



# Hedge Funds in Self-Directed IRAs

## An Opportunity for Fund Sponsors and Investors

Self-directed IRAs provide the type of benefits that many investors are looking for, such as tax advantaged savings and flexibility. They also represent a vast source of capital that can be invested in various types of alternative, non-traditional assets such as hedge funds.

### Hedge Funds and IRAs

A hedge fund is a private, largely unregulated pool of capital whose managers can buy or sell any assets. The funds speculate on falling as well as rising assets and participate substantially in profits from money invested. A hedge fund generally charges both a performance fee and a management fee and is typically open only to qualified investors.

Hedge funds have enjoyed a significant surge recently, especially for experienced investors with significant investible assets. Recently, some hedge fund managers have lowered their minimum investment amounts significantly as a means of encouraging more investors to have access to these types of funds. The Pension Protection Act of 2006 brought some long awaited relief for hedge funds. The Act liberalized the 25% test and provides some long term certainty on how to apply it.

### Millennium Trust as a Valued Custodian

Millennium Trust brings years of experience working with hedge funds and has expertise in dealing with both service providers and investors. Millennium Trust has dedicated and knowledgeable operations and client service personnel ready to assist you.

#### You can rely on Millennium Trust to:

- Establish and maintain individual accounts.
- Facilitate investment transactions as directed.
- Track and report all investment activity in the account.
- Ensure accurate and timely recordkeeping on the account.
- Perform IRA tax reporting.
- Offer expanded FDIC coverage up to \$5 million on cash balances.

Let us help you grow your business.

### ABOUT MILLENNIUM TRUST



Privately-owned trust company headquartered in Chicago area



Specializing in custody and retirement services

Over 800,000 client accounts



Over \$23 billion assets under custody

Regulated by the State of Illinois

Established in 2000, Millennium Trust is an expert provider of custody solutions committed to the evolving needs of advisors, financial institutions, businesses, and individual investors. Millennium Trust empowers clients with trusted expertise, exceptional service and access to a wide range of custody solutions. Whether you are managing alternative assets, investment accounts or retirement funds, we are uniquely qualified to service your custody needs.

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