



# Alternative Investment Custody Agreement

A subsidiary of Axos Financial™

## Introduction

Issuers seeking to deposit for custody by Axos Clearing LLC ("Axos Clearing") any type of Alternative Investment ("AI" or "Investment") must complete and submit this form to Axos Clearing for its review and evaluation. Each of the following documents must be provided when requesting a full review of the Alternative Investment proposed to be custodied by Axos Clearing:

1. Copy of Prospectus, PPM, or Offering Memorandum for the Alternative Investment
2. Copy of the Articles of Incorporation or other organizational document(s) as applicable
3. Sample Subscription Agreement
4. Listing of Officers/Managing Members/General Partners
5. Axos Clearing LLC Alternative Investment Agreement
6. Documentation indicating the pricing methodology used by the limited partnership or REIT as defined by FINRA Rule 2340
7. Delta calculations will need to be provided for any asset covered by 26 CFR 1.871-15.

Axos Clearing reserves the right to request additional documentation and information as part of its review and evaluation.

## Terms and Conditions

Issuer understands and agrees to the following terms and conditions governing any Alternative Investment custodied by Axos Clearing and makes the following representations and warranties, where applicable, concerning the same:

- 1. Recordation of Book-Entry Securities.** Book-entry securities will be registered on the Issuer's books and, if applicable, at the Administrator or Transfer Agent (the "Agent") as follows:
  - a. For Individual Retirement Accounts and Qualified Retirement Plans: Axos Clearing LLC as Custodian FBO [insert account holder and type]. Please use TIN 77-0616239 on the registration.
  - b. For all other accounts: Axos Clearing LLC FBO [insert name of investor]
  - c. The address for Axos Clearing LLC is 15950 West Dodge Road, Suite 300 Omaha, NE 68118
- 2. Payments.** Issuer agrees that all income and returns of capital associated with securities held by Axos Clearing as custodian or nominee will be sent directly to Axos Clearing in a timely manner for crediting to any applicable investor's account. Under no circumstances will Issuer distribute income or principal monies or assets with respect to securities held by Axos Clearing as custodian or nominee directly to investor. Issuer will not make distributions in any form other than cash. Issuer agrees to provide Axos Clearing with all information (e.g., rates, record date, payable date, dividends, return of capital, capital gain, Axos Clearing account number, security number, and description) necessary to post distributions to client accounts in a timely and accurate manner. Issuer also agrees to send funds by DTCC's AIP, Wire, ACH, or check no later than payable date.
- 3. No Lien.** In compliance with SEC Rule 15c3-3 promulgated under the Securities Exchange Act of 1933, as amended, Issuer represents that the securities held by Axos Clearing as custodian or nominee are not and will not be subject to any right, charge, security interest, lien, or claim of any kind in favor of the Issuer or any person claiming through the Issuer.

## Alternative Investment Custody Agreement (cont.)

- 4. Confirmation.** Following a purchase by an account holder of Issuer's shares or a re-registration or change in the registration or ownership of any shares of Issuer custodied by Axos Clearing and delivery of information from Axos Clearing to Issuer reflecting the same, the Issuer or its Transfer Agent shall issue to Axos Clearing a written confirmation confirming receipt of the same and that the Issuer's books and records have been updated appropriately to reflect any changes in ownership, registration and/or shares held or investments made by the account holder. In accordance with SEC Rule 15C3-3, the Issuer shall issue this written confirmation to Axos Clearing as soon as practical, but no later than 40 calendar days after Axos Clearing communicates any ownership or registration changes to Issuer. Issuer may also provide to Axos Clearing a physical certificate reflecting any such changes in ownership or registration. If Issuer fails to provide such written confirmation or certificate to Axos Clearing within this 40 calendar day period, Issuer understands and acknowledges that Axos Clearing may remove the investment positions from an investor's account and arrange for the remittance of appropriate sums to Issuer; in the event the account is a retirement account, such removal and remittance may result in the funds being coded as a taxable distribution.
- 5. Monthly Reconciliation.** Each calendar month, Issuer will provide Axos Clearing with reconciliation documentation that confirms the securities held in any account carried by Axos Clearing as of such date and, if applicable, any change in holdings from the preceding period. Upon Axos Clearing's request, Issuer will also provide Axos Clearing with reconciliation of such securities and changes within fifteen (15) business days of receipt of Axos Clearing's request.
- 6. Valuations.** Upon request, Issuer will provide Axos Clearing or Axos Clearing appointed nominee with a valuation of the fair market value of securities carried by Axos Clearing as custodian or nominee, as such value may be estimated in good faith by Issuer, in compliance with applicable law, rule, or regulation, including that of any self-regulatory organization governing Issuer or Axos Clearing. Such valuation shall be provided monthly, or any time Issuer's valuation changes. The valuation must be accompanied with a valuation methodology for offerings conforming to current FINRA Rules. Issuer will also provide valuation/valuation methodology within fifteen (15) business days of receipt of Axos Clearing's or its nominee's request.
- 7. Cost Basis.** Issuer is responsible for providing cost basis on securities as applicable in accordance with the Emergency Economic Stabilization Act of 2008, 26 U.S.C. § 6045.
- 8. Regulatory Compliance.** Issuer is not aware of any pending or threatened investigation, action, suit, or proceeding before or by any court or other governmental, regulatory, or self-regulatory authority or other body to which Issuer is a party or to which any of the assets of the Issuer are subject that, if determined adversely to Issuer, would reasonably be expected to adversely impact the Issuer's business or financial condition. Issuer represents that, to the best of its knowledge, offers and sales of securities have been, and are, made in compliance with all applicable state or foreign security laws. If securities are privately offered, the Issuer has filed SEC Form D with state and/or federal regulatory agencies as required. Issuer represents that the securities held by Axos Clearing as custodian or nominee either are registered with the U.S. Securities and Exchange Commission pursuant to the U.S. Securities Act of 1933, are exempt from registration, or are not required to be registered. Issuer has adopted policies and procedures and has implemented and maintains a system of regulatory compliance and internal controls that are appropriate for, reasonably designed to detect any violation of, and meet the recordkeeping and reporting requirements of all applicable statutes, law, regulations, and order relating to prevention of money laundering and customer identification programs. Additionally, pursuant to a request from a governmental entity or regulatory body with jurisdiction over Axos Clearing, such as but not limited to the SEC and FINRA, Issuer will also promptly provide verification of assets as they pertain to Axos Clearing.
- 9. Operational Controls.** Issuer maintains a system of internal accounting controls sufficient to provide reasonable assurance that (1) transactions are executed in accordance with the Issuer management's general or specific authorizations and (2) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability. Issuer is not aware of any substantial problems of an operational nature that the Issuer may be experiencing and that may endanger the interests of any investor of Issuer's securities that are custodied at Axos Clearing. Issuer agrees to inform Axos Clearing promptly if there is any change in its legal structure, if it becomes insolvent, if there is pending litigation seeking damages greater than \$250,000, or if there are any other operational, legal or regulatory problems that may endanger the interest of investors in Issuer's securities that are custodied at Axos Clearing.

**10. Relationship to Parties.**

- a. The relationship between Axos Clearing and Issuer shall be that of independent contractors and no Party shall be or represent itself to be an agent, employee, partner, or joint venture of the other, nor shall either Party have or represent itself to have any power or authority to act for, bind, or commit the other.
- b. The Parties acknowledge and agree that the services to be provided by Axos Clearing are limited to custody services only and are not the services of an underwriter within the meaning of the 1933 Securities Act or any other statute or rule.

**11. Term and Termination.** Axos Clearing reserves the absolute right to terminate this Agreement to hold any of Issuer's securities in any account carried or custodied by Axos Clearing, including IRA accounts, at any time and for any reason whatsoever. If this Agreement is terminated, and if any account holding shares of Issuer fails to transfer such shares elsewhere promptly thereafter, Issuer understands that Axos Clearing may, in its sole discretion elect to: (1) liquidate any or all assets in such account and send the account holder the proceeds net of any liabilities the account holder owes to Axos Clearing, or (2) return the shares to the account holder at its address of record and charge the account holder for any expenses incurred in effectuating the same. Axos Clearing shall have no liability or responsibility to Issuer or any other party for any loss, loss of value, damage, or expense suffered, or incurred by the Issuer or any other party by reason of the termination of this Agreement even if advised of the possibility of such damages. Nothing contained herein constitutes any agreement to hold any security into which the security may be converted, whether pursuant to the terms of the Investment, by reason of any option or conversion privilege contained therein, or upon any enforcement of rights or remedies with respect to the Investment. Issuer shall remain solely responsible as between the parties for complying with all such registration and filing requirements and notifying Axos Clearing of any restriction to which its securities are subject.

**12. Notice.**

- a. All notices required to be sent to Axos Clearing under this Agreement must be in writing and delivered either personally, via first class mail postage prepaid, or deposited with a reputable overnight carrier. Such notices will be deemed to be received as of the date of actual receipt. All such notices shall be made to Alternative Investments, Axos Clearing LLC, 15950 West Dodge Road, Suite 300 Omaha, NE 68118.
- b. All notices required to be sent to Issuer under this Agreement must be in writing and delivered either personally, via first class mail postage prepaid, deposited with a reputable overnight carrier, or by email. All such notices shall be sent to address provided by Issuer below.

**13. Severability.** If any provision of this Agreement should be invalid, illegal, or in conflict with any applicable state or federal law or regulation, such law or regulation shall control, to the extent of such conflict, without affecting the remaining provisions of this Agreement.

**14. Applicable law; dispute resolution.** This Agreement is governed by the laws of the State of New York, without reference to conflicts of law principles. EACH PARTY HERETO EXPRESSLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING IN CONNECTION WITH THIS AGREEMENT. EACH PARTY HERETO CONSENTS AND AGREES THAT THE STATE OR FEDERAL COURTS LOCATED IN NEW YORK COUNTY, SHALL HAVE EXCLUSIVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES BETWEEN OR AMONG ANY OF THE PARTIES HERETO PERTAINING OR RELATING TO OR ARISING UNDER THIS AGREEMENT.

**15. Assignment.** This Agreement may not be assigned by either Party without the other Party's prior written consent, which consent shall not, be unreasonably withheld, except that Axos Clearing may assign this agreement without prior written consent of Issuer (1) to any corporate subsidiary or affiliate that is controlled by or under common control with Axos Clearing, (2) to any corporation or other entity that succeeds to its business, or (3) in the event that Axos Clearing should consolidate or merge with any corporation, broker-dealer, bank, or other entity, then such corporation, broker-dealer, bank, or entity shall as successor-in-interest, assume and adopt the terms and conditions of this Agreement.

**16. Entire Agreement.** This Agreement, including any schedules, appendices, additionally agreements, and exhibits attached hereto and incorporated by reference herein as part of this Agreement, constitute the entire agreement between the Parties with regard to the subject matter herein. Additionally, these materials supersede any and all agreements, representations, and warranties, whether written or oral, made prior to the execution of this Agreement. This Agreement and any schedules attached hereto may be amended only by a writing signed by both parties.

Alternative Investment Custody Agreement (cont.)

17. **DOL.** Individual Investments could be restricted by Internal Revenue Services (“IRS”) and/or Department of Labor (“DOL”) regulation due to the nature of the relationship between the investor and officers, directors, and owners. It is not the responsibility of Axos Clearing to make this determination for each investor. Unless Axos Clearing receives written information sufficient to show the Investment complies with one of the exceptions in the DOL’s “Plan Asset” regulations, no employer sponsored plans, including but not limited to SIMPLEs, will be permitted to invest in AIPs carried or custodied by Axos Clearing.
18. **FINRA 2340.** Per FINRA Rule 2340, non-listed real estate investment trusts (“REITs”) and direct participation programs (“DPPs”) must be quoted in units and priced using one of the following methods:
  - a. The net investment methodology
  - b. The appraised value methodology
19. **871(m) Taxation.** Securities that are associated with an underlying equity that pays income distributions (e.g., derivatives, convertible instruments) may be subject to taxation under 871(m) of the Internal Revenue Code. Issuer agrees and understands that it is responsible for providing the delta calculation necessary to comply with the requirements of 871(m) of the Internal Revenue Code and 26 CFR 1.871-15. Failure to provide proof of the calculation may result in the AI not being custodied.
20. **No Endorsement.** Issuer acknowledges that in evaluating or subsequently agreeing to custody any of Issuer’s securities pursuant to this Agreement, Axos Clearing does not and has not endorsed nor approved of any of Issuer’s securities or their suitability or appropriateness for investment, and the Issuer will make no representations to the contrary. Issuer also acknowledges that, if Axos Clearing agrees to accept any securities of Issuer, it does so solely into limited custody which in no way can be construed to be either an endorsement or evaluation of merit of any kind or an acknowledgment that the Investment complies with any law or regulation.
21. **Indemnification.** The Issuer understand(s) that Axos Clearing is relying upon investment information provided by the Issuer with respect to the Investment(s). The Issuer hereby represent(s) and warrant(s) that the Investment information provided to Axos Clearing is accurate and complete and, to the extent the Investment information materially changes, covenant(s) to promptly notify Axos Clearing in writing regarding such changes. Issuer further agrees that it shall, at its sole cost and expense, indemnify and hold harmless Axos Clearing and its directors, officers, employees, agents, affiliates, predecessors, successors, and assigns (each an “Indemnified Party”) against all fees, costs, expenses or any liabilities of such an Indemnified Party relating to or arising out of or related in any way to this Agreement or any Investments in or securities issued by Issuer, including but not limited to any claim brought against an Indemnified Party by Issuer, any investor in Issuer, or any other party. Issuer further agrees that any Indemnified Party shall not be liable to Issuer for any loss, liability, claim, damage or expense arising out of or related in any way to this Agreement or any Investments in or securities issued by Issuer.

**ATTESTATION**

I, a duly authorized representative of Issuer, hereby agree to all statements in the above Terms and Conditions of the Axos Clearing Alternative Investment Custody Agreement and attest that the information provided in this form, including without limitation in the below 1. Offering/Security information, 2. Sponsor/Issuer Information, and 3. Transfer Agent Information sections, is true and accurate.

<b>ISSUER SIGNATURE</b> x	<b>ISSUER PRINTED NAME</b>	<b>DATE</b>
<b>TITLE</b>	<b>PHONE NUMBER</b>	
<b>ADDRESS</b>	<b>CITY, STATE ZIP</b>	
<b>EMAIL</b>	<b>ISSUER WEBSITE</b>	

The Axos Clearing LLC Alternative Investment Group may be contacted at [altinvestment@axosclearing.com](mailto:altinvestment@axosclearing.com) or Client Services at 866-774-0218.

# ALTERNATIVE INVESTMENT INFORMATION – REQUIRED

## 1. Offering/Security Information

<b>Name of Offering/Security</b>			
<b>Tax ID of Offering/Security</b>		<b>State of Formation</b>	
<b>Offering/Security Registration</b>		<input type="checkbox"/> SEC <input type="checkbox"/> Not Registered <input type="checkbox"/> State(s): _____ <input type="checkbox"/> Foreign(List Country): _____	
<b>Entity Type (Please provide respective formation documents)</b>		<input type="checkbox"/> C-CORP <input type="checkbox"/> S-CORP <input type="checkbox"/> LLC <input type="checkbox"/> LP <input type="checkbox"/> LTD <input type="checkbox"/> Trust <input type="checkbox"/> Other _____	
<b>Offering/Security Type</b>		<input type="checkbox"/> Bond <input type="checkbox"/> Convertible Preferred Stock <input type="checkbox"/> Convertible Note <input type="checkbox"/> Note <input type="checkbox"/> Warrant <input type="checkbox"/> Preferred Stock <input type="checkbox"/> Promissory Note <input type="checkbox"/> Stock/Unit <input type="checkbox"/> Interest <input type="checkbox"/> Other _____	
<b>Product/Strategy Type</b>		<input type="checkbox"/> Hedge Fund <input type="checkbox"/> Stock Fund <input type="checkbox"/> Energy <input type="checkbox"/> Commodities <input type="checkbox"/> Oil & Gas <input type="checkbox"/> Futures <input type="checkbox"/> Alternative Energy <input type="checkbox"/> Medical Technology <input type="checkbox"/> REIT <input type="checkbox"/> Real Estate <input type="checkbox"/> Other _____	
<b>Minimum Investment</b>		<b>Minimum Offering Size</b>	<b>Maximum Offering Size</b>
<b>DTCC AIP Eligible</b>	<input type="checkbox"/> Yes	<b>DTCC AIP Security Number</b>	
	<input type="checkbox"/> No	<b>AIP Record Types Utilized</b> <input type="checkbox"/> Positions <input type="checkbox"/> Activity <input type="checkbox"/> Valuation <input type="checkbox"/> Order <input type="checkbox"/> Settlement	
<b>Denomination</b>		<input type="checkbox"/> Shares <input type="checkbox"/> Units <input type="checkbox"/> Values/Interest <input type="checkbox"/> Other _____	
<b>Valuation Schedule</b>		<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-Annually <input type="checkbox"/> Annually <input type="checkbox"/> Other _____	
<b>Valuation</b>	\$ _____	<b>Holding Type</b>	<input type="checkbox"/> Certificate <input type="checkbox"/> Book Entry
<b>Distribution Type</b>	<input type="checkbox"/> Dividend	<b>Distribution Frequency</b>	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-Annually <input type="checkbox"/> Annually <input type="checkbox"/> Other _____
	<input type="checkbox"/> Interest		Reinvestment Allowed <input type="checkbox"/> Yes <input type="checkbox"/> No Expected Pay Date _____

Alternative Investment Custody Agreement (cont.)

<b>Purchase Window</b>	<input type="checkbox"/> 1 <sup>st</sup> Week of Month <input type="checkbox"/> Last Business Day of Month <input type="checkbox"/> No Specific Window <input type="checkbox"/> Other _____		
<b>Redemption Window</b>	<input type="checkbox"/> 1 <sup>st</sup> Week of Month <input type="checkbox"/> Last Business Day of Month <input type="checkbox"/> No Specific Window <input type="checkbox"/> Not Allowed <input type="checkbox"/> Other _____		
<b>Fund Specific Re-registration Paperwork Required</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Re-registration Fee</b>	<input type="checkbox"/> No <input type="checkbox"/> Yes \$ _____
<b>Pricing Feed to Robert A Stanger</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Pricing Methodolgy</b>	<input type="checkbox"/> Net Investment <input type="checkbox"/> Appraised Value
<b>Online Statements/Recon Files</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Online Source URL</b>	
<b>PCAOB Auditing Firm</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<b>Auditing Firm Name</b>	

**2. Sponsor/Issuer Information**

<b>Name of Sponsor/Issuer</b>		<b>Contact Person</b>	
<b>DTCC AIP Participant #</b>		<b>AIP Contact</b>	
<b>Physical Address</b>			
<b>Mailing Address</b>			
<b>E-mail Address</b>		<b>Web Address</b>	
<b>Primary Phone</b>		<b>Secondary Phone</b>	
<b>Controlling Party Name</b>		<b>Title</b>	
<b>Date of Birth</b>		<b>Individual Registrations</b>	FINRA ID _____ SEC ID _____
<b>Controlling Party Name</b>		<b>Title</b>	
<b>Date of Birth</b>		<b>Individual Registrations</b>	FINRA ID _____ SEC ID _____
<b>Controlling Party Name</b>		<b>Title</b>	
<b>Date of Birth</b>		<b>Individual Registrations</b>	FINRA ID _____ SEC ID _____
<b>Controlling Party Name</b>		<b>Title</b>	
<b>Date of Birth</b>		<b>Individual Registrations</b>	FINRA ID _____ SEC ID _____
<b>Self-Clearing (Not utilizing a Transfer Agent)</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No (If no, complete Section 3.)		

**3. Transfer Agent Information (Only complete if a Transfer Agent is utilized)**

<b>Name of Transfer Agent</b>		<b>Contact Person</b>	
<b>DTCC AIP Participant #</b>		<b>AIP Contact</b>	
<b>Physical Address</b>			
<b>Mailing Address</b>			
<b>E-mail Address</b>		<b>Web Address</b>	
<b>Primary Phone</b>		<b>Secondary Phone</b>	
<b>Controlling Party Name</b>		<b>Title</b>	
<b>Controlling Party Name</b>		<b>Title</b>	
<b>Controlling Party Name</b>		<b>Title</b>	
<b>Controlling Party Name</b>		<b>Title</b>	