

Secured note pre-investment checklist

- ✓ **Hire a loan servicing agent.**
Some of the responsibilities of the Loan Servicing Agent are to collect and forward all payments to PENSCO, maintain records from all parties, collect past due payments and take all necessary actions to correct a default. The Loan Servicing Agent cannot be the account owner or the account owner's spouse.
- ✓ **Note the acceptable types of collateral:**
 - property
 - vehicles
 - manufactured or mobile home
 - equipment
- ✓ **The type of collateral used to secure the note will determine what types of documents are needed.**
Company shares, participation agreement/mortgage pool and other types of collateral will require additional administrative review.
- ✓ **Gather the required documents (see below).**
All documents should reflect the title or owner to be PENSCO Trust Company Custodian FBO (Your name), IRA ____% (indicating the % of ownership).

Required Documents

Documents required by PENSCO	Source of documents	
	PENSCO	3rd party
For all secured notes:		
Deed of trust/mortgage/secured note investment authorization	x	
Loan servicing agreement (signed by agent and account owner)	x	
Proposed copy of the note		x
Closing Documentation (see below for requirements based on collateral)		x
In addition:		
If a Business Entity:		
Document certifying the formation of the entity		x
Certificate of Good Standing		x
Operating agreement or documentation identifying members of the company		x



Depending on the type of collateral being used, you'll need to provide some of the additional documents listed below.

Collateral type	Closing Documentation Required
Real Property	<input type="checkbox"/> Proposed copy of deed of trust/mortgage <input type="checkbox"/> Assignment of deed of trust/mortgage (if applicable) <input type="checkbox"/> Lenders title report (must be within 90 days and 1st or 2nd lien positions only) <input type="checkbox"/> Escrow instructions (if applicable) <input type="checkbox"/> If asset is a transfer or rollover, require proof of asset in IRA at existing custodian plus the existing note, deed of trust and lender's title policy
Vehicle, manufactured or mobile home	<input type="checkbox"/> Certificate of ownership in borrower's name <input type="checkbox"/> Registration of title <input type="checkbox"/> Security agreement (if one has been drafted)
Equipment	<input type="checkbox"/> UCC filing <input type="checkbox"/> Security agreement (if one has been drafted)
Company shares*	<input type="checkbox"/> Security agreement <input type="checkbox"/> Pledge agreement
Participation Agreement/mortgage pool*	<input type="checkbox"/> Participation agreement
Other*	<input type="checkbox"/> Applicable security agreement

*These investments will require additional PENSCO administrative review

x = source of document or form.

You can find PENSCO forms by going to www.pensco.com/forms or give us a call and we can point you in the right direction: 1-866-818-4472