

Take Control

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| With a Self-Directed IRA



BANK of UTAH

Experience. Service.

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Take the Lead

It is your retirement. You want to control your financial direction. You know best which opportunities you want to pursue, and what risks you are willing to tolerate. You also know the opportunities are greater than those afforded by your current retirement plan. Take control of your financial future with a Self-Directed Individual Retirement Account (IRA).



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Rediscover Your Options With a Self-Directed IRA

It is up to you. You can tap the purchasing power of your retirement funds today, leverage your knowledge and expertise with certain investments to grow your wealth, and take the investment path that best serves your hopes for the future.

A Bank of Utah trust officer can work with you to establish a Self-Directed IRA, help you explore the full breadth of your options and institute a program that allows for a vast array of investment choices while minimizing risk and liability.

Diverse Investments

Tax Deductions

Real Estate Benefits

Asset Protection

What Can You do With a Self-Directed IRA?

Take Control

A Self-Directed IRA is technically no different from any other IRA (or 401k). All IRAs can be excellent financial vehicles for tax-deferred profits, tax deductions, asset protection and estate planning. All IRAs are subject to certain provisions, risks, and realities.

The differences with a Self-Directed IRA are you and the diversity of the investment opportunities you choose to pursue. You determine where and how the money is invested. You are free to invest in qualified assets you feel will bring the greatest returns and/or security, depending on your personal investment goals.

A Self-Directed IRA combines your retirement plans, your knowledge and investment expertise with almost infinite investment possibilities in a tax advantaged environment.

Explore Wide-Open Possibilities

Rather than being limited to a select group of asset types (e.g., stocks, bonds, and mutual funds), Self-Directed IRA investment options include an almost unlimited array of possibilities. Traditional considerations such as stocks, bonds, gold, silver, and oil are expanded to include alternative investments such as, but not limited to, LLCs, partnerships, private equity, and real estate. You can purchase land, land trusts, single family homes, and apartment buildings. As long as you stay within Internal Revenue Service (IRS) specified guidelines, you determine the limits and possibilities for your Self-Directed IRA investments.

The flexibility, diversity, and personalization afforded through a Self-Directed IRA can equal a more proactive approach toward improving investment returns.

Rely on Bank of Utah's Expertise

IRS regulations require that a financial institution with trust powers hold the IRA assets on behalf of the Self-Directed IRA owner. Bank of Utah is one of the few institutions in Utah that has chosen to hold custodial IRAs.

Bank of Utah will help you put all the pieces of the Self-Directed IRA puzzle together. You can rely on Bank of Utah's custodial expertise. Our experienced custodial advisors assist in the following:

- > Manage IRA assets under your direction.
- > File all necessary tax reports in compliance with IRA regulations.
- > Issue bank statements of net gains and losses.
- > Record all transactions pertaining to the IRA.
- > Perform other administrative duties as you direct for the life of the IRA.
- > Pay all IRA asset related expenses, including:
 - > Property taxes
 - > Utility bills
 - > Maintenance expenses

Jumpstart Your New Direction

Our Bank of Utah advisors will help you transfer qualified funds into a Self-Directed IRA. Most types of retirement accounts can be transferred into a Self-Directed IRA including IRA's, Roth IRA's SEP IRA's, 401(k)s, 403(b)s, Qualified Annuities, Profit Sharing Plans. Self-Directed IRAs cannot be funded with personal monies, excepting qualified annual contributions.

Funding for a Self-Directed IRA usually takes 7-15 business days, depending on the responsiveness of your current custodian.



Did you Know

Bank of Utah's established team of trust officers deliver the personalized service of a community bank, combined with the financial stability and experience of a large bank.

Understand the Rules

Specific Rules and Restrictions

There are specific rules regarding Self-Directed IRAs that you should be familiar with to ensure compliance. If you don't follow the rules set forth for self directed IRAs, you can risk the tax-deferred status of your account. This could lead to the disqualification of the IRA and severe tax consequences.

The following is a general overview of some, but not all, restrictions relating to Self-Directed IRAs.

Disqualified Persons

Disqualified Persons are individuals or entities between whom or which the IRA cannot engage in any transaction. You, as owner of the account, are a disqualified individual. In the eyes of the IRS, you and your IRA are not one and the same. Although the IRA is established to benefit you and your beneficiaries, it is truly a separate entity.

Disqualified Persons cannot engage with the IRA in any direct or indirect sale or exchange or leasing of any property; lending of money or other extension of credit; furnishing goods, services or facilities; or transferring to or permitting the use of IRA income or assets.

Disqualified Persons include the following:

- > The IRA owner/Fiduciary
- > Family members of the IRA owner including spouse, parents, grandparents and great-grandparents, children (and their spouses), grandchildren and great-grandchildren (and their spouses)
- > Service providers of the IRA (e.g., IRA custodian, CPA, financial planner)

Prohibited Transactions

Any improper use of your traditional IRA account or annuity by you, your beneficiary, or any disqualified person is termed a prohibited transaction. The following transaction types can bring into question the tax-deferred status of your account, potentially resulting in the disqualification of your IRA and severe tax consequences.

Self-Dealing

Your IRA may not buy an investment from or sell an investment to a disqualified person. Investments made with Self-Directed IRAs must be at arms length, which is most often defined as a willing buyer and willing seller coming together with no undue influence from outside sources.

Indirect Benefits

The purpose of the IRA is to provide for your retirement in the future. It's not intended to benefit you now. It's considered an "indirect benefit" if your IRA is engaged in transactions that, in some way, can benefit you immediately and personally.

Prohibited transactions will result in significant consequences. Don't risk it. If you have any question regarding the possibility of an investment being a prohibited transaction, you should seek professional legal counsel before purchasing the investment with Self-Directed IRA funds.

Excluded Assets

The IRS defines the following assets as excluded:

- > Collectables (artwork, cars, antiques, rugs, metals, gems, wine, stamps, coins, etc.)
- > Capital Stock in an "S" Corporation
- > Life Insurance Contracts



Did you Know

Real estate can be an IRA distribution. This is a great option for investors who wish to personally use property in the plan, such as a retirement home, once they reach age 59½.

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Consider the Real Estate Option

A Powerful Investment Tool

Investing in real estate and other assets in retirement plans has been an option since the inception of government-sponsored retirement plans, such as IRAs and 401(k)s, in 1974. The concept hasn't received large attention because most custodians who offer IRAs focus on stock market investments.

Historically, real estate has been a stable investment vehicle that provides both income and appreciation. The real estate investment made by a Self-Directed IRA gains the following additional advantages:

- > Tax-deferred/tax-free profits
- > The power of compound interest
- > Asset protection
- > Estate planning

For the successful real estate investor, or the individual looking to diversify a retirement portfolio, the combination of real estate and an IRA can be very powerful.

Types of IRA Real Estate Investments

Real estate-related investments that you can make with a Self-Directed IRA include, but are not limited to the following:

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|-----------------------|--------------------------------|
| > Raw land | > Mobile homes |
| > Single-family homes | > Real estate notes |
| > Commercial property | > Second mortgages |
| > Apartments | > Partial notes |
| > Duplexes | > Real estate purchase options |
| > Condos/townhomes | > Tax liens certificates |



Investment Properties Provide Leverage

A Self-Directed IRA can be a great way to leverage your real estate investments and build your retirement portfolio. Real Estate IRA investing opens up a huge range of alternative investments for individuals who are knowledgeable about real estate investing. Income properties and real estate revitalization projects managed through an IRA hold the potential to hedge against the cyclical changes in other investments and add value to your overall portfolio.

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Bank of Utah Customer

"I have successfully invested in real estate and private loans with my Self-Directed IRA. It's much more flexible than my other retirement plans. Bank of Utah Trust department staff is very helpful and responsive. I highly recommend this approach to retirement planning".

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Seek Legal Guidance

Compliance is Critical

You are responsible for compliance with all codes and regulations surrounding a Self-Directed IRA. As custodian for the Self-Directed IRA, Bank of Utah cannot ensure compliance or give legal or tax advice. Our job is to follow the directions of the accountholder as a non-discretionary custodian. We strongly advise that you seek the counsel of qualified legal or financial advisors regarding the codes and regulations surrounding transactions and investments involving a Self-Directed IRA.

Self-Directed IRAs are not for everyone. They are for those who want to create wealth using their knowledge of investments outside of stocks, bonds, and CDs.

No investment (aside from FDIC-insured deposits) is guaranteed. However, most successful investors feel that the investment risk in assets they know and understand is much less than that associated with investing solely in conventional IRAs.

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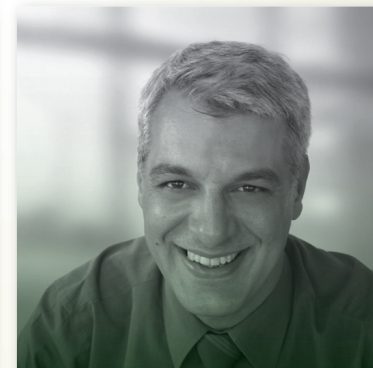
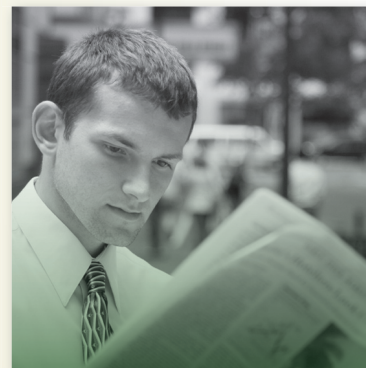


Did you Know

A custodian cannot advise you on whether a proposed transaction is in compliance. It is a legal matter; and only an attorney can give you legal information from which to make an informed decision.

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Join Other Successful Investors



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Contact us

For more information on how Bank of Utah can help you take control of your financial direction, contact your branch or call 801-409-5115 toll free 877-268-9327 or visit us on the web www.bankofutah.com/trust



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Self-Directed IRA

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