



**Affordable Legal Documents LLC**  
*“Someday, all IRAs will be Advanced IRA LLCs”*

---

**ALL IRAs ARE SELF-DIRECTED**

©2020 by Larry Mulcock

**YOUR IRA NEEDS TO BE LIBERATED!**

My first memory of Ireland (September 1968) is looking out the airplane window down on to the emerald green countryside. Being from Utah, I had never seen anything to compare, nor have I since. It was stunning. It was just as stunning when I returned in 2018.



This island country of Ireland, the “Emerald Isles”, has a violent and bloody history as rugged as her coastlines.



The first IRA was the Irish Republican Army formed in 1917. Its original cadre were volunteers who did not enlist in the British Army to fight in World War I. They wanted to self-direct their lives and a country free from the oppression and brutality of the British crown.



Through the decades, many parliamentary organizations have laid claim to the name. In 2011, the Provincial IRA resumed hostilities under the name of the Irish Republican Army which still quietly exists today. The factional grudges run deep.

Today, YOUR IRAs need liberation as well, liberation from the shackles of the Financial Services Industry.

### **EVERY IRA REQUIRES A CUSTODIAN**

To liberate your IRA, you must first understand the required role of an IRA custodian.

An IRA is technically a *trust*. Every IRA trust is required to have a *custodian* that is a government-approved independent third-party *trustee*.

Each custodian decides which investments they are willing to hold in your IRA trust account. Therefore, the investments available to you in your IRA are determined by the custodian YOU select.

When you select a custodian, you **limit** or **expand** your universe of investment choices.

Obviously, advisors in the Financial Services Industry will steer you toward their favored custodians who cater to their firm's 'traditional' investment product offerings. The Financial Services Industry firms and their agents and advisors are in business to make money, as much money as they can. We can't fault them for that. However, it is clear why they are not telling you the rest of the story.

**KEY POINT:** It is the custodian that **limits** or **liberates** your IRA investment choices.

### **WHAT DOES "SELF-DIRECTED" REALLY MEAN?**

Right from the beginning, IRA owners have had the power to self-direct their IRA funds by choosing their custodian. But no one ever told them. Why?

The Financial Services Industry did not want IRAs diverted away from their control. They make their fees and commissions off 'traditional' investments they sell. Why would they tell about non-traditional or 'alternative' investments that cut them out?

**Traditional Investments** include annuities, mutual funds, stock and bonds, and some managed accounts. This is all that is offered by the Financial Services Industry - the banks, credit unions, mutual fund companies, brokerage houses, insurance agents and the financial

planners. The Financial Services Industry doesn't want you to know that there are other possibilities. It's in their own best interest. They are in business to make a profit. You can read more about the problems with the Financial Services Industry at [www.nimbleosity.com](http://www.nimbleosity.com).

**Alternative Investments** ('Non-Traditional' Investments) include the following:

- Rental Properties
- Fix & Flip Houses
- Land
- Building Lots
- New Buildings
- Commercial Properties
- Joint Ventures
- Precious Metal
- Cryptocurrency (Bitcoin)
- 1<sup>st</sup> & 2<sup>nd</sup> Mortgages
- Hard Money Loans
- Tax Liens
- Your Own Small Business
- Investment Advisors

Because of the size and dominance of the Financial Service Industry, this misinformation is still deeply entrenched in our culture. It is hard to get past years of conditioning. Fortunately, we do not have to resort to war and bloodshed to escape their grip.

Self-directed IRAs, especially 'check book' IRA LLCs, have gained significant public awareness and popularity since the real estate crash of 2008-2009.

Real estate investors wanted to be able use their IRA retirement funds to take advantage of the opportunities in real estate. They saw the opportunity to control their destiny and outperform the paltry returns of the Financial Services Industry.

The Institutions want you to trust them and depend on their guidance. This is the captivity from which you want to be delivered.

Ignore what custodians or financial advisors if they try to tell you different.

YOU are in-charge. YOU get to select which custodian you want for YOUR IRA. YOU can easily change custodians.

The term 'self-directed' has been hijacked and used to describe IRA and 401(k)s that are only self-directed within the limited universe of traditional investments offered in the Financial Services Industry's plans. They do not offer alternative investments and are, therefore, not truly self-directed. You might say they have *limited* self-direction.

**KEY POINT:** '*Self-directed*' simply means that YOU get to choose YOUR IRA LLC custodian.

## CUSTODIAL REQUIREMENTS

You want the self-directed IRA that gives you the most control, the most investment options, the lowest expenses and ease of operation. To do this, you must first select the right custodian. Your custodian must have the following characteristics:

1. **Experience and Stability.** You want to select a season IRA custodian with experience, a good reputation, financial stability and good customer service.

2. **Low Fixed Fee.** With an Advanced IRA LLC, your IRA custodian only needs to hold one asset for you – the Certificate of Membership Interest in your Advance IRA LLC. Therefore, you only pay one asset management fee and avoid all the miscellaneous charges for investment review, check preparation, deposit fees, etc.

Fixed fees are also all over the board. The following table illustrates the various fee calculation methods. The differences are significant. The higher the fees, the more they erode your investment returns.

### COMPARISON OF FEES CHARGED BY VARIOUS IRA CUSTODIANS

CUSTODIAN	SETUP FEES	FEE TYPE	Account Value \$100,000 FEES <sup>1</sup>	Account Value \$500,000 FEES <sup>1</sup>	TERMINATION FEE
Pensco Trust Company <sup>2</sup>	\$50	Base + x% of value	\$563	\$2,025	\$225
Equity Trust <sup>2</sup>	\$50 onlin, \$75 paper	Fee Schedule	\$480	\$1,680	\$225
The Entrust Group <sup>2</sup>	\$50	\$299/Asset or Schedule	\$650	\$1,995	\$250
Mountain West Trust	\$145	Fixed Fee	\$300	\$300	\$225
IRA Services Trust Company	\$0 online, \$60 paper	Fixed Fee	\$280	\$280	\$150

<sup>1</sup>Other fees may apply such as deposit fee, transaction fee, per asset fees, etc.

<sup>2</sup>Does not offer Check Book IRA LLC option. Custodial accounts only.

20200324

3. **Hold Certificate Membership Interest.** Your IRA custodian must be willing to purchase the Certificate of Membership Interest of your new LLC on behalf of your IRA trust account. Your IRA account becomes the Member/owner of your IRA LLC.
4. **Sign the LLC Operating Agreement.** Your IRA custodian must also be willing to sign your LLC operating agreement on behalf of your IRA account which is the member of your IRA LLC.

This IRA structure is called an “check book IRA”, also known as an “Advanced IRA LLC”. It means you, as the manager of your IRA LLC, has check book control of your IRA funds.

The following diagram will help you understand how the Advanced IRA LLC is structured.

**AFFORDABLE LEGAL DOCUMENTS  
'TURN-KEY' SETUP & TRANSFER SERVICE**

1. Affordable Legal Documents sets up a new IRA account for you with custodian and transfers your existing IRA or Solo 401(k) to your new IRA account.
2. Affordable Legal Documents will set up a new limited liability company for you of which you are the Manager.
3. You instruct the custodian to purchase the Membership Interest in your new LLC. The custodian sends you a check for the funds in your IRA made payable to your LLC. You, in return, give the custodian the Certificate of Membership Interest to hold in your IRA account. Now your IRA account is the Member/owner of your LLC.

**YOUR SELF-DIRECTED ADVANCED IRA LLC**

4. As the Manager of your Advanced IRA LLC, you setup a checking account for your LLC and deposit your IRA funds into it. You are the sole signer on the account. Viola, you have “check book control” of your IRA.
5. Now, you can invest your IRA funds in the investments of your choice by simply writing a check. No administrative approval required. No fees. No reports. You have full control of investing your IRA.



**KEY POINT:** YOU are the ‘Manager’ of YOUR Advanced IRA LLC. YOU, as the Manager, sign the checks to make investments.

With an Advanced IRA LLC, you have the whole universe of investments at your fingertips – both Traditional and Alternative.

Whatever you are doing now in your IRA, you can still do in an Advanced IRA LLC.

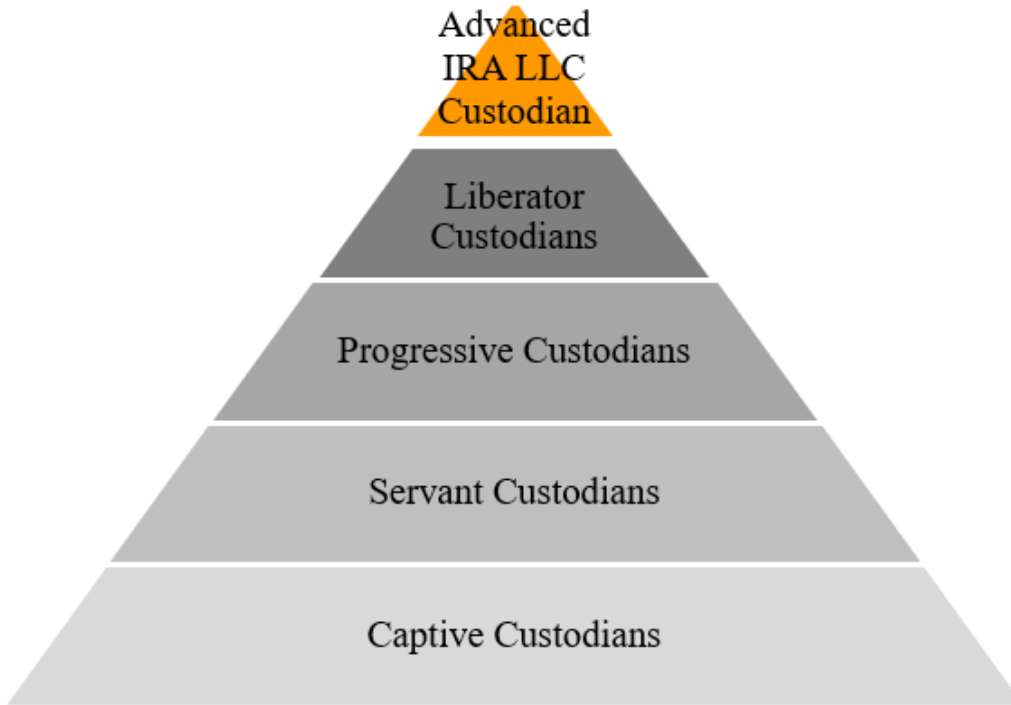
Your Advanced IRA LLC gives you the maximum self-direction available under the law!

The only asset the custodian must hold is the Certificate of Membership Interest of your Advanced IRA LLC, so the fees to the custodian are minimized.

As the Manager of YOUR Advance IRA LLC. YOU have full control of the IRA LLC checking account and, YOU, as the Manager, pick the investments. YOU make an investment by simply writing a check.

## TYPES OF CUSTODIANS

This pyramid helps to clarify the difference between the various types IRA custodians by the assets they are willing to hold in your IRA starting at the bottom with most restrictive and rising to the top. The apex of the pyramid represents the IRA custodian that best meets all the requirements.



Let's take a closer look and describe each of the categories in more detail.

### CAPTIVE CUSTODIANS



**Captive Custodians** means custodians that will only allow you to invest in their specific proprietary investments that they create and offer, or that they make big commissions and fees on. Under these Captive Custodians, you are 'captive' because you can only invest in their in-house products. Some examples are:

- (1) an annuity contract with a specific insurance company,
- (2) only the mutual funds offered by a that family of funds, or
- (3) a CD offered by that bank.

You are locked-in to their extremely narrow selection of Traditional Investments – the investment on which *they* usually make the most profit.

Don't be fooled, the Captive Custodians will usually tell you there are not custodial fees. They are usually factored in by a lower return or paid by the investment sponsor or are buried in the investment costs. The fees still reduce your return - they are just not disclosed. Remember, there is no free lunch. Your investment returns are further eroded by the operating and management expenses inherent in Traditional Investment products.

### SERVANT CUSTODIANS



The **Servant Custodians** allow you a wider selection of Traditional Investment, but **ONLY** Traditional Investments.

You are no longer limited to the Captive Custodian's proprietary products. However, you are still limited to "Traditional Investments" made available to you on that Servant Custodian's platform. Instead of being your master, the custodian is now your servant, but your servant has only limited capabilities.

Take, for example, Charles Schwab or Fidelity Investments. Through a brokerage account, you can purchase almost any mutual fund, stocks, bonds, etc., but ONLY these Traditional Investments.

Like the Captive Custodians, the Servant Custodians' fees are often hidden. You are, again, subject to the expenses inherent in Traditional Investment products, but, in addition, you often must pay transaction charges, loads, redemption fees or commission to buy and to sell your traditional investment choices, whether or not you make money.

### PROGRESSIVE CUSTODIANS



**Progressive Custodians** will take custody of both Traditional *and* Non-Traditional/Alternative Investments. With a Progressive Custodian you are no longer confined to Traditional Investment only. The Progressive Custodians will hold both Traditional and many Alternative Investments on your behalf.

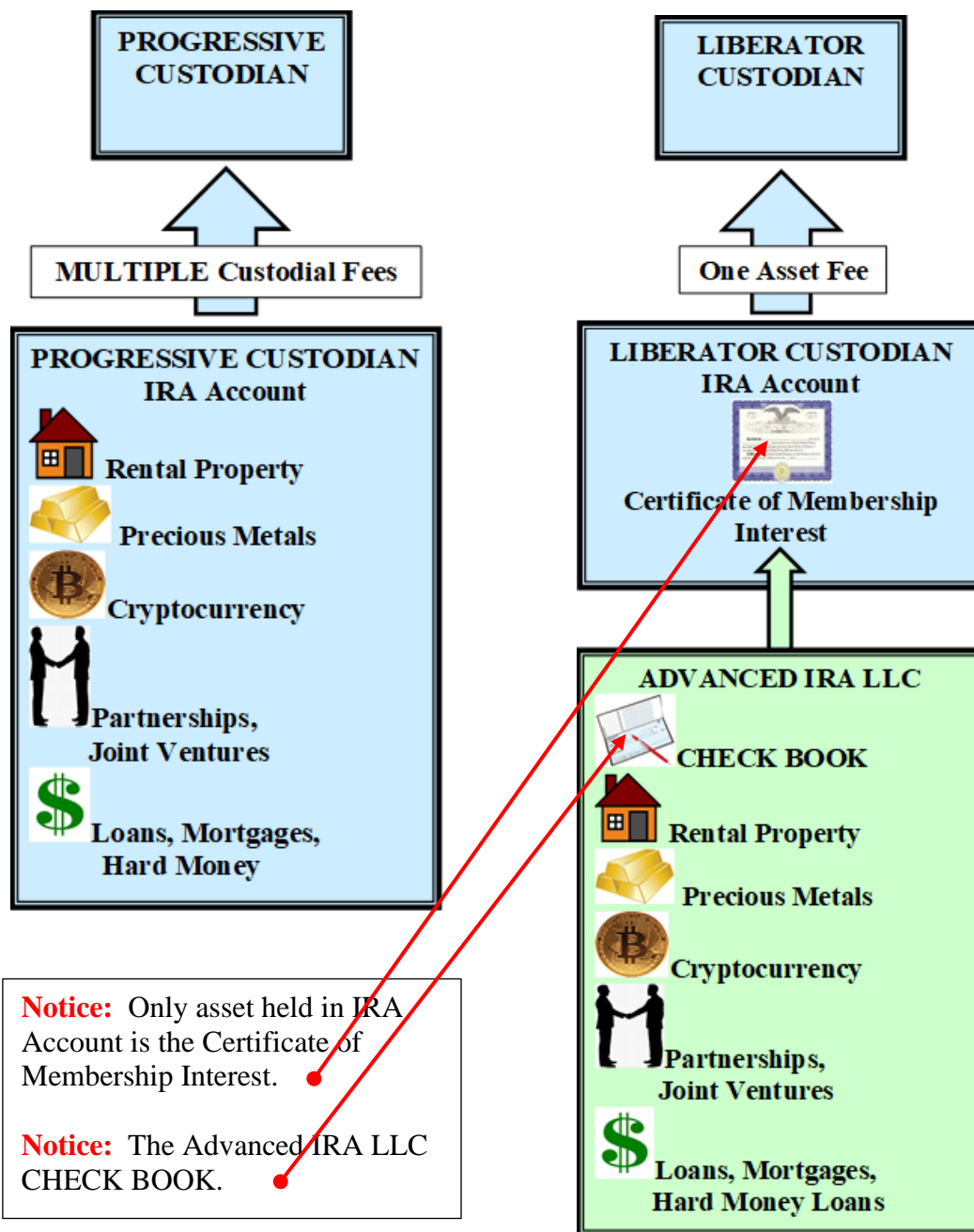
The price of this partial liberation is their expensive fees.

This is the trap – the fees. You are charged heavily for your freedom in the form of custodial fees, account transaction fees, investment review fees, check writing fees, etc.

## LIBERATOR CUSTODIANS



The **Liberator Custodians** will sign the operating agreement of your IRA LLC. This allows all the investment activity to occur at the IRA LLC level, not the custodian level. Now you are truly the master of your IRA. This illustration compares the Progressive and Liberator Custodian structures.





Since you are the Manager of your IRA LLC, you now have control of your investing.

You can purchase both Traditional and Alternative Investments. The Liberator Custodians hold only one asset, the Membership Interest in your IRA LLC. Therefore, you only pay one ‘asset fee.’ You, as the *Manager* of your IRA LLC, have check book control of all your investments. You perform the functions you would otherwise pay the Liberating Custodian to do so your fees are slashed to the bare minimum.

### **“THE” ADVANCED IRA LLC CUSTODIAN**



Affordable Legal Documents has identified the most advanced of the Liberator Custodians, the custodian that deserves the title of the Advanced IRA LLC Custodian”.

### **AN AFFORDABLE TURN-KEY PACKAGE**

Affordable Legal Documents provides a turn-key package at an affordable price. The package includes:

1. Setting up your new IRA account including initiating and managing the transfer of your existing IRAs to your new account.

Affordable Legal Documents has partnered with IRA Services Trust Company to bring the lowest fees available from a seasoned custodian who will allow your IRA to own membership interest in you Advanced IRA LLC and who will sign the operating agreement.

2. Setting up your new LLC by filing the Articles of Organization with your state, obtaining an EIN/tax ID number, and preparing the operating agreement, certificate of membership interest, minutes, and other required documentation.

IRA Services’ legal and compliance department has already vetted and approved Affordable Legal Documents IRA LLC operating agreement.

3. A copy of *The Self-Directed IRA Handbook* for reference and guidance.

It's your lucky day, mate. Now you know. An Irish Blessing on your retirement savings.



**KEY POINT:** This affordable Advanced IRA LLC turn-key package from Affordable Legal Documents frees you from the narrative of the Financial Services Industrial Complex and empowers you to with the maximum investment choices with the easiest and most inexpensive administration.

**“Someday, all IRAs will be Advanced IRA LLCs”**

**Call NOW to get more information and get started.**

**Powered by Affordable Legal Documents LLC**

**Larry Mulcock**

**801-654-3057**