



# Access Your Self-Directed IRA Funds *Instantly* with the *IRA Card Checking*<sup>SM</sup>

## Introducing the IRA Card Checking<sup>SM</sup>

The *IRA Card Checking*<sup>SM</sup> is a demand deposit account that allows instant access to your IRA funds. With the *IRA Card Checking*<sup>SM</sup> account, access your IRA funds with an *IRA Card*<sup>™</sup> (debit card) or your *IRA Card Checks*<sup>SM</sup>. You may request checks, the debit card, or both.

The *IRA Card Checking*<sup>SM</sup> is great, especially to:

- Take required minimum distributions
- Access funds while on vacation
- Access funds to maintain property held in your IRA
- Access funds to pay expenses for businesses held in your IRA
- Purchase or make deposits on investments for your IRA
- And more!

## How It Works

As you know, the IRS requires documentation for all transactions that occur in a self-directed IRA account, regardless of whether it's a deposit, a withdrawal or an expense payment for an asset in your IRA.

With the *IRA Card Checking*<sup>SM</sup>, once a transaction is made, simply complete the *IRA Card Checking*<sup>SM</sup> *Transaction Authorization Form* supplied in your welcome kit. The fill-in PDF form is located at [www.TheEntrustGroup.com/Welcome\\_Kit](http://www.TheEntrustGroup.com/Welcome_Kit). Send the completed form and any receipts to your local office within 30 days of the transaction. Otherwise, the transaction will be reported as a distribution to the IRS.

To use the checks or card to take a required minimum distribution or for purchases related to your IRA asset, you must first deposit funds to the *IRA Card Checking*<sup>SM</sup> account from your Entrust self-directed IRA account.

## Frequently Asked Questions:

### 1. How can I use the IRA Card Checking<sup>SM</sup>?

The *IRA Card Checking*<sup>SM</sup> may be used for:

- The purchase of goods or services for the IRA itself.
- Taking distributions from your IRA, which may or may not be taxable.

For example, you may purchase assets or services for your IRA when:

- **Your IRA owns real property.** The property may need a repair. It is necessary to use the IRA's own assets for the repair. By using the *IRA Card Checking*<sup>SM</sup>, you may access the funds in the IRA to pay for the supplies and labor associated with the improvements or repairs to the property.
- **Purchasing tax lien certificates at auction.** Use the *IRA Card Checking*<sup>SM</sup> to execute the purchase.
- **Taking a distribution.** Make purchases for personal use easily and conveniently with the *IRA Card Checking*<sup>SM</sup> account. Keep in mind that this may be a taxable distribution from the IRA.

### 2. How do I open an IRA Card Checking<sup>SM</sup> Account?

Complete the *IRA Card Checking*<sup>SM</sup> *Buy Direction Form*. Indicate the initial transfer amount (minimum \$1,000) and whether you would like *IRA Card Checks*<sup>SM</sup>, the *IRA Card*, or both.

### 3. How do I use my IRA Card<sup>SM</sup> at the ATM or a merchant?

- **Withdrawing money at the ATM:** To withdraw money from an ATM, you will need the *IRA Card Checking*<sup>SM</sup> PIN number that was supplied when you opened your account. Next, select **checking option** as the account type for the withdrawal.
- **When making purchases at a merchant:** Use the **credit option**. To complete the transaction, simply sign the credit card receipt.

### 4. How do I ensure my purchase is not counted as a distribution?

To ensure your transaction is not counted as a distribution, submit a completed *IRA Card Checking*<sup>SM</sup> *Transaction Authorization Form* within 30 days of the transaction.

On the form, explain the nature of the expenditure and how it relates to the asset of the IRA. Providing accurate information enables the transaction to be considered an expense to the IRA and prevents the expenditure from being reported as a distribution.

When issuing an *IRA Card Check*<sup>SM</sup> for the purchase, indicate the IRA asset in the check memo field.

Attach the sales receipt and the credit/debit card slip to the completed form. Retain a copy for your records.

Finally, mail or fax the form along with the transaction receipts to your local office. Make sure that the form, the receipts and the transaction description adequately demonstrate that the activity was for the repair and maintenance of an asset held within your IRA account.

For more detailed information on the deadlines for reporting transactions, see the *Deadlines* section in your *IRA Card Checking*<sup>SM</sup> *Disclosure Statement*.

### 5. What happens if I forget to submit the Transaction Authorization form for my purchase?

If the *IRA Card Checking*<sup>SM</sup> *Transaction Authorization Form* and accompanying documents are not submitted or if they do not adequately reflect that the expenditure was for an asset in the IRA, the Administrator is required to file a report with the IRS showing a distribution from the IRA (IRS form 1099-R). Any amount distributed may be subject to taxes and penalties, as noted in the *IRA Card Checking*<sup>SM</sup> *Disclosure Statement*.

**6. What do I do if my IRA Card<sup>SM</sup> or IRA Card Checks<sup>SM</sup> are lost or stolen?**

If your card or checks are lost or stolen, there is no statutory limit to the amount that can be lost. This may be unlike the limitations of your personal accounts. Therefore, it is important to keep your IRA Card<sup>SM</sup> and IRA Card Checks<sup>SM</sup> safe and secure. To report your IRA Card<sup>SM</sup> lost or stolen, call (800) 821-3899 during business hours (9:00 a.m. 5:00 p.m. PST) and (800) 288-3899 after business hours. To report lost or stolen checks, please call your local Entrust office during their normal operating business hours.

**7. Are there fees associated with the IRA Card Checking<sup>SM</sup>?**

Yes. Please see the *IRA Card Checking<sup>SM</sup> Buy Direction Form* for all applicable fees.

**8. How long does it take to receive the IRA Card Checking<sup>SM</sup>?**

It takes approximately three to four weeks to receive your card, once you've submitted the *IRA Card Checking<sup>SM</sup> IRA Card Checking<sup>SM</sup> Buy Direction Form*.

**9. How long does it take before my funds are available in my IRA Card Checking<sup>SM</sup> account?**

Once your IRA Card Checking<sup>SM</sup> account has been established, allow up to two (2) business days from the transfer request date before the funds are available for use in your account. Making changes to your account including adding and removing funds may only be made on regular business days.

**10. How often may I transfer funds into the IRA Card Checking<sup>SM</sup> account?**

You may transfer funds as often as you like. There are no fees associated with fund transfers. To add funds to your IRA Card Checking<sup>SM</sup> account, complete the appropriate section on the *IRA Card Checking<sup>SM</sup> Transaction Authorization Form* and submit the form to your local office.

**11. What is a Prohibited Transaction? How do I avoid making a Prohibited Transaction using the IRA Card Checking<sup>SM</sup> account?**

Some types of self-directed transactions violate the basic intent of your IRA and may subject your account to risks and penalties. Your retirement plan is intended to benefit you when you retire and not before. Transactions that can be interpreted as providing immediate financial gain to the account holder or other disqualified persons are not allowed.

The IRA Card Checking<sup>SM</sup> protects you from conducting a prohibited transaction. All transactions are considered distributions unless detailed information is provided validating that the transaction was for the benefit of the IRA.

As an Administrator, we rely on the information and documentation that you provide within the time limits specified in the *IRA Card Checking<sup>SM</sup> Disclosure*.

*The IRA Card<sup>SM</sup>, The IRA Card Checking<sup>SM</sup>, and The IRA Card Check<sup>SM</sup> are registered service marks licensed exclusively to The Entrust Group. Visa is a registered Trademarks of Visa.*

For more information, see the *Prohibited Transactions* section in the Disclosure Statement.

**12. Can I use the IRA Card Checking<sup>SM</sup> to satisfy my Required Minimum Distribution requirements (RMD) for the year?**

Yes. For example, you may want to spend some of your IRA retirement savings on travel. The IRA Card Checking<sup>SM</sup> account provides a convenient way to use the money in your IRA for retirement expenses, no matter where you are in the world.

When you use the IRA Card Checking<sup>SM</sup> for Required Minimum Distributions, the amount withdrawn from your IRA may be taxable. It is not necessary to send in an *IRA Card Checking<sup>SM</sup> Transaction Authorization Form* for these transactions, as the funds are being used for distribution purposes.

For a Roth IRA, the amount you withdraw is not subject to tax.

For more information, refer to the *IRA Card Checking<sup>SM</sup> Disclosure Statement* regarding required minimum distributions and IRA taxation amounts.

**13. How do I decide if my distributions will or will not be subject to tax withholding?**

On the *IRA Card Checking<sup>SM</sup> Buy Direction Form*, indicate whether or not you would like any taxes withheld from your distributions. If you elect to have taxes withheld from your account, then any time you use your *IRA Card Checking<sup>SM</sup>* account for a taxable distribution, your local office will withdraw the funds and pay the required withholding amount to the IRS and state tax authorities (if applicable). If you elect not to have tax withheld, the taxes will not be withdrawn from the account.

Please see the *IRA Card<sup>SM</sup> Disclosure Statement* for information regarding the responsibility of the IRA participant to pay estimated taxes and the possibility of inadequate estimated taxes if you do not elect to have taxes withheld.

**14. Can I use my IRA Card<sup>SM</sup> in another country?**

Yes. You can use your IRA Card<sup>SM</sup> wherever VISA is accepted. You may also use the card at foreign ATM machines. Please see the *IRA Card Checking<sup>SM</sup> Buy Direction Form* for fees and limits.

**15. What happens if I still have funds in my IRA Card Checking<sup>SM</sup> at the end of the calendar year?**

The funds will remain in your IRA Card Checking<sup>SM</sup> and are considered part of your IRA Trust assets until they are used. IRA Card Checking<sup>SM</sup> transactions not completed before 10 p.m. (PST) on 12/31 of the respective year will be counted for the following year.

If you do not use the IRA Card Checking<sup>SM</sup> for six months, the account will be considered dormant and the funds remaining may be re-deposited to the uninvested cash in your IRA. You will receive a dormant or inactive letter prior to the funds transfer.

**16. Can I add personal funds to the IRA Card Checking<sup>SM</sup>?**

No. The funds in the IRA Card Checking<sup>SM</sup> account may not be co-mingled with personal funds. The only method of funding your IRA Card Checking<sup>SM</sup> is by transferring funds from your Entrust account to your IRA Card Checking<sup>SM</sup> account.

**17. What happens if I need to return an item purchased with the IRA Card<sup>SM</sup> or IRA Card Checks<sup>SM</sup>?**

If you made the purchase with the IRA Card<sup>SM</sup>, have the merchant credit the IRA Card<sup>SM</sup> for the return. Cash refunds should not be given to you for purchases made with the IRA Card<sup>SM</sup> or an IRA Card Check<sup>SM</sup>. Cash back from the merchant would be considered a taxable distribution. See the *Distributions Made in Error* section in the *IRA Card Checking<sup>SM</sup> Disclosure Statement* to correct distributions if the refund was intended for the IRA.

**18. How do I place a stop payment on a check?**

Complete the *Stop Payment* portion of the *IRA Card Checking<sup>SM</sup> Transaction Authorization Form*. Once the form is completed and signed, mail or fax it to your local office.

**19. Can I use my IRA Card Checking<sup>SM</sup> to take cash advances at financial institutions?**

Yes. You can use your IRA Card<sup>SM</sup> for cash advances, cash withdrawals at ATM's and point of sale or signature-based transactions. Please see the *IRA Card Checking<sup>SM</sup> Buy Direction Form* for fees and limits.

**20. Does the IRA Card Checking<sup>SM</sup> have limits?**

Yes. Please see the *IRA Card Checking<sup>SM</sup> Buy Direction Form* for all applicable limits.

**21. Can I make contributions directly to the IRA Card Checking<sup>SM</sup>?**

Yes. Contributions may be made directly to the IRA Card Checking<sup>SM</sup> account using an ATM, ACH or wire transfer. Once the funds have been deposited, complete *Section E* of the *IRA Card<sup>SM</sup> Transaction Authorization Form* and send it to your local office.

**22. Can I use my IRA Card Checking<sup>SM</sup> for IRA rollover or transfer transactions?**

Yes. Please see the *IRA Card Checking<sup>SM</sup> Disclosure Statement* for rollover and transfer information.

**23. Can I initiate wire and ACH (automated clearing house) debits from the IRA Card Checking<sup>SM</sup>?**

Wire debits are allowed. Complete the wiring instructions form and mail or fax it to your local Entrust office. ACH debits are not permitted.