

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF SECURITIES

FORM 11-7b
Fund Impound Agreement

Name of Issuer: _____

Fund Impound Account Number: _____ Date: _____

Expiration Date: _____ Sales Agent/Underwriter: _____

_____ HEREBY AGREES TO DELIVER, WITHIN THREE
BUSINESS DAYS AFTER RECEIPT, and with names and addresses of subscribers at time deposit
is made, funds to be applied to a fund impound account in the amount of:

\$ _____ To: _____

Bank Name

Address

City & State

Zip Code

as fund impound agent, the papers, money, or property hereinafter described, to be held and disposed
of by said fund impound agent in accordance with the duties, instructions, and upon the terms and
conditions hereinafter set forth to which the undersigned hereby agree:

1. Above named bank (hereinafter called the "bank") is not a party to, or bound by any agreement which may be evidenced by or arises out of the following instructions.
2. The bank and its officers, agents, and employees, act hereunder as a depository only, and are not responsible or liable in any manner whatever for serving as fund impound agent in this matter or for the sufficiency, correctness, genuineness or validity of any instrument deposited with it hereunder, or with respect to the form or execution of the same, or the identity, authority, or rights of any person executing or depositing the same.
3. The bank shall not be required to take or be bound by notice of any default by any person, or to take any action with respect to such default involving any expense or liability, unless notice in writing is given an officer of the bank of such default by the undersigned or any of them, and unless it is indemnified in a manner satisfactory to it against any such expense or liability.
4. The bank shall be protected in acting upon any notice, request, waiver, consent, Receipt or other paper or document believed by the bank to be genuine and to be

signed by the proper party or parties.

5. The bank shall not be liable for any error of judgement or for any act done or step taken or omitted by it in good faith, or for any mistake of fact or law, or for anything which it may do or refrain from doing in connection herewith, except its own willful misconduct.
6. The bank shall not be answerable for the default or misconduct of any agent, attorney, or employee acting on behalf of the issuer.
7. In the event of any disagreement between the undersigned or any of them, and/or the person or persons named in the foregoing instructions, and/or any other person, resulting in adverse claims and demands being made in connection with or for any papers, money or property involved herein or affected hereby, the bank shall be entitled at its option to refuse to comply with any such claim or demand, so long as such disagreement shall continue, and in so refusing the bank may make no delivery or other disposition of any money, papers or property involved herein or affected hereby and in so doing the bank shall not be or become liable to the undersigned or any of them or to any person named in the foregoing instructions for its failure or refusal to comply with such conflicting or adverse demands; and the bank shall be entitled to continue so to refrain and refuse so to act until:
 - a. The rights of the adverse claimants have been finally adjudicated in a court assuming and having jurisdiction of the parties and the money, papers and property involved herein or affected hereby; and/or
 - b. All differences shall have been adjusted by agreement and the bank shall have been notified thereof in writing signed by all of the interested parties.
8. The papers, documents, money or property subject to this fund impound (if other than already named) are as follows: Including such items as may be described on attached schedules.
9. The other duties of the bank under the terms of this agreement are as follows:
10. The bank will be named as depository only and has not passed in any way upon the merits or qualifications of the security and makes no recommendation with regard to its purchase. The bank does not authorize the use of its name by any person for the promotion or sale of the security.
11. The issuer agrees that if any amendments are made to the fund impound agreements, the issuer will, after receiving approval of the Utah Division of Securities, notify the

bank as to the amendment and file such documents as the bank requires.

12. Special requirements:
13. Fees for the usual services of the bank under terms of this agreement are set forth below. All such fees shall be computed on a fiscal or calendar year period adjusted for any fractional part thereof except that a fee for any period shall not be less than the minimum fee indicated.
 - a. In the event the fees charged and due the bank remain unpaid for a period of one year, the bank shall have the right, and is hereby authorized in its role and absolute discretion, to discontinue the fund impound, terminate all duties hereunder, close all accounting or other records, and to destroy all documents, records and files or to retain such items in a dormant account status subject to the escheat laws of the State of Utah.
 - b. All fees charged shall be paid as follows:

 - c. The initial fund impound fee shall be _____
 - d. The minimum fund impound fee shall be _____
 - e. For the fee for any check issued in refunding to subscribers see (14c).
 - f. In addition to the fund impound fee paid or agreed upon at the inception of this fund impound, the parties agree to pay a reasonable compensation for any extra services rendered or incurred by the bank including a reasonable attorney's fee if disputes arise or litigation is threatened or commences which require the bank to refer such dispute to its attorneys.
14. If a minimum of \$ _____ is not deposited with the bank by _____ the parties to the fund impound agreement agree as follows:
 - a. Bank shall notify the Utah Division of Securities that the fund impound period is up and that funds are not impounded as per agreement.
 - b. Issuer shall request termination of the fund impound from the Division and upon written order from the Utah Division of Securities the bank shall refund to subscribers the full amount of investment.

- c. Issuer agrees to pay a fee of \$_____ per check for this service.
15. When 100% or more has been deposited with the fund impound agent, and all fund impound requirements have been met,
- a. The issuer shall request a release from the Division setting forth how funds are to be released, and;
 - b. The bank shall notify the Division that the fund impound requirements have been met and the amount thereof on deposit.
16. Provided all requirements of registration have been met, and the Division notified that fund impound requirements have been met, the Division will then issue an order for the release of funds. No funds may be released without this order.
17. After release of impounded funds, the duties, responsibilities and liability of every kind and character under the fund impound agreement shall cease and terminate.

Signed (Issuer) _____

By (President or Partner) _____

Signed (Fund Impound Agent) _____

By (Officer) _____

Signed (Sales Agent/Underwriter) _____

By (Officer) _____

Approved by: _____ Date: _____