

Private Placement Instruction Letter for Account Owner



IRA Resources, Inc.
6825 La Jolla Blvd.
La Jolla, CA 92037

Phone: 858 459 1212
Toll Free: 888 322 6534
Fax: 858 459 6565
www.iraresources.com

Account Owner Name: _____

Account Number: _____

Name of Entity for Investment: _____

Name of Administrator or Record keeper: **IRA Resources Inc.**

IRA Resources Inc. (*Administrator/ Record Keeper*) has received instructions from the above referenced Account Owner concerning an investment in the above named entity through his or her Account. The account to be invested 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, a Coverdell Education Savings Account under IRC §530, or a Health Savings Account under IRC §223.

The following instructions must be followed to ensure compliance with both IRS requirements:

1. All vestings to read: **IRA Resources Inc. FBO** " _____ " " _____ "
Account Owner Name Account Number
2. **IRA Resources Inc.** requires the employer identification number (the E.I.N.) for the entity being invested in. Please provide us this information for our records prior to our funding this investment.

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 E.I.N.:
33-6305812

If the Account is a 100% owner of the entity, the entity must apply for its own E.I.N. It is not permitted under IRA Resources policy to use the E.I.N. listed above for any purpose other than the issuance of a K-1 or similar tax document to the Account.

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

Attn:	Office Name:	IRA Resources Inc.	
	Address:	6825 La Jolla Blvd.	
	City, State, Zip	La Jolla, CA 92037	
	Phone:	(888)-322-6534	Fax: (858)-459-6565

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

4. Original stock certificates, membership certificates or other proof of ownership showing the proper vesting must be sent to and held by the Administrator listed in paragraph 3 on behalf of the custodian and the Account.
5. Because of federal privacy laws the Administrator is not able to answer third party inquiries about the Account unless the Account Owner has filed with the Administrator an original Interested 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 on the Account.
6. The Administrator must be provided with a fair market value of the Account's interest in the entity by January 15th of each year, in a form acceptable to the Administrator. The Administrator, acting on behalf of the custodian, is required to send the Account Owner a year end account statement by January 31 each year showing the value as of December 31 of the prior year. This valuation information is also reported to the IRS on Form 5498. The fair market value information is needed in order to complete that reporting.
7. All payments, income, distributions or payoffs for this investment must be sent to the Administrator for the benefit of the Account. Under the Internal Revenue Code, it is never acceptable to send funds directly to the Account Owner (or the Account Owner's nominee or designee).

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8. As the owner of the investment on behalf of the Account, the Administrator (who is acting on behalf of the custodian in this respect) must be notified promptly of any change in address, telephone number, or company status (such as bankruptcy filings, regulatory agency investigations or litigation).
9. If the Account Owner dies, requests a distribution of the asset, converts the IRA to a Roth IRA, obtains a divorce in which 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, the Administrator, the Account Owner, or the successor to a deceased Account Owner in the case of death, will provide written notice of any such change. You will be required to change your records to reflect the new information at that time.
10. In the event that future capital contributions to the entity are required 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 funds must come from the Account. The Account Owner may not advance funds on behalf of the Account.
11. The Account Owner may not personally guarantee on behalf of the Account any indebtedness of the entity to a third party nor may the Account Owner guarantee any indebtedness of the Account to the entity.
12. If the entity will operate a business or own debt financed property and is a pass through entity for federal income tax purposes, the Account may owe unrelated business income tax (UBIT) on any profits from the investment. Neither the custodian nor the Administrator will prepare or file IRS Form 990T or any similar state tax filing on behalf of the Account. The Account Owner is responsible for causing these forms to be prepared and filed. Any taxes due must come from funds belonging to the Account and not from the Account Owner.
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.
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 that you 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.
15. Neither the custodian, nor the Administrator or Record keeper for the Account, will 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 (E.I.N.) are correct, and the amount of the investment matches the buy direction letter from the Account Owner. The Account Owner is responsible to make sure the entity is not formed and will not operate in a way that violates the prohibited transaction rules of Internal Revenue Code §4975.

If you have any questions regarding these instructions, feel free to contact the Administrator as noted in paragraph 3. Please be aware that neither the custodian, nor the Administrator or Record keeper for the Account, is able to provide tax, legal or investment advice on this or any other issue.

I acknowledge receipt of the Private Placement Instruction Letter and agree to provide to the administrator or record keeper named on the instruction letter the required documents and information. **PLEASE SIGN AND MAIL THIS FORM TO OUR OFFICE.**

Signature of Account Owner

Date