



PROHIBITED TRANSACTIONS-SUMMARY

Below is a summary of the Internal Revenue Code Section 4975 and IRS publication 590 regarding IRA prohibited transactions and disqualified persons. This is a summary and not a comprehensive reproduction of both the Code and the publication. Before making an IRA investment, you should consult a tax professional to be certain you are not entering into a prohibited transaction which could disqualify your entire IRA.

General Statement: A prohibited transaction is any improper use of your IRA by you, your beneficiary, or any disqualified person.

Section 4975 (c) prohibited transactions include but are not limited to any direct or indirect -

- a) sale or exchange, or leasing, of any property between a plan and a disqualified person;*
- b) lending of money or other extension of credit between a plan and a disqualified person;*
- c) furnishing of goods, services, or facilities between a plan and a disqualified person;*
- d) transfer to, or use by or for the benefit of, a disqualified person of the income or assets of a plan.*

Disqualified person: your fiduciary, any members of your family including spouse, ancestor, lineal descendant, and any spouse of a lineal descendant.

Remember that your Sunwest Trust, Inc. IRA is fully self-directed. You are responsible for the selection, management, and retention time of your investment. Sunwest Trust, Inc. will accept a direction of investment from you for any asset not specifically prohibited by the IRS. If you have any questions regarding any transaction in your IRA, seek help from a tax professional before instructing Sunwest Trust, Inc.