



Fair Market Value Information

Why Provide a Fair Market Value Form

The Fair Market Valuation Form ("FMV Form") is used to document the value of an asset. As Custodian, we require that a FMV Form be submitted to update and or acknowledge, the value of your IRA asset(s) each year to ensure proper tax reporting. Please note that you should not interpret our reporting of your investment's FMV as a guarantee of liquidity or as an opinion of the accuracy of the valuation.

Alternative asset values are not available through a public trading exchange. So, account owners must generally work with their investment provider or contract with a qualified, independent third party to complete this valuation.

- The IRS requires us to report the FMV of your account each year. It is your responsibility, however, to ensure the accuracy of your account's FMV.
- We reserve the right to reject FMV Form submissions if no supporting documentation is provided or if the valuation provided is not accurate and/or adequate. Additionally, the valuation cannot be performed by a disqualified person.

What Type of Supporting Documentation is Required?

YOU MUST SUBMIT A FAIR MARKET VALUE FORM with supporting documentation based on your asset. Below are examples of supporting documentation based on asset type.

Cash Assets & Brokerage Accounts or Publicly Traded Assets

You *do not need to submit a FMV Form*
No third-party signature is required.

Real Estate

An appraisal is required for the distribution or conversion, of a real estate asset. For yearly, non- taxable reporting, a real estate FMV analysis (more commonly referred to as a "comp" or a comparative market analysis or broker price opinion) from an independent third-party valuator may be provided.

Loans/Promissory Notes

Account values listed are typically equal to the outstanding principal balance. If circumstances exist in which the Promissory Note or Deed of Trust is in default or differs from the outstanding principal balance, you must obtain a qualified, third-party valuation. An updated amortization schedule may be required, if applicable.

Corporations, Partnerships, LLCs

FMVs for these types of or Private Placement investments are typically determined by a statement provided by the corporation, partnership, or LLC. Documentation signed by an Independent third-party valuator is also acceptable
The FMV of a Single-Member LLC can be calculated by adding the value of all assets owned by the LLC, reduced by any liabilities. The account owner may elect to have a qualified, independent third-party valuator evaluate the business as a whole. Supporting documentation should include exhibits that demonstrate the value.

Who is a Qualified, Independent Third-Party Valuator?

This may be a certified appraiser, licensed real estate professional (broker/realtor), or other qualified party (such as CPA). This individual should be at "arm's length" to both you and the investment and must sign the FMV Form. The valuation must be specific to the asset.

