



We Deliver Performance

Polycomp Trust Company

We are pleased to announce that on July 1, 2009 the Polycomp Trust Company was given the authority by the state of South Dakota to serve as the Custodian for your IRA assets. During the 25 years Polycomp Administrative Services has provided administrative services to self-directed IRAs, banks have served as custodians of the IRA assets. Over the years the custodial banks have changed due to acquisitions, mergers, or simply policy changes on the part of the banks' management. As the custodial banks have changed, we have been required to prepare new documents and contracts and re-register the IRA assets in the name of the new custodial bank. This seemingly continuous process of re-registering IRA assets and signing new documents will now end. For the last time, we will be re-registering the IRA assets in the name of the Polycomp Trust Company for the benefit of our IRA Holders.

The Polycomp Trust Company is a state chartered non depository trust company that is regulated by the South Dakota Division of Banking. Polycomp Administrative Services will continue to provide expert advice on administrative transactions with undivided loyalty to our IRA Holders. The same staff at Polycomp Administrative Services will be providing the same exceptional customer service. All telephone numbers, email addresses, and physical addresses will remain the same.

The following is a list of questions that we think you might have:

What do I have to do?

You will need to sign a new IRA Simplifier and a new Contract for Services with Polycomp Trust Company.

Why am I completing and submitting a new Simplifier again?

The Simplifier is an agreement between you and the IRA custodian. When there is a change of custodian a new agreement is required. *The new Simplifier and beneficiary designations will replace all prior agreements.*

Why am I completing and submitting a new Contract for Services again?

The Contract for Services has been updated to include information regarding Polycomp Trust Company as custodian and additional disclosures. These updates need to be acknowledged by the IRA Holder.

Will my costs increase?

No, your administrative costs will remain the same.

What happens to my assets?

Your IRA assets will be re-registered to Polycomp Trust Company as custodian. The Polycomp Trust Company signed a transfer agreement and assignment with the custodial bank to simplify the transfer process. We will process all of the assignments of IRA assets to the Polycomp Trust Company; no action is required on your part.

Is there a charge for re-registration of my assets to the Polycomp Trust Company?

No, there will be no charge to you for the re-registration.

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Are there any advantages to me?

Yes! It was against all four custodial banks' policies to hold real property. As the Polycomp Trust Company, we will be able to hold real property. Therefore, as IRA Holders, you will be able to invest in real property. In addition, when you are forced to foreclose on a piece of real property, you will be able to keep the property in your self-directed IRA.

What is a state chartered non depository trust company?

A state chartered non depository trust company is a financial institution that holds assets of depositors and is regulated by the banking division of the state in which it holds its charter.

Why South Dakota?

South Dakota provides a favorable business environment, progressive trust law, and minimum capital requirements. We will operate an office in South Dakota that will be open during normal business hours, but your local Polycomp office in California will continue to provide services to your account.

Where will my cash be deposited?

As of today, we will continue to use our current custodial banks as our depository institutions for the custodial cash accounts.

Will my cash be insured by the FDIC?

Yes, your custodial cash deposits will continue to be insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC).

What if I don't want to move my IRA to the Polycomp Trust Company?

You may choose to transfer all cash and assets held in the IRA to a custodian of your choice and terminate your Polycomp IRA. If your IRA is transferred to a new custodian *before July 31, 2009* we will waive our normal termination fees.

If I take multiple distributions during 2009, will I receive 1099-R forms from more than one custodian?

Maybe. A 1099-R form will be issued by the custodian who held your IRA at the time of the distribution. If you take a distribution from the custodial bank and another distribution from the Polycomp Trust Company, you will receive two 1099-R forms.