

## What is a Self-Directed IRA?

The government created the IRA to allow our retirement investments to grow tax-free or tax-deferred, and to be compounded over time to maximize growth. A Self-Directed IRA allows you to expand your investments beyond traditional stocks, bonds and mutual funds and to invest in a wide variety of alternative assets, including gold, silver and other precious metals.

Investing in precious metals with an IRA requires that you work with an approved Self-Directed IRA custodian, such as Equity Trust.

## Diversifying with an IRA

Planning for retirement can be challenging, particularly in times of unstable economic conditions and a volatile stock market. Traditional retirement portfolios consist of stocks, bonds and mutual funds. Many people choose to diversify their retirement portfolios with investments in precious metals, which may help guard against high inflation and economic uncertainty.

Gold may be used to hedge against inflation. For the 20 years through June 30, 2019, gold outperformed the S&P 500, bonds and oil according to J.P. Morgan Asset Management.

Gold and other metals can also offer liquidity within your account, meaning they can readily be converted into cash should the need arise.

IRAs offer tax-deferred or tax-free growth, which means that investments made using an IRA may grow to be larger than similar investments made outside an IRA.

## Types of IRAs

The two most common types of IRA accounts are Traditional and Roth IRAs, each offering potential tax advantages.

With a Traditional IRA, investments are made with pre-tax money, meaning that you do not pay tax on money being deposited into the IRA account. Taxes are then deferred on any investment growth within the account until there is a qualified distribution.

### Traditional IRA Advantages

Contributions may be fully or partially deductible

- Taxes on investment earnings are deferred
- Many individuals may be in a lower tax bracket during retirement when distributions are taken. Therefore, earnings may be taxed at a lower rate than at the time of the contributions

With a Roth IRA, investments are made with after-tax money, but investments within the account grow tax-free, which means that taxes are not due on qualified distributions.

### Roth IRA Advantages

- Qualified withdrawals are tax-free
- Investments compound tax-free
- No required withdrawals/required minimum distributions
- May be able to pass on earnings to beneficiaries tax-free



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## The Investment Process is Simple

### 1. Open your IRA account with Equity Trust

Our easy-to-use online myEQUITY Account Open Wizard lets you open your IRA account completely online in under 10 minutes.

### 2. Fund your Account

You can fund your account through a cash or check deposit, ACH transaction or wire transfer. You may also rollover all or a portion of other qualified retirement accounts to your Self-Directed IRA account.

### 3. Equity Trust Processes Your Investment

Equity Trust processes your investment per your instructions and sends the funds to your selected precious metals dealer to complete the investment purchase. After the purchase and closing is final, your IRA owns the asset.

### 4. Manage the Investment within Your IRA

Our state-of-the-art myEQUITY account management system allows you to manage your account around the clock, from any device. You'll be able to view balances, transactions and account history, direct purchases and monitor pending transactions.

*Equity Institutional services institutional clients of Equity Trust Company. Equity Trust Company is a directed custodian and does not provide tax, legal or investment advice. Any information communicated by Equity Trust Company is for educational purposes only, and should not be construed as tax, legal or investment advice. Whenever making an investment decision, please consult with your tax attorney or financial professional.*