

APS RECEIVERSHIP
FREQUENTLY ASKED QUESTIONS

January 27, 2016

Question: *I voluntarily took a distribution from my account in 2016. Who will issue my IRS Form 1099-R and when will I receive my form?*

Answer: If you had an IRA, Roth IRA, SEP, Simple IRA, Coverdell ESA, or HSA, the Receiver will issue an IRS Form 1099-R for distributions taken from American Pension Services, Inc. (“APS”). Equity Trust Company will issue an IRS Form 1099-R for distributions taken from Equity Trust Company.

If you had a 401(k) or Roth 401(k) with APS, Equity Trust Company will issue your IRS Form 1099-R, as all 401(k) and Roth 401(k) accounts were transferred to Equity Trust Company in 2015 and are administered by Equity Trust Company.

All IRS Forms 1099-R will be mailed by January 31, 2017.

Question: *My account was force transferred to Equity Trust Company by court order on March 29, 2016. Will I receive a 1099-R?*

Answer: **Unless you requested and took a distribution** from your account after its transfer to Equity Trust Company, you will not receive an IRS Form 1099-R on account of the transfer, as the transfer was a trust-to-trust transfer and not a tax reportable distribution.

Question: *I was required to take a minimum required distribution from my self-directed retirement account for 2016. Who will send me my account balance and my minimum required distribution information?*

Answer: If you made your loss allocation payment and your account was transferred to Equity Trust Company by December 31, 2016, you would have received a statement of your account balance and any required minimum distribution calculation from Equity Trust Company.

Please note, if your account is still with APS and if you have not yet paid your loss allocation, you are currently in violation of the Court’s orders entered in the APS Receivership case. Legal actions including your asset(s) are currently being considered and pursued by the Receiver.

Due to the termination of APS business operations on December 18, 2015, the Receiver did not and will not make any required minimum distributions from your account.

Question: *In 2016, I received an asset assignment from the Receiver and a letter that APS was resigning as administrator of my account. Will I receive a 2016 IRS Form 1099-R?*

Answer: Yes. You will receive a 2016 IRS Form 1099-R for the amount of the account balance reflected on the APS records on the date of distribution. You will receive this form by January 31, 2017.

Question: *Will I receive a copy of my year-end account statement noting my account balance?*

Answer: If your account was transferred before December 31, 2016, Equity Trust Company will mail you a copy of your account statement and balance as of December 31, 2016.

If you have not yet made your loss allocation payment and your account is still with the APS Receivership, upon request, the Receiver will mail you a copy of your account statement as of December 31, 2016. Please note that the account statement will not reflect your loss allocation of ten percent (10%) based on your April 25, 2014 account value.

Question: *I made a contribution to my account during 2016. Who will report my contribution?*

Answer: If you made a contribution to your account during 2016 and your account was transferred to Equity Trust Company before December 31, 2016, Equity Trust Company will report your contribution. If you made a contribution between January 1, 2016 and December 31, 2016, and you subsequently transferred your account, Equity Trust Company will use the information provided by the Receiver to report your contribution. The Receiver will report contributions on accounts that have not transferred to Equity Trust Company by December 31, 2016.

Question: *I made a loss allocation payment to transfer my account. Will my loss allocation payment be reported as a contribution?*

Answer: In October 2015, the Receiver mailed a letter to all clients who made a loss allocation payment to their APS account.

If you notified the Receiver or her staff that you wanted to treat your loss allocation payment, or a portion thereof, as a contribution, the Receiver will report your loss allocation payment (or the portion that you designated) as a contribution. If you did not notify the Receiver, the Receiver will follow the Court-approved approach and treat your loss allocation payment as a restorative payment (outside of your account) and not as part of your retirement account.

Question: *My account has been transferred to Equity Trust Company and shows the Contingent Repayment Agreement as an asset. What is the value of the asset and can I revalue that asset?*

Answer: The Contingent Repayment Agreement is similar to an unsecured promissory note. The amount payable is contingent upon currently unknown future events. Currently, the Contingent Repayment Agreement is valued at the amount of your ten percent (10%) loss allocation. The Contingent Repayment Agreement represents the right to receive a proportionate share of any distribution of APS Receivership Assets, pursuant to the terms of the Contingent Repayment Agreement. At this time, the Receiver is still in the process of pursuing recovery of a number of claims and assets (“Receivership Assets”). The amount of recovery for some Receivership Assets is yet to be determined, as is the amount of any distributions. Therefore, the most accurate information available as to the value of the Contingent Repayment Agreement at this time is the currently reflected face value.

The Receiver will advise all Contingent Repayment Agreement holders if the status changes.

Question: *What is the best way to contact the Receiver?*

Answer: You may still contact the Receiver by e-mail at info@apsreceiver.com. You may also contact the Receiver’s legal counsel at the law offices of Ballard Spahr LLP, 201 S. Main St., Suite 800, Salt Lake City, Utah 84111.