

# Which Self-Directed Retirement Plan is Right for Me?

Self-directed retirement plans come in several formats. Identifying the correct plan for your specific needs is a key step in your long term investing success. Variables such as the type of funds being converted, your employment status, age, and investment goals will all factor in to designing the right plan for you.

Get to know the four types of self-directed retirement plans below and talk to an expert at Safeguard Advisors before making your decision.

## ✓ SELF-DIRECTED IRA CUSTODIANS

- This basic option is well suited for simple, static investments such as privately held stock, long term notes, and crowdfunding.
- The IRA account is held by an institutional custodian who will process investments at your direction.
- Each transaction takes submission of investment forms and supporting documents. There is generally a few day processing queue and fees are assessed per-asset, per-transaction by account value, or some combination of the above.

## ✓ CHECKBOOK IRA LLC

- A Checkbook IRA LLC is supplemental to a custodial self-directed IRA and provides much greater flexibility and control. The IRA itself makes a single investment into a specialized LLC. You as the account manager direct all investment activities via the LLC and are not required to go through the custodian for each and every purchase, expense payment or deposit of income. This checkbook control eliminates per-transaction paperwork, delays and fees.
- For investments that are time-sensitive or involve frequent transactions, the IRA LLC is a superior option. Examples would be direct ownership of real property, tax liens, short-term notes, or a portfolio with more than just a few static asset investments.

## ✓ SOLO 401(K)

- A Solo 401(k) provides the same checkbook control as the IRA LLC and is very similar as an investment platform. This plan is limited to investors who are self-employed and have no full-time employees. As an employer sponsored retirement plan, the Solo 401(k) comes with much higher contribution limits than most IRA based retirement plans. For those who qualify, the Solo 401(k) provides many advantages.

## ✓ BUSINESS FUNDING IRA

- A Business Funding IRA is designed to allow you start or expand your own business and fund it with existing retirement savings, with no tax penalties. Often referred to as a Rollover as Business Startup, this plan structure involves a C Corporation with a 401(k), where the 401(k) becomes a shareholder of the corporation. You can actively run the business and even draw a salary.

If you want more control over your retirement investing and have an interest in alternative assets or capitalizing your own business, we have a plan to suit your needs. Explore your options for a self-directed retirement plan and talk to an expert about which type of investment might be best for you.