

# What You Should Know About AES & Self-Directed IRA Investing

It's not how much you have in your retirement but how you grow the assets in the account!

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## We're Different

The only business our firm engages in is advising individuals on self-directed IRA strategies. We help people to replenish and grow their retirement funds.

Our product is called **Venture IRA™**, a Self-Directed IRA (SDIRA) LLC plan in which you direct the investment in or out of the stock market.

Asset Exchange Strategies, LLC (AES) is a consortium of Financial, Tax, Legal and Real Estate professionals who service the needs of people who are serious about self-directing their retirement accounts.

We are Self-Directed IRA LLC Strategists, Certified Estate Advisors, and Specialists in IRA and the Tax Code. Our Advisors have a high-level of education with the ability to share knowledge to easily detect prohibited transactions, provide information on investment structure for tax-free results.

## Our Services

Before you open your self-directed IRA account we help you to identify your specific needs, identify risk, return on investment and exit strategies. We help you plan and strategize your self-directed IRA objectives.

It is our experience that most investors are not familiar with the steps to take after they've opened their account,

- We provide investment and structure advice;
- We provide LLC's that are compliant with IRS codes 4975 and 408; we provide LLC's by board certified Tax Attorneys;
- We provide IRA LLC's that have the option of including a Tax Legal Opinion Letter as required by certain custodian(s) with the capability of protecting the investor from the IRS.



## **About the Self-Directed IRA (SDIRA)**

The SDIRA LLC is a special purpose limited liability company fully or partially owned by an IRA (Individual Retirement Account). Since the self directed IRA owns the SDIRA LLC, IRA funds can be legally transferred to it in exchange for member units (shares) of the SDIRA LLC. After this funding, investments may be purchased, managed, and sold within the SDIRA LLC. You control these transactions and monies. The IRA LLC is setup compliant to IRS tax code (IRC 4975, publication 590 and code 408).

The SDIRA LLC retirement plan provides tax-deferred growth and allows you to select, and have checkbook control over assets and monies. You have complete investment decision control of your IRA funds; you handle all investments without custodian involvement and you get approval for your investment through a requirement-free process.

The SDIRA product we offer is our Venture IRA™. It allows you to fund a business, create a college fund, hold real estate, gold, collectibles or other non-traditional investments in an IRA with checkbook control.

## **Why the Venture IRA™ Self-Directed Solution is Right For You**



It is important for you to know that our Venture IRA™ can do anything that any company or entity can do. You can buy almost any investment vehicle you wish with the exception of a few specific items mentioned in IRS code 4975.

### **You Don't Need Permission From The IRS**

The tax codes are written with very few permission clauses. If the code does not prohibit the transaction, then it is permissible as long as it does not conflict with the current codes.

### **Don't Be Limited**

Many of you believe you have a self-directed IRA. The reality is your current advisor has provided you with only the ability to purchase only securities within a small inventory (as defined in their plan document what assets can be held in the custodian's account).

Note that real estate, and other non-traditional investments are rarely an approved investment; this limitation limits your ability to grow your IRA funds.



## Types of Retirement Accounts You Can Use



- If you are self-employed: 401(k) solo
- If you are employed: SEP, Simple, 401(k), Profit Sharing, Money Purchase, Salary Deferral 401(k), Defined Benefit Plan
- If you qualify: Roth IRA, Traditional IRA, Coverdell Educational IRA

## Guide to Seeking Professional Guidance

We strongly encourage you to seek professional guidance and advice. When considering a self-directed IRA, you need to think about finding an Advisor you are 100% comfortable with.

AES advisors offer both facilitation and investment analysis and advice. As experienced self-directed IRA Advisors, we go well beyond that of the retirement facilitator and provide you:

- Familiarization with IRS code
- Pertinent and continuing experience in IRS issues
- Expert advice and ability to plan and strategize
- Capability to determine risk, return on investment, and implementation
- Competitive fee structure
- Complete understanding of the custodian role
- World experience

**When you speak to your Advisor ask the following questions:**

**Did you read the code?** We find that some Advisors have not read the code thoroughly because it is new to them and therefore they shy

away from the details - details that matter. For some advisors it seems always safer not to rock the boat rather than scrutinize it.

**What is a prohibited transaction?** Ask if the proposal being presented is a prohibited transaction. If Advisors are unable to substantiate a prohibited transaction, why should there be grounds for concern? Gut feeling is NOT solid advice.

**Did you read the court ruling Swanson vs. the IRS?** This was a very compelling case that highlighted the taxpayer's ability to have the same control over his IRA.

**What was the significance of the Court judging the IRS allegations as "frivolous"?** It demonstrated that the IRS position had no basis in law or in fact. Because their claims were groundless, the case was dismissed!

**What was the significance of the IRS being ordered to pay the court costs?** The IRS very rarely has to pay for court costs. It is one tool that they effectively use to their advantage so that it deters people from filing claims against them. The Swanson case reversed that thinking

## **AES Saves You Money & Provides Strategies To Make You Money**

**AES group of professionals create your IRA LLC with a complete understanding of the custodian role, and with pertinent and continuing experience in IRS issues.**

**When working with the AES group of professionals you save money and receive guidance and strategies to make money with your IRA LLC. We provide all benefits that the different market players below offer, but you get significantly more from us.**

Consider this:

- When you work with an attorney directly you pay an attorney fee; and then you pay him additional fees at various stages of the process to learn how to deal correctly with the IRS and a custodian. It may cost you more to teach than to go to the experts. In addition, you do not receive investment strategies and implementation services.
- When you work with a custodian directly their role is to simply hold and report assets. They cannot give advice - that would constitute conflict of interest. His limitations therefore became your limitations.
- When you work with a facilitator directly you experience limited, or no investment strategies or products. No advice is offered, and no implementation is provided once you are on board. They primarily offer checkbook control but no IRS audit support plan.

We're on the Web at:

[www.assetexchange.com](http://www.assetexchange.com) / [www.myrealestateira.com](http://www.myrealestateira.com) / [www.iratraining.com](http://www.iratraining.com)



## Investment Strategy Example

**Grow a \$4,000 investment in a Roth to \$30,000 in a Year!**

### Step One

A non-related party buys a piece of property to fix-up for \$40,000. We'll assume that the property is sold for \$55,000.

### Step Two

Your Roth receives the profit of \$15,000. Your Roth has the option (and the right) to receive anything over \$50,000.



### Step Three

\$5,000 goes to the unrelated party as profit.

\$10,000 goes to your Roth IRA.

Use "Hard Money" to make the purchase;

- Do this 3 times per year with your buying partner and your Roth gains \$30,000 over a 12-month period
- After the third deal, buy with your Roth
- If you're looking for deals - call us, we'll give you a hand



# Q&A

[myrealestateira.com/faq](http://myrealestateira.com/faq)

## For Extensive Information on:

- Self Directed IRA Questions
- Real Estate IRA's
- Self Directed IRA Loans
- Self Directed IRA Investing
- Prohibited Transactions
- Additional Questions
- Yes / No Questions (Generally)

*How do I decide if the Self-Directed IRA, LLC is right for me?*

The Venture IRATM LLC is right for you if you want checkbook control of your IRA; want to make your own investment decisions without the need of a custodian: want asset protection for your retirement beyond what is currently available: and want the lowest possible custodial fees

*What are the downsides of investing with a Self Directed IRA?*

The only downside is that some people don't want to be in charge of their own retirement investments. They are happy having someone else make all the decisions. A Self-Directed IRA is not right for them. For the rest of us who want to be involved in our retirement investments and make decisions that will affect our retirement, there are no downsides. Just be aware of the prohibited transactions / restrictions (no self-dealing). We firmly believe that you are the best steward for your money. Nobody cares as much about your retirement as you do.

*Can I make a loan to my brother so that he can use the money as a down payment on a home?*

Yes. According to IRC 4975, siblings are not included in the definition of disqualified persons. Thus, a loan to your brother would not be a prohibited transaction. Although some suggest that it was an error on the part of the IRS to omit siblings from the definition, they, nonetheless, were omitted and to the best of our knowledge, there has never been an IRS ruling to the contrary.

*Can I buy a business with my Self Directed IRA LLC?*

Yes, you can buy a business with your IRA money via the Self Directed IRA LLC. Please contact us for details.

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