms to be prepared and filed. Any taxes due must be paid from funds belonging to the Account and not come from the Account Owner, personally. *Client Initials:* \_\_\_\_\_
- 13) If this investment is for accredited investors only, the Account Owner, in his or her capacity as the beneficiary of the Account, must sign any required accredited investor certifications. *Client Initials:* \_\_\_\_\_



**Instructions for 401(k) Investment  
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(continued)**

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**14)** If the Plan Asset Regulations apply to this investment, the Account will be deemed to own not only shares in the entity itself but also a pro rata share of the underlying assets of the entity for purposes of the prohibited transaction rules of Internal Revenue Code §4975. A review of the prohibited transaction rules, the Plan Asset Regulations (29 C.F.R. §2510.3-101) and Interpretive Bulletin 75-2 (29 C.F.R. §2509.75-2) is strongly encouraged so the Account Owner will know which assets need to be evaluated and how to conduct the evaluation, with respect to the existence or absence of a prohibited transaction. If a prohibited transaction occurs, the Account is treated as having been distributed to the Account Owner as of January 1 of the year in which the prohibited transaction occurs. Additional penalties may apply to other disqualified persons who participated in the prohibited transactions. *Client Initials:* \_\_\_\_\_

**15)** *RealTrust* does not review or complete the subscription agreement, by-laws, operating agreement, partnership agreement, or trust agreement, as applicable, other than to verify that the ownership of the asset is vested correctly, the mailing address and employer identification number (EIN) are correct, and the amount of the investment matches the Asset Purchase Directive submitted by the Account Owner. The Account Owner is responsible to make sure the entity is formed properly and will operate in a way that does not violate the prohibited transaction rules of Internal Revenue Code §4975. *Client Initials:* \_\_\_\_\_

**If you have any questions regarding these instructions, feel free to contact *RealTrust* and/or your Account Manager as noted in paragraph 3. Please be aware that *RealTrust* does not provide tax, legal or investment advice on this or any other matter.**

**I acknowledge receipt of this Private Placement Instruction Letter and agree to provide *RealTrust* with the required documents and information at least 48 hours prior to funding of the contemplated investment.**

**PLEASE SIGN AND RETURN THIS FORM TO *REALTRUST'S* OPERATIONS CENTER AT YOUR EARLIEST CONVENIENCE.**

**ACKNOWLEDGED AND ACCEPTED**

\_\_\_\_\_  
\_\_\_\_\_, Account Owner

**Date:** \_\_\_\_\_