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# In-Kind Asset Distribution Form

Traditional | Roth | SEP | SIMPLE

Processing times for an in-kind asset distribution from your IRA may vary depending on the asset type. Your request will be reviewed within 2 business days of receipt and a Client Service Agent will contact you if additional information is required to complete the in-kind distribution.

## SECTION 1 | Account Type

- Traditional IRA  
  Roth IRA  
  SEP IRA  
  SIMPLE IRA  
  Inherited IRA

PTC IRA Account Number

## SECTION 2 | IRA Account Owner Information

First Name  Last Name  Last 4 Digits of SSN  DOB (MM/DD/YY)   
 Daytime Phone Number  Email Address   
 Address  City  State  Zip Code

## SECTION 3 | Distribution Type (See Additional Information included with this form for instructions to Form W-4P Withholding Certificate.)

Select the type of distribution requested:

- Normal Distribution (age 59 1/2 or older)  
 Required Minimum Distribution (RMD) (age 70 1/2 or older) **What year does the RMD apply to?**   
 Premature Distribution (**No Exception Applies**)  
 Premature Distribution (**Exception Applies**) If you selected Premature Distribution (**Exception Applies**) the following exceptions are allowable as defined by the IRS in Publication 590; death, disability, medical expenses and insurance, IRS levy, first home (buy, build or rebuild), reservist, annuity, and higher education expenses. See Additional Information for more details.

## SECTION 4 | Investment Distribution Election

**I acknowledge by my initials below the type of in-kind asset(s) distribution requested and my responsibilities and the costs associated with my request.** Review the instructions below carefully and contact the Investment Department at investment@ptcemail.com if you have any questions.

**PRECIOUS METALS** | The in-kind distribution of precious metals will include **shipping and handling costs** associated with the shipment of metals from the depository. Preferred Trust Company will obtain the shipping and handling costs from the depository. In addition there is a **\$200.00 Precious Metals Transaction Fee** charged by Preferred Trust Company to complete the in-kind asset distribution. It is my responsibility to ensure there is an adequate cash balance in my IRA for the costs and fee to be assessed based on my request for the in-kind asset distribution.

**NOTE:** The value of the in-kind distribution is determined by the marketable value of the metals on the day the precious metals are shipped to you. This valuation is provided to Preferred Trust Company by the depository and will be notated on the in-kind distribution transaction detail on the Preferred Trust Company client portal. This distributed amount will be reported to the IRS on Form 1099-R for the tax year the distribution was requested.

|                             |                      |          |                      |
|-----------------------------|----------------------|----------|----------------------|
| Precious Metals Description | <input type="text"/> | Quantity | <input type="text"/> |
| Precious Metals Description | <input type="text"/> | Quantity | <input type="text"/> |
| Precious Metals Description | <input type="text"/> | Quantity | <input type="text"/> |

## SECTION 4 | Investment Distribution Election Continued

I acknowledge by my initials below the type of in-kind asset(s) distribution requested and my responsibilities and the costs associated with my request. Review the instructions below carefully and contact the Investment Department at [investment@ptccemail.com](mailto:investment@ptccemail.com) if you have any questions.

**DIGITAL CURRENCY** | The in-kind distribution of digital currency requires that I provide a wallet address for each type of digital currency to be distributed. In addition there is a **\$200.00 Digital Currency Transaction Fee** per asset charged by Preferred Trust Company to complete the in-kind asset distribution for each digital currency type. It is my responsibility to ensure there is an adequate cash balance in my IRA for the fee (s) to be assessed based on my request for the in-kind asset distribution.

**NOTE:** The in-kind distribution amount is determined by the market value on the day the distribution is processed to you. This distributed amount will be reported to the IRS on Form 1099-R for the tax year the distribution was requested.

|             |                      |               |                      |                |                      |
|-------------|----------------------|---------------|----------------------|----------------|----------------------|
| Unit Amount | <input type="text"/> | Currency Type | <input type="text"/> | Wallet Address | <input type="text"/> |
| Unit Amount | <input type="text"/> | Currency Type | <input type="text"/> | Wallet Address | <input type="text"/> |
| Unit Amount | <input type="text"/> | Currency Type | <input type="text"/> | Wallet Address | <input type="text"/> |

**REAL PROPERTY** | Prior to providing this request to Preferred Trust Company, I will obtain and provide along with this form a Broker Price Opinion (BPO) or an appraisal of the property to illustrate the current value. The in-kind distribution of real property requires a Quit Claim Deed to be recorded in the county where the property is located. The Deed transfers the ownership of the property from my IRA to me personally. Preferred Trust Company will complete the Deed and file it with the county. A copy of the newly recorded Deed will be mailed to you at the address provided in Section 2 of this form. There is a **\$300.00 Real Estate Asset Transaction Fee** charged by Preferred Trust Company to complete the in-kind asset distribution. In addition, Preferred Trust Company will assess the **Recording Fee(s)** charged by the County Recorder's Office from my IRA. It is my responsibility to ensure there is an adequate cash balance in my IRA for the fee(s) to be assessed based on my request for the in-kind asset distribution.

**NOTE:** The in-kind distribution amount is determined by the BPO or appraised value provided. This distributed amount will be reported to the IRS on Form 1099-R for the tax year the distribution was requested.

|                       |                      |                        |                      |
|-----------------------|----------------------|------------------------|----------------------|
| Real Property Address | <input type="text"/> | In-Kind Distribution % | <input type="text"/> |
| Real Property Address | <input type="text"/> | In-Kind Distribution % | <input type="text"/> |

**PRIVATE PLACEMENT** | The in-kind distribution of a private placement requires me to provide Preferred Trust Company with a copy of an updated/amended Subscription Agreement from the investment sponsor. The Subscription Agreement must acknowledge the change of ownership shares from my IRA with Preferred Trust Company to me personally and the modification of future tax reporting from Preferred Trust Company EIN to my SSN. There is a **\$200.00 Alternative Investment Transaction Fee** charged by Preferred Trust Company to complete the in-kind asset distribution. It is my responsibility to ensure there is an adequate cash balance in my IRA for the fee(s) to be assessed based on my request for the in-kind asset distribution.

**NOTE:** The in-kind distribution amount is determined by the current value that the asset is held in the IRA. This distributed amount will be reported to the IRS on Form 1099-R for the tax year the distribution was requested.

|                        |                      |                        |                      |
|------------------------|----------------------|------------------------|----------------------|
| Private Placement Name | <input type="text"/> | In-Kind Distribution % | <input type="text"/> |
| Private Placement Name | <input type="text"/> | In-Kind Distribution % | <input type="text"/> |

**SECURE AND UNSECURE PROMISSORY NOTES** | The in-kind distribution of a Promissory Note requires me to provide Preferred Trust Company with a copy of amended Promissory Note between myself and the Borrower removing my IRA as the Lender. If a secured Promissory Note, I am also required to provide a copy of the amended security instrument reflecting the removal of the IRA. There is a **\$200.00 Alternative Investment Transaction Fee** charged by Preferred Trust Company to complete the in-kind asset distribution. It is my responsibility to ensure there is an adequate cash balance in my IRA for the fee(s) to be assessed based on my request for the in-kind asset distribution.

**NOTE:** The in-kind distribution amount is determined by the current value that the asset is held in the IRA. This distributed amount will be reported to the IRS on Form 1099-R for the tax year the distribution was requested.

|                           |                      |                        |                      |
|---------------------------|----------------------|------------------------|----------------------|
| Secure/Unsecure Note Name | <input type="text"/> | In-Kind Distribution % | <input type="text"/> |
| Secure/Unsecure Note Name | <input type="text"/> | In-Kind Distribution % | <input type="text"/> |

## SECTION 5 | Acknowledgment Signature

I certify that I am the IRA Owner, the beneficiary, or individual legally authorized to complete this form. I certify the accuracy of the information set forth in this form, and I authorize this transaction. I understand that Preferred Trust Company as Custodian may require the completion of additional documents before processing any distributions. I understand that I am responsible for any consequences resulting from this distribution including taxes and penalties owed. I acknowledge that I will receive IRS Form 1099-R for the tax year in which the in-kind asset distribution was processed by January 31 of the following year. I indemnify and hold Preferred Trust Company as Custodian harmless from any resulting liabilities. I acknowledge that Preferred Trust Company as Custodian cannot provide me with legal advice, and I agree to consult with a tax or legal professional for guidance.

Signature of IRA Account Owner

Date

### ADDITIONAL INFORMATION

**Purpose.** The IRA Distribution Form for Traditional, Roth and SIMPLE IRAs is designed to assist you in selecting an individual retirement arrangement (IRA) distribution reason and method.

**Additional Documents.** Applicable law or policies of the IRA custodian may require additional documentation. A separate distribution form must be completed for each distribution reason.

**For Additional Guidance.** It is in your best interest to seek the guidance of a tax or legal professional before completing this document. Your first reference should be the IRA agreement and disclosure statement you received upon establishing your IRA or amendments provided by your custodian. For more information refer to Internal Revenue Service (IRS) Publication 590-Individual Retirement Arrangements, IRS Publication 505-Tax Withholding and Estimated Tax, instructions to your federal income tax return, your local IRS office, or the IRS's website at [www.irs.gov](http://www.irs.gov).

**Terms.** A general understanding of the following terms may be helpful in completing your transactions.

**Premature, no known exception.** If you are younger than age 59 1/2, you may be subject to a 10% premature-distribution penalty tax unless you properly roll over the assets within 60 days (or 120 days in the case of the return of a first-time home buyer distribution), or unless you meet an exception. The exceptions are for distribution used to pay for: higher education expenses, first-time home purchase, medical expense or health insurance premium.

**Premature, exception applies.** These types of distributions are automatically exempt from the 10% premature-distribution penalty tax: a distribution subsequently converted to a Roth IRA levy, a distribution to satisfy an IRS levy, or distribution based on an election to receive substantially equal periodic payments for the greater of a five-year period or until you attain age 59 1/2.

**Disability.** A distribution for a disability can avoid the 10% premature-distribution penalty tax if you are younger than age 59 1/2 and meet the definition of disability under Internal Revenue Code (IRC) Section 72(m)(7).

**Death.** A distribution taken by a beneficiary (ies) of a deceased IRA owner that is exempt from the premature-distribution penalty tax. Distributions made as part of a series of substantially equal periodic payments over your life expectancy or the life expectancies of you and your designated beneficiary. If these distributions are from a qualified plan other than an IRA, you must separate from service with this employer before the payments begin for this exception to apply.

**Medical Expenses.** Distributions to the extent you have deductible medical expenses that exceed 10% of your AGI (7.5% if you or your spouse is 65 or older) whether or not you itemize your deductions for the year. The 7.5% limitation is a temporary exemption from January 1, 2013 to December 31, 2015 for individuals 65 and older and their spouses.

**Medical Insurance.** The distributions are not more than the cost of your medical insurance due to a period of unemployment.

**First Home Exception.** Distributions made to buy, build, or rebuild a first home.

**Reservist.** Distributions that are qualified reservist distributions. Generally, these are distributions made to individuals that are called to active duty for at least 180 days after September 11, 2001.

**Higher Education.** The distributions are not more than your qualified higher education expenses.

**Age 59 1/2 or Older (Normal).** If you are age 59 1/2 or older, you are not subject to a 10% premature-distribution penalty tax.

**Excess Contribution.** An excess contribution occurs when the contribution amount exceeds allowable limits or when an ineligible individual makes a contribution. For correction purposes, an IRA owner can treat an unwanted contribution as an excess.

**Eligible Retirement Plan.** Eligible retirement plans include qualified plans under IRC Section 401(a), which includes Section 401(k) plans, a tax-sheltered annuity under IRC Section 403(b), or a deferred compensation plan under IRC Section 457(b).

**Separate Accounting.** Under Treasury Regulation Section 1.409(a)(9)-8, Q&A-3, a separate account in an IRA would be a separate portion of the IRA that reflects a beneficiary's separate interest in the IRA as of the date of the owner's death. If a separate accounting is not immediate upon an IRA owner's death, an IRA custodian should allocate the post-death investment gains and losses for the period prior to the establishment of separate accounts on a reasonable and consistent pro rata basis among the separate beneficiary accounts.

**Tax Year of First Roth IRA Contribution/Conversion.** Distribution of earnings in a Roth IRA may be tax free and penalty free when withdrawn if five years have passed since the tax year of the Roth IRA owner's first contribution/conversion.

**Recipient Information.** The Recipient Information section must be completed for a distribution due to IRS levy, a death distribution, a transfer to another IRA, a transfer to a former spouse's IRA due to divorce or legal separation, a transfer to a spouse's IRA due to death (if sole beneficiary), a re-characterization, or a direct rollover to an eligible retirement plan. Provide complete information regarding the individual or entity receiving the assets.

**Withholding of Federal Income Tax.** Generally, federal income tax withholding applies to your IRA distributions. The methods and rate on withholding depends on (a) the type of distribution you receive, (b) whether the distribution is delivered outside the United States to its possessions, and (c) whether you (or your beneficiary after your death) are a nonresident alien individual, a nonresident alien beneficiary, or a foreign estate. Qualified distributions from a Roth IRA are nontaxable and, therefore, not subject to withholding. Because your tax situation may change from year to year, you may want to change your withholding election each year. You can change the amount to be withheld by using IRS Form W-4P or an appropriate substitute form.

**Non-periodic Payments - 10% Withholding.** Distributions from an IRA that are payable on demand are treated as non-periodic payments. Your IRA custodian must withhold at a flat 10% rate from your IRA distributions unless you choose not to have federal income tax withheld. You can choose not to have income tax withheld from a non-periodic payment by using IRS Form W-4P or an appropriate substitute form and providing your correct tax identification number (TIN). Generally, your choice to have income tax withheld or not will apply to any later distribution from your IRA. You may also specify an additional amount that you want withheld.

*Caution. If you do not provide your correct TIN, your IRA custodian cannot honor your request not to have income tax withheld and must withhold 10% of the payment for federal income tax.*

**Choosing Not to Have Income Tax Withheld.** You (or in the event of death, your beneficiary or estate) can choose not to have income tax withheld from your payments by using Form W-4P or an appropriate substitute form. For an estate, the election to have no income tax withheld may be made by the executor or personal representative of the decedent. The executor/representative must provide the estate's TIN/employer identification number (EIN).

*Caution. There are penalties for not paying enough federal income tax during the year, either through withholding or estimated tax payments. New retirees, especially should see IRS Publication 505, Tax Withholding and Estimated Tax. It explains the estimated tax requirements and describes penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your IRA using Form W-4P or an appropriate substitute form.*

**Changing Your "No Withholding" Choice.** If you previously chose not to have income tax withheld and you now want 10% withholding, write "Revoked" next to the check box on line 1 of IRS Form W-4P and provide a copy to your IRA custodian. To the extent you want a greater amount withheld, complete a new Form W-4P or an appropriate substitute form for your IRA custodian.

**Payments to Foreign Persons and Payments Outside the United States.** Unless you are a nonresident alien, withholding (in the manner described above) is required on non periodic payments that are delivered to you outside the United States or its possessions. You cannot choose not to have income tax withheld Form W-4P. See IRS Publication 505, Tax Withholding and Estimated Tax for additional details.

If you are a foreign person who has provided an IRA custodian with IRS W-8BEN, the IRA custodian will furnish a statement to you on IRS Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, by March 15 of the next year.

**State Withholding.** Your state may allow or require state income tax withholding on any taxable distribution.

**Local Withholding.** Your local governing authority may allow or require local income tax withholding on any taxable distribution.

### INTERNAL USE ONLY

Verified  
(Initials and Date)