



SOLO(K) CONVERTIBLE NOTE
INVESTMENT AUTHORIZATION

Checklist

REQUIRED DOCUMENTS FOR CONVERTIBLE NOTE INVESTMENT REVIEW:

- Fully **completed, signed and dated** Convertible Note Investment Authorization Form
- Copy of Proposed Note with the Lender's Name on the Note
 - Lender's Name on the Note should read PENSICO Trust Company, Custodian, FBO (Client Name), Solo(k).
 - Lender's Address should be PO BOX 173859, Denver, CO 80217
 - Maturity date must be no longer than 10 years from date of note

Documents to be obtained from Borrowing Entity:

- Fully completed, signed and dated Private Equity Investment Notification Form
- Certificate of Good Standing for borrower
- Formation and Operating Documents
 - For a C Corp., please provide Certificate of Incorporation, Articles of Incorporation and Bylaws
 - For an LLC, please provide Certificate of Organization and Operating Agreement
- Copy of the Perfected and Executed Note
 - Per Post Purchase Original Note Safekeeping Requirement, within 30 days from its purchase, the perfected and executed original note must be forwarded to PENSICO Trust Company for safekeeping at PO Box 173859 Denver, CO 80217-3859

If Applicable:

- Private Placement Memorandum
- Form of Warrant
- Note Purchase Agreement or Subscription Agreement
 - Account Owner must complete and sign the document as "read and approved"

Important Reminders:

- Please complete all documents (*incomplete forms will delay the review and funding process*).
- Please ensure your PENSICO account has sufficient cash to fund your investment, applicable transaction fees AND account minimum cash requirements.

INVESTMENT PRODUCTS: NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE



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GENERAL INSTRUCTIONS

As Lender, the note should be payable to: **PENSICO Trust Company, Custodian, FBO (CLIENT NAME), Solo(k).**

The Account Owner is responsible for obtaining a copy of the executed documents for his/her review and records.

PENSICO will execute subscription documents in its nominee capacity as a directed custodian/trustee; however, Investor Suitability Standards/Questions (investor accreditation) must be completed and signed by the Account Owner.

IMPORTANT NOTE: All documents that PENSICO is asked to sign on behalf of an Account Owner's Retirement Plan must be signed "read and approved" by the Account Owner in advance. ("Retirement Plan" may be substituted for "IRA" where appropriate.)

If you, a family member or another disqualified party (see Prohibited Transaction Disclosure) is an officer of or has an ownership interest in the entity in which you are investing, PENSICO reserves the right to require that you obtain an opinion of counsel from an ERISA or tax attorney regarding the matter of Prohibited Transactions. If you have questions, please consult your tax advisor prior to submitting your investment instructions.

ACCOUNT OWNER INFORMATION

First Name: _____ MI: _____ Last Name: _____

Account Number: _____

If held across multiple accounts:

Account Number: _____ Amount: \$ _____

Account Number: _____ Amount: \$ _____

Account Number: _____ Amount: \$ _____

NOTE INFORMATION

Loan amount: \$ _____

Purchase price
(To be paid from account)

Convertible into: Common Stock Preferred Stock

Terms of the note: Interest rate: _____% Maturity date: _____

BORROWER INFORMATION (FOR A BORROWER THAT IS A CORPORATION, LP, LLC OR OTHER ENTITY)

Name of Borrowing Entity: _____

Contact First Name: _____ MI: _____ Last Name: _____

Title at Company: _____

Borrowing Entity's Tax ID#: _____ State in which company is registered: _____

Borrowing Entity's Address: _____

City: _____ State: _____ Postal Code: _____

Borrower's Phone: _____ Type: Cell Home Business

Borrowing Entity's Email Address: _____



FUNDING INSTRUCTIONS

Payee Name: _____

Street Address: _____

City: _____ State: _____ Postal Code: _____

Primary Phone: _____ Type: Cell Home BusinessOther Phone: _____ Type: Cell Home Business**(Select one below)** **Check** **Wire**Please write or type wire instructions below. **Submitting incomplete information or attaching instructions separately will delay funding**, as additional verification will be needed.

Bank Name: _____

ABA Number: _____

Bank Account Name: _____

Bank Account Number: _____

Ref Number: _____

DOCUMENT FORWARDING INSTRUCTIONS **Use the address provided in the Funding Instructions above** **Other** (Please complete the information below.)

Recipient's Name: _____

Street Address: _____

City: _____ State: _____ Postal Code: _____

(Select one below) Regular Mail Overnight (charge my PENSICO Account) Overnight (use pre-addressed air bill, included) Overnight (send via 3rd party billing) Account # _____ Fed Ex UPS

If no box is checked, the default will be to overnight at the client's expense. Please refer to the fee schedule for details

ACKNOWLEDGEMENT AND SIGNATURE

1. I understand that I am responsible, and PENSICO and its related entities are not responsible, for selecting and reviewing the above investment and for determining the suitability, nature, value, risk, safety and merits of the investment that I authorize PENSICO to make for my Account.
2. I verify that I have received and read all pertinent information relating to the investment(s) named herein (i.e., note, private placement memorandum, purchase agreement, subscription documents, etc.).
3. I understand PENSICO is not responsible for any decision regarding the retention of a note, including but not limited to: calculating or monitoring the amount of any payments (including principal, interest or other amounts payable under the note), making demands for payment, sending notices of default, monitoring or initiating conversion events as it relates to convertible note terms or taking any steps to require the borrower to comply with any other terms of the loan documents.

4. I acknowledge that no funds will be paid to my PENSICO account if an exchange from one asset (existing asset) held in my PENSICO account is made to another issued by the same asset sponsor (new asset). I request that PENSICO update its records to reflect the conversion/exchange transaction and reflect the new asset in my account. I agree to indemnify and hold PENSICO and its related entities, affiliates and successors harmless from any and all claims, damages and losses that may result from such transaction.
5. Once the note has converted to a Private Equity investment, I understand that distributions or dividends other than cash (i.e., distributions in-kind) paid by this investment are subject to administrative review by PENSICO. In the event that an asset paid as part of a distribution/dividend paid in-kind is determined that it is not considered administratively feasible, I may be required to remove the asset from my PENSICO account by transfer or distribution.
6. I understand that PENSICO is not related to or affiliated with the management or selling agent(s) of the investment(s) that I have directed PENSICO to purchase for my account. I acknowledge that PENSICO has not reviewed, recommended or commented on the investment merits, risks, suitability or management of the asset(s) I have selected, and I authorize PENSICO to process this transaction. I therefore agree to release, indemnify, defend, and hold PENSICO and its related entities harmless from any claims arising out of making such investment. I also understand and agree that PENSICO and its related entities will not be responsible to take any action should the investment noted herein become subject to default, including fraud, insolvency, bankruptcy or other court order or legal process.
7. I understand that PENSICO will request confirmation of purchase as part of its role as custodian of my account. I also understand and agree that if the asset sponsor of the investment does not provide documentation to confirm this investment, PENSICO may resign as custodian of the asset.
8. I agree that any dispute regarding this investment shall be submitted to binding arbitration pursuant to the Commercial Rules of the American Arbitration Association and the terms of the Custodial Agreement. I understand that the prevailing party shall be entitled to recover all legal fees, reasonable costs and expenses and that these shall be in addition to any award of damage or any other relief to which the prevailing party is entitled.
9. I represent that the above investment is not a prohibited transaction, as defined in the Internal Revenue Code and Department of Labor regulations.
10. I acknowledge that this investment is not insured by the FDIC, is not an obligation of or guaranteed by PENSICO and is subject to risk, including the possible loss of principal.
11. I agree that this Convertible Note Investment Authorization is further subject to all the terms and conditions of the Custodial Agreement.
12. I understand and agree that per post-purchase original note safekeeping requirement, within 30 days from its purchase, I will forward the perfected and executed original note to PENSICO Trust Company for safekeeping at PO Box 173859, Denver, CO 80217-3859.

******All Convertible Note investments are subject to an administrative review by PENSICO Trust Company (PENSICO). Documents and forms may be returned to you if they are not complete and signed where required. Sufficient funds must be held in your un-invested cash to make the required payment. If the funds are not available, the Account Owner will be responsible for any interest or penalties incurred.

Please sign, date and provide all requested information.



 Account Owner Signature

 Date

Print Name: _____ Account Number: _____

Name of Investment: _____ Investment Amount: \$ _____

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Upload forms to:
www.pensico.com/upload

Send mail to:
PENSICO
P.O. Box 173859
Denver, CO 80217-3859

For express deliveries:
PENSICO
1560 Broadway, Suite 400
Denver, CO 80202-3331

Questions?
Call 1-800-962-4238

Fax to: 303-614-7051