

Name \_\_\_\_\_  
Email \_\_\_\_\_

CNB Account # \_\_\_\_\_  
Phone # \_\_\_\_\_

**1. PROPERTY INFORMATION**

A copy of the legal description of the property must be included with this form unless previously submitted.

Property Address: \_\_\_\_\_

City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**Purchase Type:**

- New Purchase
- Transfer/Rollover (complete the CNB Transfer Form or Rollover Deposit Statement)
- Additional Purchase (to add funds for additional % of ownership of property already held in your CNB IRA)

**Property Type:**

- Non-Income Producing
- Income Producing
- Improved Land
- Unimproved Land

**Interest Owned By IRA:**

- My IRA will own 100% of the property
- My IRA will own \_\_\_\_\_% of the property\*

\*Any percentages other than 100% should also show "Tenants in Common" in the registration.

**2. LENDER INFORMATION**

Lender Name: \_\_\_\_\_ Loan Number: \_\_\_\_\_

Lender Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Lender Phone Number: \_\_\_\_\_ Lender Email: \_\_\_\_\_

*My signature on this form authorizes Community National Bank to speak with the lender shown above.*

**3. CLOSING INFORMATION**

Closing Agent (Title Company/Escrow Agent/Attorney) \_\_\_\_\_

Contact Name \_\_\_\_\_ Phone \_\_\_\_\_ Fax \_\_\_\_\_

Email \_\_\_\_\_ Anticipated Closing Date \_\_\_\_\_

**4. FUNDING INSTRUCTIONS**

**Final Closing Amount: \$** \_\_\_\_\_ Wire transfer is required for final closing. (Wire fee is \$30.)

If a check is not included with this form, we will deduct the wire fee from your CNB account.

The undersigned originator requests payment to be made to the firm shown in Section 3 and the account number below. To the extent not prohibited by law, the undersigned agrees that this wire transfer is irrevocable and that the sole obligation of CNB is to exercise ordinary care in processing this wire transfer and that it is not responsible for any losses or delays which occur as a result of any other party's involvement in processing this transfer.

**Wire Instructions**

Bank Name \_\_\_\_\_ ABA Routing # \_\_\_\_\_ Bank Phone # \_\_\_\_\_

Bank Address \_\_\_\_\_ City \_\_\_\_\_ ST \_\_\_\_\_ ZIP \_\_\_\_\_

Credit Account # \_\_\_\_\_ For Credit To \_\_\_\_\_ Further Credit To \_\_\_\_\_

**5. PROPERTY MANAGER**

Company Name \_\_\_\_\_ Contact Name \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ ST \_\_\_\_\_ Zip \_\_\_\_\_

Phone Number \_\_\_\_\_ E-mail \_\_\_\_\_

Note: A Property Manager Agreement must be completed and signed by both you and the property manager you have chosen. Property which produces rental income may be required to have a property manager. If the property manager is accepting rent payments and covering expenses, a report of income received and expenses paid should be provided to CNB at least quarterly. Property managers must send income to CNB after expenses are paid to your CNB IRA.

## 6. DISCLOSURES

### **CUSTODIAL SERVICES ONLY**

Community National Bank ("CNB") will provide custodial services with respect to the investments in your Account. CNB does not provide legal advice, tax advice, or investment advice or information, nor is CNB the agent, partner, employee, representative, or affiliate of any financial representative, product sponsor or other individual or entity except as otherwise disclosed. CNB does not recommend, conduct due diligence on, sponsor or endorse any investments other than CNB certificates of deposit. The suggested use of CNB custodial services by a financial representative, product sponsor, real estate agent, lender or any other individual or entity, does not deem such person or entity to be an agent, employee, representative or affiliate of CNB except as otherwise disclosed.

CNB is not responsible for and is not bound by any representations, warranties, statements, agreements, disclosures, advice or information made by any such person beyond the terms and provisions contained in the Custodial Agreement, Disclosure Statements, or other CNB forms or CNB documents.

### **PROPER DOCUMENTS**

Any required documents must be provided to CNB along with this form signed by the account owner. All investment directions must be in a format or manner acceptable to CNB. All purchase documents must reflect the registration as follows:

#### **For 100% Ownership:**

Community National Bank CUST  
FBO: (Account Owner Name, #xxxxxx)  
225 Main Street – PO Box 225  
Seneca, KS 66538  
Tax ID #48-0976372

#### **For Partial Ownership:**

Community National Bank CUST  
FBO: (Account Owner Name, #xxxxxx)  
An undivided interest of \_\_\_\_\_%, TIC  
225 Main Street – PO Box 225  
Seneca, KS 66538  
Tax ID #48-0976372

You authorize CNB to execute all necessary documentation as Custodian of the Account and to make any necessary changes or corrections to any investment documents you may have completed or executed to ensure that the investment documentation properly reflects your Account as the registered owner of the property. To the extent necessary, this authorization shall be considered and function as a limited power of attorney in favor of CNB.

### **VALUATIONS**

You acknowledge that you must provide a real estate appraisal for any real estate transaction request you submit that will result in a taxable event. You also acknowledge that on an annual basis, you shall provide an updated valuation for each real estate investment within your account. Such annual valuation must be in a form deemed to be acceptable by CNB. You further acknowledge that this investment may lack liquidity, may lose value, may be speculative, and may involve a high degree of risk that may result in a complete loss of the investment within your Account.

### **INVESTMENT SELECTION**

You, and/or the designated representative you have appointed, have the sole authority and discretion to select and direct the investment of all assets in your Account. CNB agrees to serve as your custodian in a wide variety of investments based on administrative factors only, and that CNB's decision to custody any asset, in no way should be construed as an endorsement of any investment, investment sponsor, or investment strategy. CNB does not recommend or evaluate the prudence, merit, viability or suitability of any investment and shall not be responsible for the performance of any investment in your Account. You acknowledge that CNB has not made any representations to you regarding investments in your Account and that you are not relying on any representations by CNB in making the investment decisions for your Account. You should seek adequate financial, tax, and/or legal counsel as necessary to manage the assets in your Account. Your Account Statement (and the reported values therein) should not be used as the basis for making, retaining, or disposing of an investment.

You may invest in any investments that you are qualified to purchase, that CNB deems administratively feasible at the time of the investment selection, and that are acceptable under the applicable laws. CNB reserves the right to refuse custody of any investment.

You accept full and sole responsibility for the success or failure of any investment decision. CNB has no duty or responsibility to monitor the performance of investments or actions of the sponsor, nor to monitor the adequacy of your actions or those of the designated representative you have appointed.

CNB does not recommend, perform due diligence, or compensate any representative you have designated. CNB shall not be responsible for or bound by any representation, warranty, statements, or commitments made by any such person.

You acknowledge that you are responsible for all administrative duties including, but not limited to, proper recording and filing of deeds, ensuring that any necessary environmental inspections/audits are performed, title insurance is properly in place and maintained in good order at all times, all taxes and all other expenses are current and paid in a timely fashion by your Account, monitoring all aspects of note payments (if Property is debt financed), and communicating with CNB regarding the above matters.

By completing this form and directing CNB to invest in the property described on the prior page, you acknowledge that it is your own responsibility to perform proper due diligence regarding the real estate investment and that you have consulted with an attorney regarding all matters associated with this transaction. You further acknowledge that it is not the responsibility of CNB to investigate, analyze, monitor, or otherwise evaluate any investment you make in your Account. You further acknowledge that it is not the responsibility of CNB to verify the title to the property or to maintain or obtain insurance coverage with respect to the property. You further acknowledge that CNB is not responsible for, and shall have no liability arising from, any actions taken by your designated representative that relates in any way to the property, this transaction, or your Account.

### **INDEMNIFICATION**

CNB shall not be liable to anyone for any loss resulting from any delay, action, or inaction pending its receipt of this form or any other investment instructions, directions, or information. CNB shall have no duty to question any instructions or other information relating to your custodial account or to advise you regarding any matter relating thereto, including but not limited to compliance of the instructions or information with applicable law. CNB shall not have and shall exercise no discretion, authority, or responsibility as to any investment in connection with the custodial account. Further, CNB shall not be responsible in any way for the purpose, propriety, or tax treatment of any contribution, distribution, or of any other action or inaction in connection with the Account. You shall be solely responsible for the suitability of any investment direction, for any adverse consequences arising from an investment or direction, including but not limited to, CNB's inability to value or sell an investment, or the generation of unrelated business taxable income. You shall be solely responsible for all taxes, judgments, penalties or expenses incurred in connection with the property described above.

To the fullest extent permitted by law, you shall at all times fully indemnify, hold harmless and defend CNB and its parents, subsidiaries, affiliates and each of their respective officers, directors, employees, agents, successors and permitted assigns (each a "CNB Indemnitee") against any losses, claims, damages, liabilities, costs and expenses, including without limitation, reasonable legal fees, defense costs and expenses, and the aggregate amount paid in any settlement of any actions, suits, proceedings, or claims or threats thereof, actually and reasonably incurred by or imposed on such CNB Indemnitee to the extent arising out of or resulting from the custodian's performance under this agreement. CNB shall not have any responsibility or liability for the actions or inactions of any predecessor or successor custodian.

### **PROHIBITED TRANSACTIONS**

You understand that certain transactions are prohibited under Internal Revenue Code Section 4975 and ERISA. You further understand that should your Account engage in a prohibited transaction, your account will incur a taxable distribution as well as possible penalties. The determination of whether the transaction directed hereby is a prohibited transaction or "party in interest" transaction depends on the facts and circumstances surrounding the purchase. You warrant and represent that the offering entity or any affiliate thereof is neither a "party of interest" (as defined in Section 3(14) of ERISA) nor a "disqualified person" (as defined in Section 4975(e)(2) of the Internal Revenue Code), that you have consulted with such advisors as you deemed necessary and appropriate, and have determined among other things, that this investment does not constitute a prohibited transaction as defined in Internal Revenue Code 4975. Neither you, nor a member of your immediate family, are affiliated with the investment directed on the prior page and you understand that if in fact that was the case, the transaction could in fact be considered a prohibited transaction.

You acknowledge that a prohibited transaction can develop after the purchase of the property. You agree that in the future you will not allow a "party of interest" or "disqualified person" to participate in transactions that would create a prohibited transaction within the IRA. These transactions include, but are not limited to, use of the real estate owned by the IRA, receipt of compensation in connection with the purchase, sale or lease of the real estate owned by the IRA, involvement with a company that is transacting with the IRA or IRA owned real estate, management or control of a company transacting with the IRA or the IRA owned real estate, or providing a guarantee on debt used in connection with the purchase or improvement of the IRA owned real estate. You understand that CNB will not determine if your requested transaction is prohibited.

In all events, you agree to hold CNB harmless should the purchase of this property be deemed a prohibited transaction by the Internal Revenue Service now or in the future.

**UNRELATED BUSINESS TAXABLE INCOME**

Certain investments or debt financed property may generate Unrelated Business Taxable Income (UBTI) within IRAs. You understand that if your account generates UBTI in excess of \$1,000, IRS Form 990-T must be filed using a separate Employer Identification Number (EIN). Upon proper authorization, CNB will disburse funds from your IRA to pay applicable taxes generated from UBTI. CNB will not generate IRS Form 990-T for your account, therefore, you must consult with your tax advisor for preparation of this form as well as to determine your tax liability, if any. You agree to indemnify and hold CNB harmless for production of the tax form and payment of any tax, or for any damages or penalties if you fail to direct the appropriate payment or fail to have the appropriate information or direction to CNB.

**INSURANCE**

The named insured on any insurance policy for property held in your IRA must list CNB as the insured on the policy. Proceeds from any claims must be paid to your IRA. You understand that CNB is not responsible for maintaining or securing insurance coverage on this investment, including but not limited to the following: title, fire, liability, casualty, or any other insurance coverage. You understand that CNB is not responsible for notifying you of insufficient coverage and that you have sole responsibility in determining the necessary and adequate insurance related to your investment. You agree to direct CNB in writing to make any necessary premium payments for any insurance coverage.

**PAYMENTS**

You understand for new purchases, the entire purchase price (including earnest money and all closing costs) must be paid by your Account. If the property is debt financed, you acknowledge that only a non-recourse promissory note is acceptable, and you must authorize the periodic payments on the non-recourse promissory note by submitting written authorization to CNB to process the payment from your Account.

You acknowledge that CNB is not responsible for notifying you of any payments due in regard to this investment, including but not limited to the following: taxes, utilities, homeowner association dues, repairs, or insurance premiums. You acknowledge that it is your responsibility to direct CNB in writing in a format acceptable to CNB to make any such payments due for this investment. You understand that you are responsible for reviewing account statements to ensure that proper payments have been made per your requests. You understand that CNB has no authorization to make any modifications to any directions submitted without your authorization. You understand that your Account must have sufficient funds available before the transaction can be processed. CNB is not able to reimburse expenses paid out of pocket or with a personal credit card.

**PROPERTY MANAGEMENT**

You agree that if the Property is income-producing you may be required to appoint an unrelated third party to act as the property manager. You understand that neither you nor any family member may serve as the property manager. CNB will not be responsible for errors and omissions for any actions or inactions taken by the Property Manager. Both you and the Property Manager must complete a Property Management Agreement and return it to CNB.

**ILLEGAL AND IMPERMISSIBLE INVESTMENTS**

You affirm that this purchase does not include any illegal or impermissible investments under Kansas or Federal law, including, but not limited to, holdings of cannabis or other illegal substances, illegal gambling, or illegal artifacts. You understand that CNB does not allow investments associated with the cannabis industry to be held in your account.

**ARBITRATION AGREEMENT**

**Any investment authorizations are covered under the Custodial Agreement that governs your Account. The Custodial Agreement is an enforceable contract that contains an agreement to submit all disputes to binding arbitration.**

**7. AUTHORIZATION AND SIGNATURE**

Your signature on this form acknowledges and certifies that you have read and approved all documents pertaining to the property being purchased, the disclosures shown on all pages of this form, and on the Custodial Agreement.

- I acknowledge that I have the sole authority and discretion to select and direct the investment of all assets in my Account and I accept full responsibility for the success and failure of any investment decision.
- I acknowledge that an investment in real estate may require special services, may be more difficult to liquidate, and may involve a high degree of risk. I understand CNB is not responsible for monitoring my investment decisions nor the performance of any investment held in my Account.
- I attest that this investment and future activities involving the investment do not constitute a prohibited transaction as defined in the Internal Revenue Code Section 4975.
- I have not received any investment, tax, or legal advice from CNB. I will seek the advice of my own tax or legal professional to ensure compliance with related laws.
- I agree to indemnify CNB and hold it harmless from any liability, for any loss, damage, injury, or expense, which may occur as a result of the execution of this Purchase Form.
- I understand the investments in my account, with the exception of the Community National Bank (CNB) savings balance and any CNB certificates of deposit, are not FDIC insured; are not obligations of the bank; are not guaranteed by the bank; and involve risks, including possible loss of principal.

X \_\_\_\_\_  
Signature of Account Owner

\_\_\_\_\_  
Date