

Title: Fidelity Retirement Account Transfers to CS: End Game

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Happy early Thanksgiving ape family! ■■■■

I am posting again after finally getting to the bottom of the process, laws, and limitations regarding transferring shares from a Fidelity IRA and ROTH IRA to CS. I am going to sum this up with a brief synopsis and then a numbered breakdown in the form of a Q&A.;

TL/DR: ROTH IRAs are not a thing at CS. I was misled by a misinformed CS rep and called back the next day and was told this was not possible. CS IRAs require a custodian and selling from these accounts is both a timely and complicated task. You can transfer assets from a Roth IRA to a non-Roth IRA, but this can only be done once a year no matter how many or how few shares you choose to do this with (I screwed myself because I did a transfer of one share when I was "testing the waters" and now I have to wait til next fall to transfer my remaining Roth held shares to my CS IRA). Since I can't transfer the rest of these shares I plan on buying more directly through CS and transferring more of my shares held in non-retirement accounts.

Synopsis: After 6 weeks, two posts, and innumerable calls to both CS and Fidelity I've found out which accounts/shares are eligible for transfer. After being misled (I think due to misunderstanding or ignorance) I authored a post a little less than two weeks ago claiming that CS confirmed the ability to do some paperwork and convert the IRA I hold to a Roth IRA. This was incorrect. After calling CS back to get a rehash on the documents I needed to fill out for the ROTH reclassification, I spoke with a different CS rep and they triple checked and told me it is not possible. The reason I needed to do this was because I already used my one-time yearly transfer of assets from a Roth to non-ROTH account. Furthermore it is illegal as of 2014 (according to a tax rep from Fidelity) to convert a Roth to a non-Roth account (so I could move the assets from my Fidelity Roth to my Fidelity standard IRA and THEN to my CS IRA). However, once a year you are allowed to transfer assets out of a Roth to a non-Roth account, but this is once for all assets/accounts and a single instance event. This means my transfer of one share used up my one transfer allotted until next year - Fall 2022. This is what I did with a single share from a Schwab Roth IRA to CS in order to open the CS IRA.

Here's the breakdown:

1. Can I transfer from a Fidelity Retirement account?

Yes, as long as a) the Fidelity Retirement account is a standard IRA and the CS IRA exists or b) you have not transferred any assets from a Roth IRA to a non-Roth IRA within the past (calendar?) year and the CS IRA exists. This applies to any assets/accounts you hold, not just Fidelity held assets/accounts.

2. How do I set up a CS IRA?

I did it by first transferring a share from a Schwab Roth IRA to my STANDARD CS account and then filling out a standard transfer form, adding a check for \$50, and selecting a "custodian" for the account.

I *think* you can also open the CS IRA with a share held in the standard CS IRA that was not previously held in a retirement account, but I transferred a share from my Schwab Roth to my standard CS account and then filled out the paperwork to transfer that share/open the CS IRA.

**According to a Schwab rep, you are able to move these assets out of a retirement account and into a non-retirement account as long as the assets are then transferred back into a retirement account within 60 days.

3. Custodian?

For the IRA to be opened with CS, you must choose a custodian (like Fidelity) to be the entity who oversees the account. I can't describe this better so some wrinkle brained apes chime in here.

Things to know about the custodian:

a. You should probably choose a broker you trust won't fuck you

b. You still have the assets registered in your name, but the custodian is required for the IRA to be formed and you must add their name in the name portion of the transfer form (contact CS for specifics on this, but you need their name, FBO, and then your name on this form).

*** I know most of us plan on hodling the shares at CS indefinitely, but I figured it's good to know the whole process so I am including the steps to sell from a CS IRA. The following is how it was described to me by the CS rep***

c. Selling - This is a bit crazy, but to sell any assets within the CS IRA you need to contact the custodian (ex. Fidelity) and let them know you want to sell. They need to provide CS with a letter of instruction indicating your desire to sell, a medallion signature, the signature of the authorized signer, and a copy of corporate dissolution with a raised seal.

*All of these steps and the items listed in #3 were told to me by a CS rep and I don't quite understand what all of these items are, so again someone who understands these things please feel free to chime in here

d. Selling Process Timeline - Once CS has received all the items above from either you or your custodian, the timeline for selling looks like this:

i. 5 business days for CS to process

ii. 2 business days for sale to settle

iii. 7-10 business days to receive check via snail mail

e. In addition to all of this the CS rep told me that if I did intend to ever sell these assets held within the CS IRA, I might want to contact the custodian and let them know that they are in fact the designated custodian for this account. Computershare does not notify the custodian and it may expedite the selling process to notify them yourself.

4. What if I hold my assets in a Fidelity Roth IRA and want to transfer them?

You can do this, but only once per year so make sure you have all the shares you want to transfer in a single account and are prepared not to be able to do another Roth to non-Roth transfer for another calendar year.

Disclaimer: I have gone back and forth with CS and Fidelity and received various answers on things depending on when and who I spoke with. This is only what I have found in the past few weeks, so do your own research.

None of this is financial advice

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