



We Deliver Performance

Polycomp Trust Company (PTC) Limited Partnership (LP) and Limited Liability Company (LLC) Guidelines

It is the IRA holder's responsibility to comply with these guidelines.

- A minimum balance of \$500 must be maintained in the cash account of the Polycomp IRA.
- For single member LLCs or any LP or LLC in which the IRA holder and disqualified persons own 50% or more interest in the investment:
 - The Operating Agreement or Subscription Agreement must require that the general partner/managing member appoint a qualified professional such as a CPA or attorney to either serve as the general partner/managing member **or** to conduct a review of each transaction before execution.
 - The IRA holder may be required to provide documentation of all transactions upon audit.
 - Additional investments, capital calls, or payment for expenses in the LP or LLC are prohibited.
- The IRA cannot be the General Partner of an LP or a Managing Member of an LLC.
- The IRA and the IRA holder cannot guarantee loans to the LP/LLC; loans to the LP/LLC must be non-recourse.
- If the LP/LLC is an investment company and the LP/LLC is owned 25% or more by IRAs and employee benefit plans (retirement plans) then Plan Asset Regulations prohibit new investments by retirement plans or additional contributions or capital calls from existing retirement plan investors. If the LP/LLC is an operating company the 25% restriction does not apply. The general partner/managing member should determine if this regulation applies.
- The IRA holder must provide an annual 12/31 fair market value (FMV) from the general partner/managing member or a reliable third party by May 1st of the following year. This year-end value must be provided before calculating age 70½ required minimum distributions (RMD).
- An updated FMV, dated within the last month, must be provided when requesting the distribution of a LP/LLC interest or the Roth conversion of a LP/LLC interest in-kind.
- Polycomp will not hold foreign investments. Investments in U.S. based companies or partnerships whose holdings include foreign investments *may* be accepted when transactions are based in the U.S., i.e., funds and executed documents are sent to a U.S. address and the asset can be valued annually in U.S. dollars. These U.S. based assets must be reviewed and approved by Polycomp Trust Company on a case by case basis.

PTC requires the following documentation:

- Completed and executed Direction Letter
- Limited Partnership Agreement or Operating Agreement or equivalent document
- Subscription or Purchase Agreement (if not included in documents above)
- Once the LP or LLC investment is funded, the IRA holder must provide a copy of the fully executed document(s) evidencing the IRA's ownership, such as the Subscription Agreement or Purchase Agreement signed by the managing member or general partner accepting the IRA as an investor.

How to complete the LP/LLC Documents:

- PTC as custodian signs all documents as the limited partner/member/investor/subscriber. ***All pages requiring PTC's initials/signatures must also be initialed/signed by the IRA holder as "read and approved". PTC does not evaluate the LP/LLC investment as to merit or appropriateness of the investment.***
- If required by the LP/LLC the IRA holder completes and signs/initials the investor questionnaire pages in the agreement. If the investor questionnaire is a separate document please complete, sign and return the questionnaire to PTC with the agreements and your Direction Letter so that a complete document can be sent to the LP/LLC.
- The limited partner/member/investor/subscriber is *Polycomp Trust Company Custodian FBO* IRA Holder's Name *IRA or Roth IRA* (contact Polycomp for correct vesting for an Inherited IRA or an Inherited Roth IRA).
- The tax ID number is that of the custodian: 90-0504394.

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