

# Account Holder's Acknowledgement Letter

## 1. CLIENT INFORMATION

Client Name:

**Harold Hood**

New Direction Account Number:

**1234567**

## 2. IRA HOLDER'S ACKNOWLEDGEMENT

The following items are the responsibility of the IRA holder when the IRA is investing in a secured note:

- The original note must be in the possession of New Direction Trust Company (NDTCO), where it is held in our vault. I understand that the follow-up on the delivery of the original note from the closing to NDTCO is mine. Failure to obtain the original note may result in the IRA having to purchase a lost instrument bond, the cost of which varies from county to county but can run to about 1.5% to 2.5% of the full face value of the note.
- The purchase of a lender's title policy for the IRA is my responsibility, but is not required by NDTCO for funding. NDTCO will review the named insured on the title policy if you have elected this coverage.
- In the event the IRA is lending on improved property, I understand that it is my responsibility to have the IRA named as an additional insured on the hazard insurance policy, but that this is not an NDTCO requirement for funding the transaction. It is also my responsibility to ensure that the IRA remains continuously insured throughout the term of the note by requesting the insurance certificate be sent to me personally on an annual basis should that be a lender requirement. NDTCO takes no responsibility for enforcing this or any other terms of the loan.
- If the note has an unpaid principal balance at the maturity date, it is the IRA holder's responsibility to either modify the note extending the maturity date or to deem the note as un-collectible (proper documentation required).
- New Direction Trust Company strongly recommends that security documents be recorded with the county. I understand that NDTCO does not provide recording services and that I am responsible for recording any security documents that I would like to have recorded.

## 3. IRA HOLDER'S SIGNATURE:

As the IRA Holder, I agree to comply with the above terms.

Signature: *Harold Hood*Date: **9/13/19**