

SELF-DIRECTED IRAFUNDING GUIDE



After you open a **Self-Directed IRA**, your next step is to fund the account. Having the funds to purchase alternative assets is the first step toward a diversified portfolio. You might be surprised to find that you already have funds set aside that can be used for this purpose.

How can you fund your account?

Here are three methods:





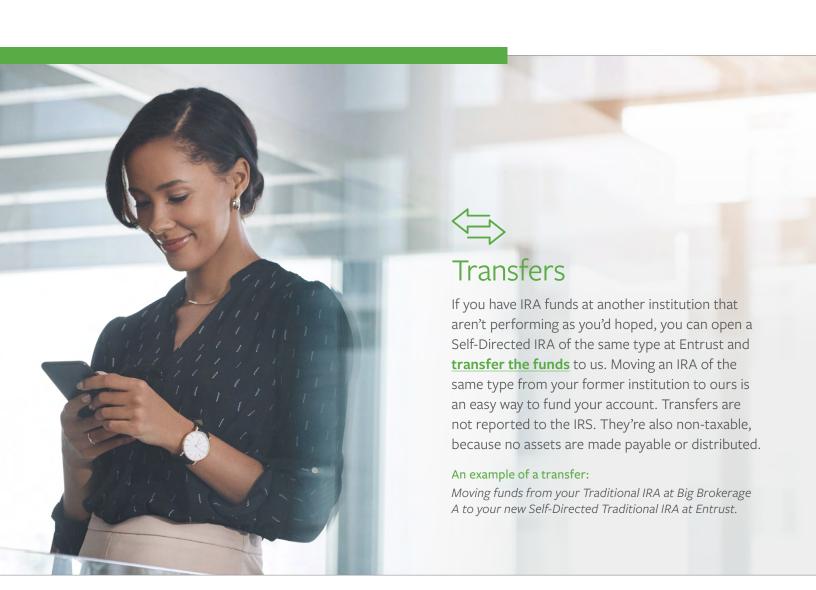


Transfers

Rollovers

Contributions

Let's discuss these in more detail.





Rollovers

Old 401(k)s, 403(b)s, or governmental 457(b)s from previous employers may not help you achieve your investment goals, but rolling them over into a Self-Directed IRA and diversifying your portfolio just might. There are several kinds of rollovers. All rollovers are reported to the IRS.

Moving assets out of an employer sponsored plan (like a 401(k), 403(b), governmental 457(b)) directly into an IRA and having the check or wire made payable to your Entrust IRA is a direct rollover. Direct rollovers don't require any funds to be withheld for taxes, since the funds go directly into your IRA.

However, taking a distribution from your old retirement plan and re-contributing the funds in a new plan within 60 days or less is an **indirect rollover**. In an indirect rollover the check or wire is made payable to you. Distributions from IRAs require 10% of the distribution to be withheld. Distributions from 401(k)s, 403(b)s, and governmental 457(b)s require 20% withheld. You have 60 days after taking the distribution to find another firm willing to accept the amount you distributed. Rolling over the assets will keep them tax-deferred.

You can also rollover your old IRA into a different type of IRA. For example, a Traditional IRA can be rolled over into a SIMPLE IRA and vice versa, after two years from the initial contribution. Check out the IRS Rollover rules (below) to learn more.

	410	ROLL TO							
		Roth IRA	Traditional IRA	SIMPLE IRA	SEP-IRA	Governmental 457(b)	Qualified Plan¹ (pre-tax)	403(b) (pre-tax)	Designated Roth Account (401(k), 403(b) or 457(b))
ROLL FROM	Roth IRA	Yes ²	No	No	No	No	No	No	No
	Traditional IRA	Yes ³	Yes ²	Yes ^{2,7} , after two years	Yes ²	Yes ⁴	Yes	Yes	No
	SIMPLE IRA	Yes³, after two years	Yes², after two years	Yes ²	Yes², after two years	Yes ⁴ , after two years	Yes, after two years	Yes, after two years	No
	SEP-IRA	Yes ³	Yes ²	Yes ^{2,7} , after two years	Yes ²	Yes ⁴	Yes	Yes	No
	Governmental 457(b)	Yes ³	Yes	Yes ⁷ , after two years	Yes	Yes	Yes	Yes	Yes ^{3,5}
	Qualified Plan¹ (pre-tax)	Yes³	Yes	Yes ⁷ , after two years	Yes	Yes ⁴	Yes	Yes	Yes ^{3,5}
	403(b) (pre-tax)	Yes ³	Yes	Yes ⁷ , after two years	Yes	Yes ⁴	Yes	Yes	Yes ^{3,5}
	Designated Roth Account (401(k), 403(b) or 457(b))	Yes	No	No	No	No	No	No	Yes ⁶

¹ Qualified plans include, for example, profit-sharing, 401(k), money purchase, and defined benefit plans.

Applies to rollover contributions after December 18, 2015. For more information regarding retirement plans and rollovers, visit Tax Information for Retirement Plans.



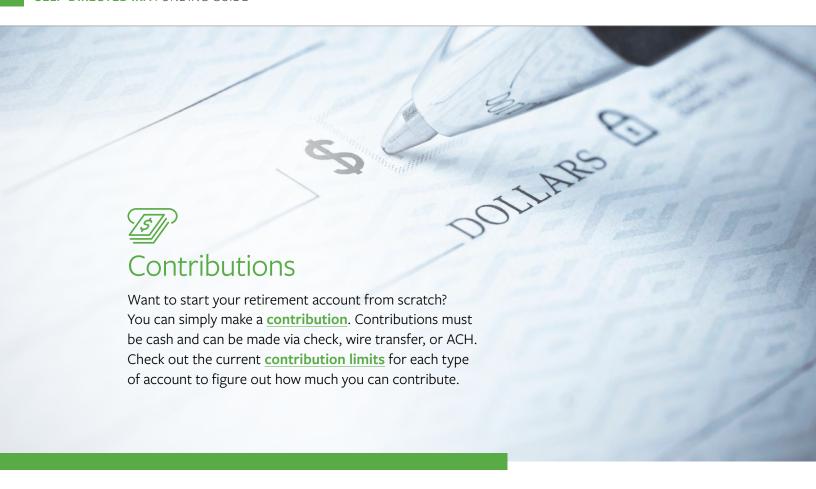
² Only one rollover in any 12-month period.

³ Must include in income.

⁴ Must have separate accounts.

⁵ Must be an in-plan rollover.

⁶ Any nontaxable amounts distributed must be rolled over by direct trustee-to-trustee transfer.



What's Next?

After your account is funded, you're all set to start investing. What can you invest in? With a SDIRA your investment options are unlimited. For some examples, check out our list of 90 Things You Can Invest In With a Self-Directed IRA.