

To: IRA Investors

Re: *Investment in Swiss annuity through self-directed IRA*

American Church Trust Company welcomes your investment in Swiss annuity contracts through a self-directed IRA. Information, forms, and instructions are enclosed to acquaint you with the process and to provide the documents you will need.

To explain it briefly, the self-directed IRA becomes the owner and beneficiary of the annuity, and you are the insured. The annuity is administered through ACT as custodian for your IRA. The Swiss insurance company will communicate with ACT through its Swiss agent and will expect the documents it needs to come from ACT. You should not request or accept funds directly, as this would seriously damage the legal and tax standing of your IRA. You cannot borrow against the annuity.

Please note that ACT does not provide tax, legal or investment advice. You will make all investment decisions and provide instructions to ACT. You are responsible for thoroughly reviewing any proposed investment for soundness, advisability, permissibility under IRS regulations, and appropriateness to your tax situation. You may also direct investments of other types in the same IRA. Please contact us with any questions.

Step by step instructions for IRA investment in a Swiss annuity are enclosed. Please do not hesitate to call (800) 228-8825 at any point during the process with questions.

Thank you for considering American Church Trust Company to assist with your self-directed IRA. We look forward to serving you for many years.

American Church Trust Company

AMERICAN CHURCH TRUST COMPANY

How to Invest in a Swiss Annuity Contract through Your Self-Directed IRA

1. Establish Your Self-Directed IRA Account

Obtain and complete the ACT Traditional IRA Account Application. If you need to establish a Roth or SIMPLE IRA, contact ACT for the forms you will need.

2. Fund Your IRA

An IRA is funded through contributions, rollover contributions, IRA trustee-to-trustee transfers, direct rollovers from a qualified plan, Roth conversions, and recharacterizations. As funds are received, confirming statements are issued. Call ACT for assistance.

3. Fill out the Annuity Application.

Obtain and complete the Swiss insurance company's application form. Be sure that ACT is the owner, annuitant payee, and death beneficiary as "American Church Trust Company, IRA Custodian for <your name> IRA <number>". Use ACT's address. The insured is the IRA account holder. Contact your insurance representative with questions about the choices on the application for annuity accumulation, payout, and other aspects of the annuity investment.

4. Complete and sign the Investment Direction.

Fill in the Investment Direction and Release for Investment in Swiss Annuity Contract by Self-Directed IRA. Be sure to provide all information, sign and date it.

5. Provide Identification.

Swiss insurance companies are required to verify the identity of policy holders. Enclose the identifying information required by the Swiss annuity carrier you have selected. Generally, this requires a copy of your passport certified by a notary public. If you do not have a passport, provide a certified photocopy of your driver's license or other official photo ID issued by your state. Be sure that all copies are clean, clear, readable, and certified by a notary public.

6. Enclose payment for fees.

You may pay administrative fees directly, so that they are not deducted from your IRA investment. There is a one-time fee of \$50 for initial investment in a Swiss annuity in addition to the standard account service fees detailed in the IRA Fee Schedule. If payment is not received at the time of the investment direction, it is automatically deducted from the account.

7. Mail to American Church Trust Company.

Gather all applications and supporting documents and mail to American Church Trust Company at P.O. Box 690089, Houston, Texas 77269-0089. The street address for delivery is 14615 Benfer Road, Houston, Texas 77069.

Questions? Call (800) 228-8825 or email to ira@churchtrust.com

AMERICAN CHURCH TRUST COMPANY

How to Transfer a Swiss Annuity Contract into Your Self-Directed IRA

If a Swiss annuity is held within an IRA with a trustee or custodian other than American Church Trust Company, it may generally be transferred to an IRA at ACT. The process is outlined below. Note that an annuity cannot be transferred to an IRA unless it is already held within another IRA.

1. Establish Your Self-Directed IRA Account

Obtain and complete the ACT Traditional IRA Account Application. If you need to establish a Roth or SIMPLE IRA, contact ACT for the forms you will need.

2. Fill out the Transfer Request

An IRA-to-IRA transfer request is used for you to request and direct that assets be transferred from one IRA to another. Fill out the Transfer Request form, showing the name, address, and telephone number of your current IRA trustee or custodian. *Please attach a recent copy of a statement for your current IRA and a copy of the Swiss Annuity Certificate.*

In the asset description section, list the Swiss annuity owned by your present IRA and identify it by the name of the insurance company, certificate number (if known), and other information. Check the box to transfer "in kind", which means the annuity will be transferred to your new IRA. If you check the box for "liquidate", your current trustee or custodian is directed to surrender and cash out the annuity and transfer cash.

3. Send the Transfer Request to ACT.

Send the completed transfer request to ACT. ACT will review and accept the transfer, certifying to the current trustee or custodian that the transfer is being accepted into a valid IRA. ACT will provide the IRA number and delivery instructions, and will forward the request to the current trustee or custodian.

4. Enclose payment for fees.

You may pay administrative fees directly, so that they are not deducted from your IRA investment. There is a one-time fee of \$50 for administering the transfer of ownership of a Swiss annuity between the two IRA plans. If payment is not received at the time of the investment direction, it is automatically deducted from the account. If there is not sufficient cash in the account, the transfer may be delayed.

5. Mail to American Church Trust Company.

Gather all applications and supporting documents and mail to American Church Trust Company at P.O. Box 690089, Houston, Texas 77269-0089. The street address for delivery is 14615 Benfer Road, Houston, Texas 77069.

Questions? Call (800) 228-8825 or email to ira@churchtrust.com

Information and Policies About Investment in Swiss Annuity Contracts through Self-Directed IRA

By directing investment in a Swiss annuity contract, the IRA account holder acknowledges and agrees to the following:

Owner & Insured

The owner will be *American Church Trust Company, IRA Custodian For (account holder's name) IRA (account number)*. Applications and agreements should show ACT as owner, annuity payee, and death beneficiary. ACT's address is the owner's address. (If the individual were shown as the owner, the transaction would be considered to be a distribution from the IRA.)

The insured is the individual account holder of the IRA making the investment.

Premiums, Annuity Payments and Distributions

No annuity premiums or payments should be made directly between the Swiss insurance company and the individual IRA account holder. ACT will pay premiums to the insurance company from the IRA assets. The insurance company will pay annuity payments and benefits into the IRA through ACT as IRA Custodian. The account holder may request distributions from the assets of the IRA as desired.

Limited Role of Custodian

As Custodian, ACT **will** perform the following:

- Accept written investment directions accompanied by applications and agreements to be used.
- Execute and forward necessary documents according to your written instructions.
- Remit premiums to the agent, foreign exchange provider, or insurance company.
- Receive and post annuity returns of investment as they arrive.
- Provide periodic statements of your IRA and its holdings to you.
- Receive, record, and report fair market value information to you and the Internal Revenue Service.
- Mail a printed confirmation of receipt of payments to you.

American Church Trust Company **will not** perform the following functions:

- Review compliance of the investment with requirements for a self-directed IRA, including any matters related to Prohibited Transactions or Disqualified Parties.
- Review the investment or any document for accuracy, sufficiency, compliance with applicable law, enforceability, or any other legal aspect.
- Review or verify any information about the insured.
- Monitor amounts due or past due, or initiate any collection action.
- Monitor financial strength, continuity, or soundness of the insurance company or any other party.
- Any other function not specifically required of an IRA custodian by law or regulation.

Fair Market Value Requirement

ACT requires a Fair Market Value for each investment as of December 31 of each year to comply with reporting requirements of the U. S. Internal Revenue Code. The insurance company or agent designated for the investment must be willing to provide the information for this valuation.

Administrative Fees

In addition to standard administrative fees listed in the IRA Fee Schedule, there is an administrative charge of \$50 for each investment transaction involving a Swiss Annuity Contract. Transactions include initial purchase, supplemental purchase, partial or full surrender, lump sum redemption, modification of terms, IRA to IRA transfer, death benefit administration, and similar matters.

Investment Direction and Release for Investment
In Swiss Annuity Contract through Self-Directed IRA

To

American Church Trust Company
PO Box 690089
Houston TX 77269-0089

For the Self-Directed IRA of _____ IRA no. _____
To Enter Into an Annuity Contract With _____ (Insurance Company)
Through Its Agent in Switzerland _____ (Insurance Agency)
In the Amount _____ (U.S. Dollars)
Using Foreign Exchange Services of _____

I have identified, obtained, verified and reviewed all necessary information and documents regarding this investment to my satisfaction. I have obtained the professional legal and accounting assistance I require, and I am **not** relying on American Church Trust Company for any legal or accounting review, opinion, or advice.

I have received the document titled "Information and Policies About Investment in Swiss Annuity Contracts through Self-Directed IRA" and acknowledge and agree to its conditions and policies.

I agree to all terms and conditions of the annuity contract. I certify that all information I have provided on application and information forms is true and correct.

I direct American Church Trust Company to remit funds to the agent shown above, or for foreign exchange at the instruction of the Foreign Exchange Service identified above. I authorize unsecured advance payment of funds, with instructions for conversion and forwarding to the Swiss insurance company. I acknowledge that the IRA bears all risk of loss due to non-performance or non-payment by any party.

I release American Church Trust Company from liability regarding my decision to make this investment.

By _____ Date _____
IRA Account Holder ("Depositor")

Please sign and send to ACT along with a completed Swiss annuity application, information and identification forms, and fee payment. Contact your agent or call ACT at (800) 228-8825 with questions.