

PRECIOUS METALS TRANSACTION GUIDE



The IRS allows an IRA to acquire precious metals. Your IRA can make this investment without penalty and while keeping the tax benefits associated with the account type. Not all metals are eligible; see fineness requirements below.

Minimum Fineness Requirements:

- Gold .995+
- Silver .999+
- Platinum .9995+
- Palladium .9995+

Account Types:

Traditional IRA
Roth IRA
SEP IRA
SIMPLE IRA
Solo 401(k)
HSA

Important Information:

- It is your responsibility to read this guide and understand the process.
- Your account must be opened and funded before a transaction can be started.
- New Direction Trust Company will send funds to purchase your metals within 24 hours (excluding holidays and weekends) of receiving completed and accurate transaction paperwork.

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Please note: All blue links provided throughout the guide direct you to the secure New Direction Trust Company DocuSign forms. This guide is best viewed online.

Owning Precious Metals in an IRA

Open & Fund your Account:

1. Submit your application online, via fax or email. Your account needs to be opened before you can start the investment process.
2. Choose a rollover, transfer and/or contribution to move funds into your new account. The account needs to be funded before New Direction Trust Company can start the precious metals transaction.
3. Please Note: Correct paperwork must accompany all incoming funds (e.g. Transfer/Rollover Form for transfers or rollovers). Funds received without the corresponding NDTCO paperwork are unidentified, and therefore cannot be deposited in your account.

Choose a Dealer:

Once your account is open and has funds in it, you are ready to self-direct your IRA. Precious metals are most often purchased from a precious metals dealer/broker. New Direction Trust Company does not determine where you buy your metals. You may work with any dealer for your IRA's purchase.

Not all dealers operate the same way, so be sure to talk to them about their process. Also, remember that with a self-directed IRA, you are responsible for performing any due diligence needed prior to the purchase.

Choose a Depository:

IRS regulations prohibit you from taking direct possession of your IRA's precious metals. Thus, they will need to be stored in a depository in the name of the IRA. Unlike many other IRA providers, New Direction Trust Company does not restrict you to one depository choice.

You can ask your dealer if you do not know which depository to use. Precious metals dealers often have established relationships with certain depositories and can assist you with the process.

Decide Which Precious Metals to Purchase:

There are four precious metals into which your IRA can invest: gold, silver, platinum and palladium. However, there are some restrictions when investing in these metals.

Minimum Fineness Requirements:

- Gold .995+
- Silver .999+
- Platinum .9995+
- Palladium .9995+

Bullion bars and rounds that meet the minimum fineness (purity) standards listed above are IRA-eligible. Exception to the fineness requirements: US-Minted Gold Eagles are allowable coins.

Popular Bullion Products Allowed in an IRA:

Gold: American Eagle coins, American Buffalo coins, Australian Kangaroo/Nugget coins, Austrian Philharmonic coins, Canadian Maple Leaf coins

Silver: American Eagle bullion and proof coins, Australian Kookaburra coins, Austrian Philharmonic coins, Canadian Maple Leaf coins, Mexican Libertad coins

Platinum: American Eagle bullion and proof coins, Australian Koala coins, Canadian Maple Leaf coins, Isle of Man Noble coins

Palladium: Bars and rounds meeting minimum fineness requirements**

Examples of Precious Metals Products that are NOT Allowed:

- Austrian Corona and Ducat
- Columbian Pes
- Italian Lira
- Belgian Franc
- Dutch Guilder
- Mexican Peso and Ounza
- British Sovereign
- French Franc
- South African Krugerrand (Gold)
- German Mark
- Swiss Franc
- Chilean Peso
- Hungarian Korona

Send Funds to the Dealer:

In order to purchase precious metals, New Direction Trust Company will need:

- Buy Direction Letter
- Invoice supplied by the precious metals dealer
- Signed Depository Election Form

Email or fax the documents to our office. Completed and correct documents must be received in our office prior to funding. All paperwork needs to be in the name of the IRA (see below).

IRA Name:

“NDTCO as custodian FBO Joseph S. Smith IRA”
or “NDTCO as custodian FBO Account No. 12345678”
or “NDTCO as custodian FBO Joseph S. Smith IRA Acct No. 12345678”

IRA Address:

New Direction Trust Company
1070 W. Century Drive
Louisville, CO 80027

Dealer Ships Precious Metals to the Depository:

Once the metals have been purchased by your IRA, they will be shipped to the depository you have chosen. Ask your dealer if you have questions about when your precious metals will be shipped to the depository. NDTCO doesn't control when the metals will be shipped. Annual depository fees will be applied to your IRA.

Valuation of Precious Metals:

The “valuations” used for the IRA assets are estimated bid values. Please note that the asset value reflected on the IRA statement and online does not include any dealer mark-ups or commissions. Price spreads can be significantly higher for proof coins than for precious metal bullion. Please consult your dealer for details.

Explanation of Fees:

All related fees are due at the time of the transaction. Our Transaction Department cannot process your investment if payment arrangements have not been made.

Transaction Fee: Purchase, Sale, Exchange of Basic Precious Metals: \$50*
Purchase, Sale, Exchange of Non-Basic Precious Metals: \$160

Annual Fee: The annual fee is based on the value of the investment.
Flat rate of \$130 for accounts under \$100,000 total value.
Flat rate of \$180 for accounts at or above \$100,000 total value.

Wire Transfer Fee: Fee to send money to precious metals dealer: \$30

Depository Fee: Varies by depository, billed directly to NDTCO (Note: This is a fee that New Direction Trust Company collects and sends in to the depository. This is not a New Direction Trust Company fee.)

Important Information: Fees may be paid via credit card (Visa, MasterCard or Discover) or from your account. Please note how you wish to pay this fee. Otherwise, they will be deducted from your account by default. All paperwork must be complete, correct and submitted to our office 24 hours (excluding holidays and weekends) before funding.

*Basic Precious Metals:

- PLEASE NOTE: Any precious metals items not included on this list are considered "non-basic".
- Bars (any weight: Gold, Silver, Platinum, Palladium)
- American Eagle Coins (any weight: Gold, Silver, Platinum, Palladium)
- Canadian Maple Leaf Coins (1ounce: Gold, Silver)
- American Buffalo Coins (1 ounce: Gold, Silver)
- Australian Kangaroo/Kookaburra Coins (1 ounce: Gold, Silver, Platinum)
- Austrian Philharmonic Coins (1 ounce: Gold, Silver)
- Britannia Coins (1 ounce: Gold, Silver, Platinum)
- South African Krugerrands (1 ounce: Silver)