

Fair Market Valuation Form Closely-Held LLC

Please refer to the accompanying form instructions. Valuations must be completed by an independent, neutral, qualified third party.

1. YOUR INFORMATION (REQUIRED)

Your Name: _____

New Direction Account Number: _____

2. ASSET INFORMATION (REQUIRED) (Note: A separate form is needed for each asset in your account.)

The asset in my account is: **Closely-Held LLC** Name of Asset: _____

LLC VALUATION WORKSHEET

Assets Held	Asset Type	Value as of 12/31/2018	LLC Ownership Documentation (describe and attach)
_____	_____	_____	_____
_____	_____	_____	_____
Savings/Checking/Brokerage Accounts	_____	_____	_____
_____	_____	_____	_____
Liabilities	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

The total value of the LLC is \$ _____, as of December 31, 2018.

The value of my membership interest in the LLC is \$ _____, as of December 31, 2018. My % is: _____

I have attached _____ as supporting documentation
(required). _____ pages are attached.

3. VALUATOR INFORMATION (REQUIRED)

My valuator's name is _____ and he/she is a (check the box that applies):

CPA Manager Real Estate Professional Other: _____

SIGNATURE REQUIRED (Unsigned forms will be returned to the account holder to obtain valuator's signature prior to processing.)

Valuator's Signature

I certify that I am qualified to give an independent valuation/appraisal for this particular asset. I understand that this valuation/appraisal will be used for reporting purposes to the Internal Revenue Service. I understand that any false or misleading valuation/appraisal of any assets may result in penalties and fines for both the valuator/appraiser and the account owner.

Signature: _____ Date: _____

4. ACCOUNT HOLDER'S SIGNATURE (REQUIRED) (Unsigned forms will be returned to the account holder for signature prior to processing)

Account Holder's Signature

I certify that I am the owner of the above referenced account and that in that capacity I have retained the services of the individual listed to prepare, present, and attest to the value of the asset contained. I further certify that the information contained herein is true and accurate to the best of my knowledge.

Signature: _____ Date: _____

Greetings New Direction Trust Company account holder,

You have chosen to take a new direction with your IRA investments. You have accepted the freedom and the benefits as well as the responsibilities of self-directing your IRA. One of your primary responsibilities now is to provide us with accurate valuations of the assets held in your self-directed account at New Direction Trust Company as of 12/31 each year. This enables New Direction to make its required annual reporting of year-end Fair Market Values (FMV) to the IRS on Form 5498. Please use the Fair Market Valuation Form (one for each asset held in your account) to summarize and certify the 2018 year-end valuation. Attach all required supporting documentation and return to us. Please be sure to follow the form instructions to ensure timely updates and proper reporting. Incomplete and/or incorrect submissions will be returned to you for correction prior to processing.

FORM INSTRUCTIONS AND GUIDELINES

WHEN TO USE THIS FORM:

- To update the FMV of your account assets for annual reporting.
- To establish the FMV of your account assets at the time of distribution, Roth conversion, or recharacterization.
- To establish the FMV of your account assets for calculating your Required Minimum Distribution. **Be aware that undervaluing assets in an account that is subject to RMD may result in a distribution that is too low, and the IRS imposes severe penalties for this.**

COMPLETE THIS FORM—FMV information and Valuator information

- One form for each asset held in your account.
- Enter the current Fair Market Value of the asset listed on the form, your IRA's percentage ownership of the asset, and the current FMV of your IRA's ownership interest.
- Valuator must be a qualified, independent third party. (To avoid charges of self-dealing, you, the account holder, cannot be the valuator.)
- Enter the valuator's name, contact information, and role.
- Qualified, independent third party examples:
 - o Managing Partner
 - o Certified Real Estate Broker
 - o CPA or Attorney
 - o Certified Appraiser
 - o Independent Valuation Company
 - o Other knowledgeable party

SIGN AND DATE THIS FORM

- The form MUST be signed and dated by BOTH the valuator and you, the account holder. If either signature is missing, we will return the form to you for completion prior to processing the value update.
- Certified electronic signatures are acceptable.

VALIDATE THIS FORM

- Supporting documentation is required; attach all documents that support the updated FMV.
- Examples:
 - o Real Estate Appraisal by a Licensed Appraiser
 - o Official Broker Price Opinion by a Licensed Real Estate Professional
 - o Report from Independent Valuator
 - o Comparative Market Analysis
 - o Statement of Value on company letterhead and signed by an officer of the company
 - o Mortgage statement
 - o Manager of closely held LLC must complete the worksheet included on the form to identify the assets and liabilities held by the LLC and provide supporting documentation for each asset/liability.

RETURN THIS FORM WITH ALL SUPPORTING DOCUMENTS

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