

# Asset Conversion / Exchange Form

**Use this form to direct Quest Trust Company (QTC) to fund or convert an investment for your account.**

**Processing Instructions:** The official processing of investment documents begins on the first business day in which all investment forms and correctly vested agreements are properly endorsed and submitted to QTC. Once all forms and agreements have been correctly submitted, funding can be expected within 48 business hours of that time.

**Titling/Vesting:** All sole-ownership investment documents must be titled in the following format:

**Quest Trust Company FBO [Account Holder's Name] [IRA or HSA or CESA] #[Account Number]**

If using another account type, please contact a Transaction Specialist at 855-386-4727 with any questions.

## A Account Holder Information

<b>Legal First &amp; Last Name:</b>	<b>Account Number:</b>	<b>Account is an Inherited IRA:</b> Yes      No
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<b>Account Type:</b>	Traditional IRA	Roth IRA	SEP IRA	Simple IRA	HSA	ESA
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## B How Would You Like to Pay Your Fees

Choose a Payment Method:      Deduct from Account      Check Enclosed      Credit Card on File  
To add, change, or update a credit card, please contact our offices.

**QTC Fees:**

\$125 Asset Purchase Fee	\$0-\$35 Postage Fee
\$95 Non-Recourse Loan Fee (if applicable)	\$0-\$30 Funding Method (Wire, ACH, or Check)
\$350 Annual Administration Fee (if applicable)	

## C Asset To Be Exchanged

<b>Current Asset Type:</b> Real Estate      Cashier's Check      Promissory Note      Private Entity/Stock      Other: _____				
<b>Asset Name/Description/Cashier's Check Number:</b>			<b>Conversion Type:</b> Complete      Partial	
<b>Current Market Value:</b>	<b>Expected Closing Date:</b>	<b>Has your percentage of ownership changed:</b> No      Yes, ownership % is _____		

## D New Asset Information

**PROMISSORY NOTE**

<b>Note Amount:</b>	<b>Funding Amount:</b>	<b>Interest Rate:</b>	<b>Maturity Date:</b>
<b>Percentage of note that will be owned by this account:</b> 100% Sole Ownership Co-Ownership: _____% of Ownership		<b>Repayment Details:</b> Payment Amount: _____ <b>Frequency:</b> Interest Only Amortized* Other: _____	

\*If amortized, please include copy of amortization schedule.

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**Borrower's Name (If entity, include entity name and managing member):**

**Borrower's Street Address:**

**Borrower's City, State, Zip Code:**

**Collateral for Note:**

**Unsecured Note** Please read and initial below.

\_\_\_\_\_ I acknowledge that QTC did not recommend this investment nor are they responsible to perform any due diligence on this investment. I acknowledge that this loan is unsecured and is not guaranteed by QTC or any other party, entity, or individual. **Additionally, I agree to submit the original note to QTC within 30 days.**

**Secured Note** Please read and initial below.

\_\_\_\_\_ I understand that Quest Trust Company will not record any collateral documents, including, but not limited to mortgages, deeds of trust, and other liens, with any county or governing body. I understand it is my responsibility to ensure proper recording is done regardless of whether funds are sent through a title company or directly to the borrower.

This note is secured by:

Real Estate: Property Address: \_\_\_\_\_

Title Company (Name & Contact): \_\_\_\_\_

Will the property be used as the borrower's primary residence? Yes No

Mobile Home: Vin Number: \_\_\_\_\_

Other: Description: \_\_\_\_\_

## REAL ESTATE/TAX LIEN ASSET

**Asset Name/Property Address:**

**Legal Description:**

**Auction Price/Property Value:**

**Is the account partnering for purchase?**

## PRIVATE ENTITIES

**Entity Type:**

LLC C Corporation Trust Limited Partnership Joint Venture

Capital Call Other: \_\_\_\_\_

**Name of Entity:**

**Managing Member Name:**

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Entity Established Date:		Will stock certificates be issued?    No    Yes	
		Type of stock certificate:    Physical    Book Shares    Digital Shares	
Number of Shares/Percentage of Ownership:	Value of Conversion:	Dollar Amount to be Funded:	

**Initial Public Offering** I understand that QTC does not hold public stock. If this investment becomes publicly traded, I understand that I will need to transfer the investment out and my account will automatically be assessed a \$150 Special Services fee.

## E Annual Fair Market Valuations

Fair Market Valuations (FMVs) are an annual requirement set forth by the IRS to determine the value of the non-cash assets in your IRA. These are due at the conclusion of each calendar year, no later than January 15<sup>th</sup>. FMV submissions require supporting documentation to support the value. You may elect for QTC to conduct asset research for a \$75 fee.

To satisfy this requirement, I elect:

I will obtain an independent qualified valuation and provide it to QTC when requested.

I authorize QTC to complete the asset research (\$75). If QTC is unable to update the value, I will not be charged, but still be responsible for providing the current value.

## F Prohibited Transactions & Disqualified People

A prohibited transaction under the Internal Revenue Code (IRC) is a transaction prohibited by law between a retirement account and the IRA owner, his or her beneficiary, or any disqualified person. IRC Section 4975 (c) and (e) lists the prohibited transactions and disqualified persons. Disqualified persons include the IRA owner's fiduciary and members of his or her family (spouse, ancestor, lineal descendant, and any spouse of a lineal descendant). If a prohibited transaction occurs, the effect is that the account is treated as distributed at its fair market values on the first day of the year.

1. Are any of the above-mentioned individuals an officer, director, or employee of the investment entity or any affiliate of the investment entity?    Yes    No
2. Do any of the above-mentioned individuals currently own any percentage of the investment entity or affiliate of the investment entity?    Yes    No
3. Will any of the above-mentioned individuals or entities under their control collectively own a majority or controlling interest of the investment entity?    Yes    No
4. Will any of the above-mentioned individuals or any other disqualified person receive a personal gain or benefit as a result of the purchase of this investment?    Yes    No

If yes to any of the questions above, please explain:

## G Document Acknowledgement

**Fully Executed Documents.** Quest Trust Company (QTC) requires fully executed documents to hold any asset in your account. Fully executed documents are documents that are signed by all parties. Fully executed documents prove, legally, that your IRA owns the asset.

I acknowledge and ensure that QTC will receive fully executed documents within 30 days of the funding of this investment. I agree and understand that failure to submit these documents may lead to distribution of the asset at full face value.

**E-Sign Service Option (Available only if closing with a Title Company)** QTC has an authorized e-sign service (Adobe-Sign) that is preferred for funding. However, account holder may opt out of using the service if closing with a title company.

I opt out of using QTC's authorized e-sign service and authorize QTC to accept the signatures provided by the title company for funding. I understand that QTC will only accept e-sign signatures if transaction is closing with a title company. QTC reserves the right to require additional acknowledgment.

## H Final Closing/Funding Instructions

Your account must have a cash balance with funds available for immediate use. If you are expecting a transfer or deposit that is needed for funding, be aware that incoming checks have a 5-day hold, and incoming wires clear within 24 hours.

Fund via:      Wire (\$30)      ACH (Free)      Check (\$5)      Cashier's Check (\$10)      No funding required

ACH/Wire Instructions		Check Instructions
Name of Bank:	Account Name:	Make Check Payable To:
ABA/Routing Number:	Account Number:	Mail Check To:
For Further Credit To:		Send Check via:      Regular Mail (Free) USPS Trackable Mail (\$10) Overnight Mail (\$35 Fee) Hold for pickup:      Houston Office

## I Authorization

I confirm that I am directing QTC, as Custodian of my account, to complete this transaction as specified above. I specifically authorize the Custodian to execute any and all documents necessary to complete this transaction. I understand that my account is self-directed, and I take complete responsibility for any investment I choose for my account, including the investment specified in this Direction of Investment. I understand that the Custodian does not sell or endorse any investment products, and that they are not affiliated in any way with any investment provider. I understand that the role of the Custodian is limited, and the Custodian's responsibilities do not include investment selection for my account. I acknowledge that the Custodian has not provided or assumed responsibility for any tax, legal, structuring or investment advice with respect to this investment, and I agree that the Custodian will not be liable for any loss that results from my decision to purchase this investment.

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I understand that the Custodian has not reviewed nor will review the merits, legitimacy, appropriateness, or suitability of this investment for my account, and I certify that I have done my own due diligence investigation prior to instructing the Custodian to make this investment for my account. I understand that the Custodian does not determine whether this investment is acceptable under the Employee Retirement Income Security Act (ERISA), the Internal Revenue Code (IRC), or any applicable federal, state, or local laws, including securities laws. I understand that it is my responsibility to review any investments to ensure compliance with these requirements.

I understand that in processing this transaction the Custodian is only acting as my agent, and nothing will be construed as conferring fiduciary status on the Custodian. I agree that the Custodian will not be liable for any investment losses sustained by me or my account as a result of this transaction. I agree to indemnify and hold harmless the Custodian from any and all claims, damages, liability, actions, costs, expenses (including reasonable attorneys' fees) and any loss to my account as a result of any action taken in connection with this investment transaction or as a result of serving as the Custodian for this investment, including, without limitation, claims, damages, liability, actions and losses asserted by me.

I understand that if this Direction of Investment and any accompanying documentation are insufficient, or if the Custodian deems it to be administratively infeasible to act as the Custodian for this investment, the Custodian may choose not to process this transaction. For instance, if the required information or documents are not received as required, or, if received, are unclear in the opinion of the Custodian; or, if there is insufficient Undirected Cash in my account to fully comply with my instructions to purchase the investment and to pay all fees. Again, the Custodian reserves the right to not process this transaction until proper documentation and/or clarification is received, and the Custodian will have no liability for loss of income or appreciation. According to my Custodial Agreement, I understand that the Custodian, in lieu of the original records, may cause any, or all, of its records, and records at any time in its custody, to be photographed or otherwise reproduced to permanent form, and any such photograph or reproduction shall have the same force and effect as the original thereof and may be admitted in evidence equally with the original.

I understand that the Custodian is not required to complete, file, or advise on any forms or requirements per the Corporate Transparency Act. I understand that I am solely responsible for conducting my due diligence and evaluating the necessity for such reporting. I understand that the Custodian does not bear or assume any responsibility to notify me of filing requirements or deadlines. I understand that the Custodian is not responsible for the accuracy and completeness of the information I provide in the CTA forms.

I understand that my account is subject to the provisions of Internal Revenue Code (IRC) §4975, which defines certain prohibited transactions. I acknowledge that the custodian has not made nor will make any determination as to whether this investment is prohibited under §4975 or under any other federal, state, or local law. I certify that making this investment will not constitute a prohibited transaction and that it complies with all applicable federal, state, and local laws, regulations and requirements.

I understand that my account is subject to the provisions of IRC §§511-514 relating to Unrelated Business Taxable Income (UBTI) of tax-exempt organizations. If this investment generates UBTI, I understand that I will be responsible for preparing or having prepared the required IRS Form 990-T tax return and any other documents that may be required. I understand that the Custodian does not make any determination of whether or not investments in my account generate UBTI. I understand that with some types of accounts there are rules for Required Minimum Distributions (RMDs) from the account. If my account is now subject to the RMD rules, or will become subject to those RMD rules during the term of this investment, I represent the following: I have verified that this investment will provide income or distributions sufficient to cover each RMD; or as an alternative, I affirm that there are other liquid assets in this account or in another account from which I will be able to withdraw my RMDs. I understand that failure to take RMDs may result in a tax penalty of 50% of the amount I should have withdrawn.

I understand that all communication regarding this transaction must be in writing and must be signed by me or by my authorized agent on my behalf, and that no oral modification of my instructions will be valid. I agree to indemnify and hold harmless the Custodian and its respective officers, directors, shareholders and employees against any liability associated with making this investment, including any liability that arises because the investment is or may be a prohibited transaction under IRC §4975. I understand that I am responsible for confirming that no "disqualified person" with respect to my account will benefit from this investment in any way which is prohibited by IRC §4975.

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I represent that I have done my own due diligence on the investment. I understand that the Custodian does not make any attempt to evaluate the investment or the individuals involved with the investment. I understand that I am solely responsible for evaluating the investment and its potential for profitability. I understand that the Custodian does not bear or assume any responsibility to notify me or to secure or maintain any fire, casualty, liability or other insurance coverage, including but not limited to title insurance coverage, on this investment or on any property which serves as collateral for this investment. I acknowledge and agree that it is my sole responsibility to decide what insurance is necessary or appropriate for investments in my account, and to direct the Custodian in writing (on a form prescribed by the Custodian) to pay the premiums for any such insurance.

I further understand and agree that the Custodian is not responsible for notification or payments of any real estate taxes, homeowner's association dues, utilities or other charges with respect to this investment unless I specifically direct the Custodian to pay these amounts in writing (on a form prescribed by the Custodian), and sufficient funds are available to pay these amounts from my account. I acknowledge that it is my responsibility to provide to the Custodian or to ensure that the Custodian has received any and all bills for insurance, taxes, homeowner's dues, utilities or other amounts due for this investment. Furthermore, I agree that it is my responsibility to determine that payments have been made by reviewing my account statements.

I understand that no person at the office of the Custodian has the authority to modify any of the foregoing provisions. I certify that I have examined this Direction of Investment and any accompanying documents or information, and to the best of my knowledge and belief, it is all true, correct and complete.

Prepared By:

Account Holder

Limited Power of Attorney

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date