

Contact Center: (800) 248-8447 | www.ForgeTrust.com

If you are investing in an LLC which will be owned by your IRA, you MUST complete this form and return with the IRA LLC Initial Purchase form. If you are transferring an IRA LLC from another IRA or qualified retirement plan, you MUST complete this form to facilitate the transfer.

## OVERVIEW

IRA Limited Liability Companies are allowed within an Individual Retirement Account (Traditional or Roth) provided that they conform to the rules and requirements of the Internal Revenue Service. Overall, it is important to remember that all activities within your IRA LLC must conform to the regulations relating to IRAs and specifically to the rules regarding Prohibited Transactions (see Section 4). In addition to the legal requirements regarding this class of asset, Forge Trust Co. ("Forge") has a set of requirements that investors must adhere to in order for Forge to accept an IRA LLC within an IRA for which Forge serves as the custodian. Forge will not accept LLCs which are operating companies.

## ESTABLISHING THE LLC

### Operating Agreement

- The agreement must be prepared by an attorney or by a facilitator company whose standard documents have been reviewed by legal counsel
- The agreement must include language regarding Prohibited Transactions as defined by IRC Section 4975
- The agreement must include language regarding the potential or the avoidance of Unrelated Business Taxable Income (UBTI) and, if incurred, that the manager will complete and ensure the timely filing of all relevant tax returns to the IRS and state authorities
- The agreement must include language regarding additional capital contribution(s) and whether they are allowed or disallowed; if allowed, the attorney should state in the agreement that: "Subsequent investments by the single member are permitted and do not create a prohibited transaction under IRC Section 4975"
- The agreement must name the Account Holder as a member in this form: Forge Trust Co., CFBO [Account Holder Name]
- The agreement must provide a signature line(s) for Forge Trust Co. to sign on behalf of the Account Holder / member
- The agreement must name a manager and provide contact information for Forge
- The Account Holder may act as the manager; the manager must sign the Operating Agreement; Forge will sign on behalf of the member. The account holder must also sign as Read and Approved.

### Banking Account

- The LLC must establish a banking account at a bank, credit union, savings bank or brokerage in the name and TIN of the LLC in order for funds to be provided to the LLC from the IRA

### Legal Entity/Tax Identification

- You must provide a copy of the state-issued LLC formation document (such as the Articles of Organization or Certificate of Formation) showing the entity name
- You must obtain a unique TIN for the LLC and provide a copy of the Internal Revenue Service Tax Identification Number (TIN) confirmation
- You must use this unique TIN for any tax filings related to the LLC or investments made in the LLC

## 1. PERSONAL INFORMATION (\*required field)

Should we need to contact you in regards to this request, your preferred method of contact is:

Email

Primary Phone

First Name*	Middle Name	Last Name*
Account Number*	Social Security Number* (last 4 digits)	Date of Birth* (MM/DD/YYYY)
Phone* XXX-XXX-XXXX	Email* (Your personal email only)	

## 2. OPERATING AGREEMENT PREPARER & TRANSACTION REVIEWER INFORMATION (required)

Name of IRA LLC	LLC TIN	State Registered in:
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Primary Investment Type	If "Other", please specify.
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The Operating Agreement preparer must be an attorney or a facilitator company whose standard documents have been reviewed by legal counsel. Operating Agreements prepared by the IRA Account Holder, an accountant, or websites such as LegalZoom.com or BizFilings.com are not acceptable.

Name of Preparer	Street Address	Phone XXX-XXX-XXXX
Firm Name (if applicable)	City, State, Zip	Email

In order to assure that the LLC conforms to the requirements and prohibitions of the Internal Revenue Service and Department of Labor, I will have all transactions of the LLC reviewed by the attorney, accountant or other third party professional named below at least annually to avoid any action that would disqualify the IRA.

Check this box if the transaction reviewer is the same as the operating agreement preparer. If it is not, provide the required information below:

Name of Transaction Reviewer	Street Address	Phone XXX-XXX-XXXX
Firm Name (if applicable)	City, State, Zip	Email

## 3. VALUATION

I understand that I am required to submit a valuation on my LLC at least annually, and that supporting documentation will be required when I reach RMD age, when there is a reportable event, or upon other triggering factors. This will be used to calculate the value of my account on IRS Form 5498. I can provide this easily by logging into my account through the online secure portal.

## 4. PROHIBITED TRANSACTIONS (see IRS Publication 590 for further information)

A prohibited transaction is a transaction between a plan (the LLC) and a disqualified person that is prohibited by law.

Prohibited transactions generally include the following transactions:

- A transfer of plan income or assets to, or use of them by or for the benefit of, a disqualified person;
- Any act of a fiduciary by which plan income or assets are used for his or her own interest;
- The receipt of consideration by a fiduciary for his or her own account from any party dealing with the plan in a transaction that involves plan income or assets;
- The sale, exchange, or lease of property between a plan and a disqualified person;
- Lending money or extending credit between a plan and a disqualified person;
- Furnishing goods, services, or facilities between a plan and a disqualified person.

A disqualified person is any of the following:

- You, the owner of the plan (IRA);
- A member of your family (i.e., your spouse, ancestors, lineal descendants and their spouses);
- The Custodian/Administrator of the plan;
- Any person providing services to the plan;
- Any corporation, partnership, trust, or estate in which you own (either direct or indirect) 50% or more;
- An officer, director, 10% or more shareholder, or highly compensated employee of the 50% or more owned entity described above.

## 5. ACKNOWLEDGMENT AND AGREEMENT

By signing this agreement, I hereby acknowledge the guidelines for establishing and maintaining an IRA LLC and receipt of the "Account Disclosure" forms and I understand my responsibilities to the Custodian. I acknowledge that I have not and will not engage in any prohibited transactions within my retirement account or its asset holdings. I further acknowledge that if I do not provide the Custodian with the information required by this agreement, the Custodian may elect to distribute the account in whole or in part to me and that this may be a taxable distribution. The Custodian may rely on the information provided by me both now and in the future regarding my LLC investment. I hold the Custodian and its agents harmless from any action taken against them due to the inadequacy or inaccuracy of any information or documentation I provide.

Account Owner's Signature X	Date (MM/DD/YYYY)
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Please sign and submit with the Investment Authorization form and additional documents as required.

## STEPS TO TAKE WHEN WINDING DOWN YOUR LLC

If you decide to dissolve your IRA LLC, you must provide the following:

- State issued dissolution/termination certification
- Bank statement showing the balance, to be returned to your IRA (you must deliver the funds via check or wire transfer)
- Final valuation of the LLC; please complete the *IRA LLC VALUATION* form
- List of other assets to be transferred back to your IRA (provide proper re-registration documents, completed In-Kind Investment or Exchange Request form)
- If there is a loss in the LLC, submit a written statement declaring what caused the loss (attach proof of the loss for review)

## DELIVERY INSTRUCTIONS

**For Investments:**

**Fax** (650) 745-2929

**Email** [investments@ForgeTrust.com](mailto:investments@ForgeTrust.com)

**For Transfers:**

**Fax** (650) 745-2907

**Email** [transfers-in@ForgeTrust.com](mailto:transfers-in@ForgeTrust.com)

**Regular mail**

Forge Trust Co.

PO Box 2048

San Francisco, CA 94126

**Overnight mail**

Forge Trust Co.

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