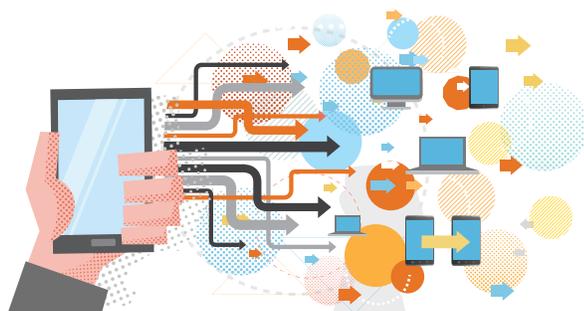


**Issue 3
October 2014**

Millennium Trust's
Quarterly Alternatives
Newsletter

ABOUT US

Millennium Trust Company is an industry leading custodian that helps institutions, Advisors and investors do more by offering niche, expertly managed custody solutions for alternative assets, private funds and retirement plan rollovers. We serve as a complement to services offered by other custodians. Our goal is to make you more successful and productive by professionally managing detailed transactions, providing timely reporting and offering best-in-class service.



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TECHNOLOGY UPDATE

In the October 2013 issue of *MTConnect*, we discussed our focus on technology and improving your overall experience while interacting with Millennium. There is quite a bit of work going on in the background which we will begin rolling out in the coming months and into the new year. This includes a complete redesign of the Millennium Trust website with a mind towards mobile technologies and improving the user interface and user experience.

We're excited to announce that the initial phase of the planned redesign of the online application process is complete and will move from the testing environment to live use within the month. New clients, or existing clients who would like to open a new account with Millennium, will now be able to complete the application process entirely online. In addition to making the process easy to complete, the new online forms have been optimized for use on mobile devices which makes it that much more convenient.

Additional improvements to the account opening process include:

- Near real-time account opening
- Upload required documentation instead of mail and fax, paper processing
- Save & Continue allows clients to resume partially completed applications
- Improved communications and account status updates

In an industry built on paper processing and documentation, we're proudly working to use technology to not only improve the client experience but to also improve our internal processes and procedures. The new account opening system provides us with Review and Approval workflows that route and track documentation through the account opening process.

We hope you are as excited as we are about these improvements and look forward to hearing your feedback as we continue to roll out new technologies. This is our first step towards transforming our traditionally paper-heavy industry into something much closer to the more efficient, technology-driven world we live in.

GO GREEN, GO PAPERLESS!

Over 400,000 sheets of paper were mailed last year in the form of quarterly account statements. Why not enjoy the safety, simplicity and savings of a growing paperless movement?

Do your part, go paperless... it's safe, it's simple and you'll save some green.

To convert your account to electronic statements, simply complete the Web Access Request form, which can be found in the [Forms](#) section of our website.

ALTERNATIVES TO THE TRADITIONAL

INTRASTATE EQUITY CROWDFUNDING

In 2012, the United States passed the Jumpstart Our Business Startups Act (JOBS Act) into law. However the SEC has yet to issue its final rules surrounding Title III (Equity Crowdfunding), which allows general solicitation of non-accredited investors with certain limitations including a cap on the amount an individual may invest, and has repeatedly missed its deadlines to do so. As a result, some states have decided to take matters into their own hands by adopting their own crowdfunding rules under Rule 147, the intrastate exemption.

Equity Crowdfunding provides investors an opportunity to invest online in small companies in return for an ownership interest. Think along the lines of the popular rewards-based platforms Kickstarter and Indiegogo. However, instead of receiving a 'reward' (such as a Thank You on a band's new album, a t-shirt or some other product) for a donation to a project, with Equity Crowdfunding you receive an equity stake and share in the business's success or failure.

As of September 2014, there were approximately twelve states with intrastate Crowdfunding exemptions in place and fifteen that were actively considering it. Until final rules for Title III of the JOBS Act are provided by the SEC, companies can only launch an Equity Crowdfunding campaign if they are domiciled within a state that has a Crowdfunding exemption in place and can only accept investments from residents of that same state.

Investors interested in learning more about Equity Crowdfunding can read our white paper, [New Opportunities in the Alternative Asset Marketplace: Crowdfunding](#) available on the Millennium Trust website.

IRA NEWS

THINGS YOU SHOULD KNOW...

On September 18, 2014, the IRS released [IRS Notice 2014-54, Guidance on Allocation of After-Tax Amounts to Rollovers](#). The notice was meant to clarify and provide guidance around the required allocation of pre- and after-tax amount being rolled over from retirement savings from 401(k), 403(b) or 457 plans into traditional and Roth IRAs.

The notice states, "The applicability date of the regulations is proposed to be January 1, 2015. However, in accordance with § 7805(b)(7), taxpayers are permitted to apply the proposed regulations to distributions made before the applicability date, so long as such earlier distributions are made on or after September 18, 2014."

Millennium Trust does not offer tax advice. Client's that wish to roll funds consisting of both pre- and after-tax amounts from an existing 401(k), 403(b) or 457 plan should first seek the advice of their tax professional to ensure that pre- and after-tax amounts will be correctly allocated to the traditional and Roth IRAs.

YOU ASKED!

MILLENNIUM TRUST ACCOUNT Q&A

If you are 70½ or older and have a traditional IRA, you must take a Required Minimum Distribution (RMD) each year. If you hold multiple IRAs, the choice is yours as to which IRA you take the RMD from as long as you meet the minimum distribution. If you are going to take the RMD from your Millennium Trust IRA, please note that the paperwork must be submitted by December 1, 2014 or sooner if additional time is required to liquidate your investments.



Q: What are Required Minimum Distributions?

A: You cannot keep retirement funds in a traditional IRA indefinitely. Required Minimum Distributions (RMDs) are minimum amounts that a retirement plan account owner must withdraw annually generally starting with the year that he or she reaches 70½ years of age or, if later, the year in which he or she retires. However, if the retirement plan account is an IRA or the account owner is a 5% owner of the business sponsoring the defined contribution plan, the RMDs must begin once the account holder is age 70½, regardless of whether or not one has actually retired. Plan participants and IRA owners are responsible for taking the correct amount of RMDs on time every year from their accounts, and they face stiff penalties for failure to take RMDs.

Q: When is the deadline for receiving a RMD from an IRA?

A: An account owner must take the first RMD for the year in which he or she turns 70½. However, the first RMD payment can be delayed until April 1 of the year following the year in which he or she turns 70½. For all subsequent years, including the year in which the first RMD was paid by April 1, the account owner must take the RMD by December 31 of the year.

Q: How is my RMD taxed?

A: The account owner is taxed at his or her income tax rate on the amount of the withdrawn RMD. However, to the extent the RMD is a return of basis (after-tax dollars in a traditional IRA) or a qualified distribution from a Roth IRA (RMDs after death of the Roth IRA owner), it is tax free.

Q: How do I request my 2014 RMD from Millennium Trust?

A: To request your 2014 RMD, you need to complete our 2014 Required Minimum Distribution form which can be obtained from our website or by calling our client service team.

Q: When should the 2014 RMD Form be submitted to Millennium Trust?

A: As the IRS deadline for taking a Required Minimum Distribution is December 31, you must submit your 2014 RMD form to Millennium Trust no later than December 1 to allow adequate time for processing. Furthermore, in order to ensure that liquid funds are available, please review the liquidation terms of your investment(s) and submit the RMD form to Millennium Trust early enough to allow adequate time for processing any liquidation requests. (If 2014 is the first year in which you are required to take an RMD, you have until April 1, 2015 to do so).

The information above is not offered as or intended to be tax advice. Check with your tax advisor for guidance on your RMD requirements.

QUESTIONS?

Keep your questions coming. If you have questions you'd like answered, please submit them by sending an e-mail to

info@mtrustcompany.com

If you'd rather speak with someone, pick up the phone and call us at

800.258.7878.

HAVE YOU MOVED?

Do you have a new residential or e-mail address and need to update the information on your account? It's easy to get caught up in the hundreds of other things you need to do, but don't forget to notify us by completing the following request form:

[Address Change Request Form](#)

IMPORTANT IRA DATES

The following is a helpful reminder of the specific documentation to complete and actions to take in order to successfully meet [IRS deadlines for 2014](#). Please note that Millennium Trust must receive written directions and completed forms in good order with sufficient time allowed for processing prior to deadlines.*

DEC. 1, 2014 **Deadlines for forms submission:**

- RMD Paperwork Due (after first year)
- Roth Conversion Form Due

DEC. 31, 2014 **Last day deadlines for account holders to do the following:**

- Establish individual 401(k) accounts for the current year
- Establish Profit Sharing and Money Purchase accounts for the current year
- Take entire RMD amount for the current year required by the IRS to avoid 50% penalty fee (if turning 70½ in 2014 you have until 4/1/15 to take your first RMD payment)
- Complete your traditional IRA to Roth IRA conversion to meet IRS deadline

JAN. 20, 2015 **Real Estate Valuation:**

- Retirement account holders of real estate are required to submit a valuation each year to Millennium. This valuation can take the form of a Comparative Market Analysis (CMA) or a form appraisal.
- Refer to Millennium's Real Estate Valuation Form for complete details. This form must accompany the CMA or appraisal submission.

JAN. 23, 2015 **Alternative Asset Valuation:**

- Retirement account holders of non-publicly traded alternative assets are required to ensure that their investment sponsor's submit annual valuations, at minimum, to Millennium. Account owners should facilitate this process by instructing their sponsors to submit these valuations to Millennium for proper year-end reporting.

*Alternative investments may be illiquid or may take significantly longer to liquidate or re-register. Review the liquidation/re-registration terms of your alternative investment(s) and submit directions early enough to allow adequate time. Millennium Trust is not responsible for the timing or for its receipt of proceeds on any liquidations for alternative assets.

WHAT CAN MILLENNIUM TRUST CUSTODY?

While many people tend to think of alternative investments as one asset class, there are actually a wide variety of asset classes, strategies, and investment vehicles that can be considered 'alternative investments.' Broadly speaking, an alternative investment is simply an investment in any asset other than traditional stocks, bonds and cash.