




# PRIVATE EQUITY INVESTMENT CHECKLIST

Document checklist and step-by-step guide for private equity investments




## ✓ DOCUMENT CHECKLIST


Below are the documents required to direct your STRATA Trust Company (“STRATA”) IRA to invest in private equity investments. For STRATA required forms, look for our self-service resource **SERVICEN&W**, which enables fast form submission by letting you complete, sign, *upload supporting documentation*, and securely electronically transmit your information to STRATA in just a few minutes. Click the  icon anywhere you see the option available.

### PRIVATE EQUITY INVESTMENT

#### » INVESTMENT ISSUER SUBMITS:

- [Private Investment Issuer Representation Letter \(PIIRL\)](#) 
- Offering Documents
- Company Filing Documents  
(Form D, if applicable)
- Investment Confirmation

#### » INVESTOR SUBMITS:

- [Investment Direction Private Investment](#) 
- Subscription Document



STRATA Trust Company (“STRATA”) performs the duties of a directed (passive) custodian, and as such does not provide due diligence to third parties regarding prospective investments, platforms, sponsors, dealers or service providers. As a custodian, STRATA does not sponsor, endorse or sell any investment and is not affiliated with any investment sponsor, issuer or dealer. STRATA does not provide investment, legal or tax advice. Individuals should consult with their investment, legal or tax professionals for such services.

**Investment Products: Not FDIC-Insured • No Bank Guarantee • May Lose Value**

## OVERVIEW

A self-directed IRA (SDIRA) that holds private equity investments presents an exciting option to diversify your retirement savings. To ensure a smooth SDIRA purchase, it's important to have a solid understanding of the process.

### PRIVATE EQUITY CUSTODY PROCESS

This timeline is approximate, based on if the required documents are received in good order. All private equity assets require a pre-custody review that includes a Representation Letter completed and signed by the investment issuer. If transferring from another custodian or rolling over an IRA asset from another institution, STRATA is dependent on the existing service providers' transaction process times.



### PRIVATE EQUITY ESSENTIALS

- ☑ **Investment Registration** — The investment registration must reflect the name of the IRA, *STRATA Trust Company FBO (Accountholder Name] IRA (Account #)*.
- ☑ **Signatures** — Since your IRA is self-directed, STRATA cannot sign anything without your written approval. For any signature-required documents, the account owner must sign on each page that requires a signature or initial. Afterward, STRATA will sign in its capacity as the custodian of the IRA.
- ☑ **Fraud Prevention** — As a safeguard against potential fraud, STRATA does not disclose its verbal confirmation policies. A STRATA team member will reach out via the information of record if verbal confirmation is required.

STRATA Trust Company ("STRATA") performs the duties of a directed (passive) custodian, and as such does not provide due diligence to third parties regarding prospective investments, platforms, sponsors, dealers or service providers. As a custodian, STRATA does not sponsor, endorse or sell any investment and is not affiliated with any investment sponsor, issuer or dealer. STRATA does not provide investment, legal or tax advice. Individuals should consult with their investment, legal or tax professionals for such services.

## STEP-BY-STEP GUIDE

### » INVESTMENT ISSUER SUBMITS:



#### □ Step 1 — Submit Pre-Custody Documents

Private equity assets require a pre-custody review, which typically takes 2-3 days once STRATA receives the information below from the investment issuer. Once this step is complete and the investment is approved, investors can move to Step 2.

□ **Private Investment Representation Letter:** The Private Investment Representation Letter is to be completed and signed by the investment issuer (i.e., investment sponsor, general partner, managing member, officer, or trustee) of the named investment. To get started, visit our [Investment Onboarding](#) page, select your asset type, then follow the instructions provided. Investors will be able to send the document directly to the investment sponsor, and/or the investment sponsor can complete in just a few minutes. The investment sponsor will need to provide the documents below along with the Private Investment Representation Letter.

□ **Offering Documents:** Provide a copy of the Private Placement Memorandum, offering circular, operating agreement, limited partnership agreement, bylaws, blank subscription document, and any other offering documents related to the investment.

□ **Company Filing Document:** A copy of the formation document, or corporate filing with the state filing stamp – Articles of Incorporation, Articles of Organization or Certificate of Formation, Form D filing (if applicable), or other similar corporate filings.

### » INVESTOR SUBMITS:



#### □ Step 2 — OPEN YOUR IRA

Getting started is easy. If you have not yet established your STRATA IRA, open your account in just a few minutes online. You will be prompted to select the [type of IRA](#) you will be self-directing, upload supporting documentation, and fund your account (Step 3). Per IRS regulations, if you are transferring or rolling over assets from another IRA service provider, you must choose the same IRA type (for example, Roth to Roth, Traditional to Traditional). Ready to get started? [Open an Account](#).

STRATA Trust Company (“STRATA”) performs the duties of a directed (passive) custodian, and as such does not provide due diligence to third parties regarding prospective investments, platforms, sponsors, dealers or service providers. As a custodian, STRATA does not sponsor, endorse or sell any investment and is not affiliated with any investment sponsor, issuer or dealer. STRATA does not provide investment, legal or tax advice. Individuals should consult with their investment, legal or tax professionals for such services.

**Investment Products: Not FDIC-Insured • No Bank Guarantee • May Lose Value**



### □ Step 3 – FUND YOUR IRA


Fund your IRA by direct transfer, rollover, or annual contribution. Depending on the method selected, STRATA may be dependent on other financial institutions' processing times, which can be 10-14 business days (up to 30 days for rollovers). If you are opening a new STRATA IRA and skipped the funding option in Step 2 or have already established an IRA with STRATA, click here to [fund your IRA](#). *It is recommended to start the funding process as soon as possible to avoid processing delays.* Once STRATA receives the funds, it will take 2-3 business days to reflect the funds in your IRA.

- Make sure to include sufficient funds to cover any related processing fees. Click here to view [STRATA's IRA Fee Schedule](#).



### □ Step 4 – DIRECT YOUR IRA

*Once your new investment is onboarded and your STRATA IRA is open and funded, then you are ready to provide direction instructions.* Since the IRA will own the investment *for the benefit of* (FBO) the accountholder, the investment registration must be registered in the custodian's name.

□ **Investment Direction Private Investment:** Complete and sign STRATA's [Investment Direction Private Investment form](#)  which authorizes STRATA to send funds from your IRA. You will be prompted to upload supporting documentation.

For investments that include capital calls:

- For the initial capital call, upload the initial capital call notice (or sub docs) along with the Investment Direction form. When providing instructions, indicate *the full commitment amount* along with the capital call amount for the initial call.
- For subsequent capital calls, submit a new Investment Direction form. Upload the capital call notice and indicate the amount required.

□ **Subscription Document:** The accountholder completes and signs the subscription document provided by the investment issuer. This may be referred to as the purchase agreement, investment agreement, shareholder agreement, limited partnership agreement, or operating agreement. After this has been signed by the accountholder, STRATA will sign in its capacity as the IRA custodian.

STRATA Trust Company ("STRATA") performs the duties of a directed (passive) custodian, and as such does not provide due diligence to third parties regarding prospective investments, platforms, sponsors, dealers or service providers. As a custodian, STRATA does not sponsor, endorse or sell any investment and is not affiliated with any investment sponsor, issuer or dealer. STRATA does not provide investment, legal or tax advice. Individuals should consult with their investment, legal or tax professionals for such services.



## ASSET REGISTRATION

STRATA Trust Company, Custodian  
 FBO (Accountholder Name) IRA (Account #)  
 P.O. Box 23149, Waco, TX 76702  
 \*Tax ID: 26-2637994



\*Where applicable, STRATA's Tax ID should be used in place of the investor's SSN to retain the tax-exempt status for the IRA investment. A W-9 will be completed by STRATA and submitted with subscription documents to the investment sponsor at investment purchase.

### » INVESTMENT ISSUER SUBMITS:

❑ **Written Confirmation:** Within 30 days of receiving funds, investment issuers are required to provide written confirmation of the purchase, including registration, purchase amount, and date of purchase, in order to finalize the purchase status within the client account. You may send the communication to [NewInvestments@StrataTrust.com](mailto:NewInvestments@StrataTrust.com).

## EXPLORE INVESTMENT HUB

### SEAMLESSLY

- ✓ Onboard
- ✓ Fund
- ✓ Direct

— All in one place.



STRATA Trust Company ("STRATA") performs the duties of a directed (passive) custodian, and as such does not provide due diligence to third parties regarding prospective investments, platforms, sponsors, dealers or service providers. As a custodian, STRATA does not sponsor, endorse or sell any investment and is not affiliated with any investment sponsor, issuer or dealer. STRATA does not provide investment, legal or tax advice. Individuals should consult with their investment, legal or tax professionals for such services.

**Investment Products: Not FDIC-Insured • No Bank Guarantee • May Lose Value**

## IMPORTANT REMINDERS MANAGING YOUR INVESTMENT





### Annual Reporting

Custodians like STRATA are required to report the fair market value (FMV) of your IRA-held assets each year. STRATA typically relies on the investment sponsor/issuer to provide this. However, if the FMV is reported through a fund administrator, transfer agent, or other third party, STRATA will either need access to the portal or may require your assistance to obtain the FMV.



### Income and Expenses

In order to maintain IRS compliance, all income and expenses for your investment must flow through your IRA.

- Submit STRATA's [Deposit Certification form](#)  to add proceeds to your IRA.
- Submit STRATA's [Expense Payment Authorization form](#)  along with the invoice/bid/quote (whichever is applicable). STRATA will then send a check or wire funds to the payee directly from your IRA. Please be sure all invoices/quotes contain the named investment details.
- When IRA assets are invested in certain types of income-generating investments, the IRA itself is required to pay tax each year on the investment income. [Learn more about unrelated business taxable income.](#)




### Navigate Your Account Access Portal with Ease

Visit STRATA's [Self-Directed IRA Knowledge Center](#) to learn how to find important documents within your account, set up your online account, reset your password, and much more.



### Enroll in Hassle-Free Payments

Make the payment of your IRA fees easy by enrolling in AutoPay. Simply submit your credit or bank card information, and your routine fees, including transaction fees, are on cruise control. Fill out the [Fee Payment Authorization form](#) , and select *Option 1* for AutoPay.



### Explore Client Support

Your STRATA Client Services team provides online support through our website and offers a library of self-serve resources; visit us at [www.StrataTrust.com/Client-Support](http://www.StrataTrust.com/Client-Support).

STRATA Trust Company ("STRATA") performs the duties of a directed (passive) custodian, and as such does not provide due diligence to third parties regarding prospective investments, platforms, sponsors, dealers or service providers. As a custodian, STRATA does not sponsor, endorse or sell any investment and is not affiliated with any investment sponsor, issuer or dealer. STRATA does not provide investment, legal or tax advice. Individuals should consult with their investment, legal or tax professionals for such services.