TD Ameritrade Institutional

IRA and QRP Required Minimum Distributions Deadline

Clients who are 70-1/2 or older must take a Required Minimum Distribution (RMD) from their Individual Retirement Account (IRA) and/or their Qualified Retirement Plan (QRP) for the 2011 tax year.

All RMDs must be withdrawn by December 30, 2011, with the exception of those clients who turned or will turn 70-1/2 during this calendar year; these clients may defer their first distribution until April 1, 2012.

- If your client(s) has already taken his or her required distribution for 2011, no other action is required.
- If your client(s) has not yet taken his or her 2011 RMD, **TD Ameritrade Institutional must receive a completed distribution form no later than December 26, 2011**. This is necessary to ensure that we have enough processing time to meet the December 30 deadline, so that the RMD is reported in tax year 2011. Distribution forms received after that date will be processed on a best-efforts basis.

How to take an IRA or QRP distribution:

- Clients must submit a completed TD Ameritrade IRA and/or QRP distribution form.
- As noted above, we need to receive the completed form(s) **no later than December 26, 2011**, to ensure that we meet the December 30 deadline.
- By completing the appropriate information in Section 5 of the Distribution Form, your clients can transfer IRA/QRP funds directly into their non-retirement account at TD Ameritrade.

Important information regarding an IRA or QRP distribution:

- If a withdrawal request is below the minimum requirement as determined by the Internal Revenue Service or is not processed on or before December 30, the Internal Revenue Service may penalize your clients a late distribution penalty equal to 50% of the amount that was not distributed.
- The Required Minimum Distribution requirement from Qualified Retirement Plans (QRPs) may be delayed if a client is still employed. Clients should consult a tax-planning professional for more information.
- Required funds must be available in your clients' account and the distribution paperwork must be received in good order to be processed by December 30, 2011.

- IRA and QRP distribution amounts change each year. As a result, TD Ameritrade Institutional requires that a new form be submitted each year for processing.

An alternate method for receiving a distribution from an IRA:

If your clients have elected for check writing in their traditional, Rollover, or SEP IRA, they can avoid completing a TD Ameritrade distribution form by simply writing a check. Please note: **your clients' checks must clear before December 30, 2011**, in order to be reported for tax year 2011. We recommend that checks be deposited into clients' bank accounts no later than December 21.

Deadline for a 2011 Roth IRA conversion

For a 2011 Roth IRA Conversion, clients must submit a Roth Conversion Form in good order **by December 26, 2011**. Forms received after that date will be processed on a best-efforts basis.

Deadline for establishing a 2011 QRP

2011 Qualified Retirement Plans must be established **by December 30, 2011**.

If you have any questions, please contact your Service Team.

TD Ameritrade Institutional does not provide tax advice. We suggest you and your clients contact a tax-planning professional with regard to their particular circumstances.