



PRIVATE NOTE INVESTMENT DIRECTIVE

M2 Trust Services, LLC
700 17th Street, Suite 1100
Denver, CO 80202
Phone: (888) 265-1225

ACCOUNT HOLDER INFORMATION

Account # _____ First Name _____ Last Name _____

INVESTMENT DIRECTIVE

Change Request. Check this box if this request is a modification of an original request.

I hereby authorize the **Purchase** **Sell** of the following asset:

INVESTMENT INFORMATION

Select Type of Investment

- Unsecured Note Loan Amount _____ Interest Rate _____
- Secured Note Maturity Date _____
- Convertible Note
- Mortgage / Deed of Trust

BORROWER(S) INFORMATION

Name _____

Address _____

City _____ State _____ Zip _____

Phone _____ Email _____

LOAN SERVICING AGENT, IF APPLICABLE

Name _____

Address _____

City _____ State _____ Zip _____

Phone _____ Email _____

FUNDING INSTRUCTION

- Send Funds by Check** **U.S. Postal Service** **FedEx**

Payee Name _____

Address _____

City _____

State _____ Zip _____

Billing Account Number _____ Third Party Zip Code _____

- Send Funds by Wire** (Wire Fee Will Apply) See Attached Wire Instructions

Bank Name _____ Bank Phone Number _____

Bank Address _____

Routing # _____

Account # _____

For Credit To _____ For Final Credit To _____

Send Funds by ACH (ACH Fee Will Apply)

See Attached ACH Instructions

Bank Name	<input type="text"/>	Bank Phone Number	<input type="text"/>
Bank Address	<input type="text"/>		
Routing #	<input type="text"/>		
Account #	<input type="text"/>		
For Credit To	<input type="text"/>	For Final Credit To	<input type="text"/>

ACKNOWLEDGMENT, AUTHORIZATION & ACCOUNT HOLDER SIGNATURE

I hereby acknowledge M2 Trust Services, LLC ("M2 Trust") and it's' officers, employees, directors and representatives (collectively, "representatives") did not provide tax, legal or investment advice; my account is self-directed; and I assume full responsibility for this investment. I understand and agree M2 Trust is not responsible for and does not guarantee the products, services or performance of any investment. I hereby release and agree to indemnify and hold harmless M2 Trust, its representatives, owners, affiliates, successors and assigns from any liability for any adverse consequences that may result from this investment. I agree to hold harmless, protect and indemnify M2 Trust and its representatives from and against any and all liabilities, losses, damages, expenses and charges that they may incur or sustain resulting directly or indirectly from my investment. I certify that the information and instructions provided, and the elections made by and through this investment directive, are true, correct and do not constitute a prohibited transaction under IRC § 4975. I hereby direct the purchase or sale of the asset listed above for my account.

Account Holder's Signature

Date

X

INVESTMENTS IN PRIVATE NOTES

Please read this entire document prior to completing an investment directive. Private note investments, such as promissory notes, trust deeds and mortgages may be purchased at your direction. Make sure all investment related paperwork is accurately completed prior to sending to M2 Trust. Investment packages which are submitted with improperly executed documents or missing items will be considered incomplete and may result in processing delays and/or a reprocessing fee (refer to fee schedule).

All documents must reflect the owner to be **M2 Trust, cust fbo [Your Name] [IRA Account#]** and use **M2 Trust's tax identification number: 83-2254374.**

Required Documents

The following supportive documents and information must be provided to M2 Trust with the Private Note Investment Directive.

Unsecured and Convertible Promissory Note

- Private Note Investment Directive
- Proposed note and assignment, if applicable
- Loan servicing agreement, if applicable
- Amortization or payment schedule

Promissory Note Secured by Assets other than Real Estate

- Private Note Investment Directive
- Proposed note and assignment, if applicable
- Loan servicing agreement, if applicable
- Collateral documentation

Promissory Note Secured by Real Estate

- Private Note Investment Directive
- Proposed note and assignment, if applicable
- Loan servicing agreement, if applicable
- Proposed deed of trust/mortgage or assignment
- Escrow instructions, if applicable

IMPORTANT: DO NOT set a closing date until all the items listed above have been provided in good order to M2 Trust. Upon closing you must arrange for the executed notes, documents, etc., to be sent directly to M2 Trust.

SERVICING AGENT

M2 Trust highly recommends you designate a servicing agent for each promissory note investment. M2 Trust does not provide this service. You may act as the servicing agent or may engage a third-party servicing agent. **NOTE: See special rules apply when you act as the servicing agent.** You or a third-party will be responsible for:

- Preparation of documents related to the investment. The promissory note registration must reflect **M2 Trust, cust fbo [Your Name] [IRA Account#]** as the lender. In addition, documents used to secure the note, if applicable, must reflect the above registration and use our mailing address:

M2 Trust Services, LLC
700 17th Street, Suite 1100
Denver, CO 80202

After recordation, in the appropriate county, all original documents must be sent to M2 Trust for safekeeping.

- Collection of payments. All payments must be made payable to: **M2 Trust, cust fbo [Your Name] [IRA Account#]**.
- Providing M2 Trust with a breakdown of how funds should be applied to the loan (e.g. principal, interest, late fees, etc.)
- Taking action, including legal action, to correct defaults and enforce guarantees. Any such action has to be commenced in the name of **M2 Trust, cust fbo [Your Name] [IRA Account#]**.
- Sending invoices to M2 Trust with your authorization to issue payment from your account for any fees or expenses related to your investment. Alternatively, if a third-party servicing agent collects payments directly from the borrower and maintains an account in the name of **M2 Trust, cust fbo [Your Name] [IRA Account#]**, they may pay expenses directly.
- Maintain accurate records of all transactions, collection, disbursements, enforcement efforts, and other matters relating to the servicing agent's duties, and provide a full accounting to M2 Trust on a quarterly basis (or upon request) of all records, including a payment history and all expenses disbursed by the servicing agent.
- Monitoring to ensure adequate insurance is maintained by the borrower on any real estate or other real property.
- Promptly communicate in writing to M2 Trust all matters pertaining to the note, such as a default on the note or by other senior lien holders; failure of borrower to maintain adequate insurance; death or bankruptcy of the borrower; dissolution of a borrower that is an entity; any pending or threatened condemnation or litigation involving underlying collateral; or determination that the note is worthless.
- Comply with all applicable federal, state, and local laws, rules, ordinances & regulations.

SPECIAL RULES APPLY WHEN YOU ACT AS SERVICING AGENT

In the event you act as your own servicing agent, the following rules apply in accordance with Internal Revenue Code § 4975:

- All payments must be made payable as follows: **M2 Trust, cust fbo [Your Name] [IRA Account#]**.

- Any payment accepted and deposited by you that are not payable to M2 Trust will be deemed a distribution and reported on IRS form 1099-R.
- You cannot receive any consideration or payment (e.g. you cannot pay yourself income for acting as servicing agent).

PROHIBITED TRANSACTIONS

As a self-directed IRA Account Holder, it is important for you to be familiar with prohibited transactions. Internal Revenue Code § 4975 prohibits interactions between your account and certain individuals and entities related to you. A prohibited transaction is any transaction between your account and a disqualified person or entity. A disqualified person is yourself, any lineal descendant (i.e. children, grandchildren, parents, grandparents, etc.), spouse, spouse's 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 your account and a disqualified person. For example, you cannot invest funds into an entity managed or controlled by a family member or lineal descendant.
- Furnishing goods, services or facilities between your account and a disqualified person.
- Transfer or use by or for the benefit of a disqualified person, the income or assets of your account.
- Dealing with income or assets of your account by a disqualified person acting in his/her own interest or for his/her own account.
- Receipt of any personal consideration by you or other disqualified person from any party in connection with a transaction involving the income or assets of your account.

For more information about prohibited transactions, refer to IRS PUBLICATION 590 and/or IRC § 4975. Please contact an attorney if you require assistance interpreting this material.

SUBMISSION OPTIONS

How to Submit Your Investment Directive - You can submit investment directives by mail, fax or email. Note: If the investment entity requires original ink signature(s) please mail the investment directive with the supporting documents to M2 Trust.

Mail	Fax	Email
M2 Trust Services, LLC 700 17th Street, Suite 1100 Denver, CO 80202	Fax: (720) 420-8381	Investments@M2Trustservices .com

DISCLOSURES

M2 Trust has not and will not complete any due diligence with regard to investments and will not question or review your investment decision. Investment decisions within your account are made entirely by you. You are responsible for the selection and management of all investments held in your account. M2 Trust is not a fiduciary as such term is defined in the Internal Revenue Code, ERISA or any other applicable local, state or federal laws. M2 Trust makes no representations or guarantees concerning investments and any such claims made by a financial representative or product provider are not supported by M2 Trust. M2 Trust does not sponsor or endorse any investment nor does it evaluate investments as to their merit.

M2 Trust typically processes investment paperwork within three business days, unless expedited service is requested (at an additional cost). Expedited service requests do not guarantee same-day service. If expedited service is requested, all required documents must be submitted with the investment directive at the same time.

M2 Trust charges a transaction fee to process investment transactions and an asset holding fee each quarter (refer to fee schedule).

You are responsible for the following: a) verify the individual or investment company you select places your funds into the proper investment; b) obtain necessary documentation from the individual or investment company to verify that the funds were correctly invested, including, but not limited to, issuance of proper certificates, appropriate allocation of shares or units, proper recordation; and c) ensure documentation evidencing your investment is sent to M2 Trust. M2 Trust is responsible for safekeeping only those documents which you or their agent delivers to M2 Trust.

Certain investments may generate Unrelated Business Taxable Income ("UBTI"), refer to §§ 511 through 514 of the Internal Revenue Code for more information. M2 Trust does not monitor UBTI and does not prepare Form 990-T. If such tax is applicable, you are responsible to have the proper 990-T tax form prepared and forwarded to M2 Trust along with your authorization to pay the tax from your account.

Investments may be subject to review by M2 Trust prior to funding in order to determine administrative feasibility. M2 Trust reserves the right to: 1) charge a nonrefundable special services fee for such reviews; and 2) not process any investment which it determines contains administrative, management or safekeeping requirements beyond our capabilities or expertise.

M2 Trust is required to report fair market values of assets held in the account. After the end of each year M2 Trust will send a fair market valuation request to investment entities. If the investment entity fails to respond to our request, your account may be charged a Late Asset Valuation Fee. If no valuation information is provided, M2 Trust will carry the investment at the last know value which might be the original acquisition value.

The investment is NOT insured by the FDIC, and is NOT a deposit or other obligation of, or guaranteed by M2 Trust. Investments are subject to investment risk, including the possible loss of the principal amount invested.