intellicents

account rollover guide: rollover between plan and IRA

plan name	
participant name	employer name
IRA account #	IRA account custodian

advisor's acknowledgement of fiduciary status, recommendation and best interest disclosure

our duty to you as fiduciary.

when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of title i of the employee retirement income security act and/or the internal revenue code, as applicable, which are laws governing retirement accounts. the way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

under this special rule's provisions, we must:

- meet a professional standard of care when making investment recommendations (give prudent advice);
- never put our financial interests ahead of yours when making recommendations (give loyal advice);
- avoid misleading statements about conflicts of interest, fees, and investments;
- follow policies and procedures designed to ensure that we give advice that is in your best interest;
- charge no more than is reasonable for our services; and
- give you basic information about conflicts of interest.

we recommend rolling your:

☐ plan assets to an individual retirement account ("IRA")
☐ IRA assets to your plan.

we have considered and discussed with you the IRA alternatives available to you compared to your plan plus, among other factors, the fees and expenses of those alternatives and the different levels of services and investment options available under your plan and the IRA. we further recommend that the assets rolled over be invested as follows:

our duty to you as fiduciary *(continued)*.

the reasons for this recommendation are included in the table that follows.

please see exhibit a for more details regarding the recommended investment options, fees and expenses and how those compare to your current arrangement.

your best interest and potential conflicts of interest.

as your fiduciary advisor, we believe our recommendation is in your best interest. the reasons we considered in making our recommendation are indicated by the boxes checked on this form. you do not have to accept this recommendation and you have a wide choice of other advisers who can assist you. we relied on information you provided when we developed our recommendation and you have said that no information needs to be corrected.

we have a conflict of interest with you when we recommend a rollover between your plan to an IRA and receive more compensation as a result. we mitigate this conflict of interest by providing the information addressed in this form, reviewing it with you, answering your questions, and recommending only alternatives that we believe are in your best interest.

your advisory agreement is provided separately and describes the specific services we will perform. this is important information so please read it carefully.

thank you for the opportunity to be of service.

intellicents investment solutions, inc. by

advisor representative signature	date
print advisor representative name	

client's acceptance of advisor's recommendation

- ☐ my advisor has recommended that i rollover assets from the plan to an IRA. i choose the option marked below:
  - ☐ leave the money in my plan
  - ☐ roll over the assets to my new employer's plan, if one is available and rollovers are permitted
  - ☐ cash out the account value from the plan
  - ☐ roll over assets from the plan to an IRA

- ☐ i choose to rollover assets from an IRA to the plan.

my advisor has discussed my options with me, and i had the opportunity to ask questions. i understand that each choice offers advantages and disadvantages, depending on the investment options and services i want, the fees and expenses charged, withdrawal options from the plan, required minimum distributions ("rmds"), tax treatment, my financial situation, and other needs. i believe that my advisor's recommendation is in my best interest. i have reviewed the recommendation, the exhibits, and the checklist below and agree with each item that is checked.

client signature	date
print client name	

reasons supporting advisor's recommendations to rollover between plan and IRA

please check all boxes that apply.

client's plan features	IRA's features	reasons to support proposed rollover
☐ plan requires that client rollout client's investments		
☐ no personalized services are offered to plan participants	☐ advisor will provide investment advice and services tailored to client's investment objectives and risk tolerance	
☐ a select menu of investment choices	☐ all investment choices available from the custodian	see comparisons of investment options, performance, and expenses below.
☐ investment menu is selected by my employer or its designee	☐ investment menu is selected by me or my designee	
☐ annuities as a distribution option	☐ several different annuity types from a variety of carriers	
☐ fixed income investment option ☐ money market ☐ stable value fund	☐ fixed income investment option ☐ money market ☐ stable value fund	
☐ investment strategies, models, or third-party advisors	☐ investment strategies, models, or third-party advisors	
☐ personalized financial planning services	☐ personalized financial planning services	
☐ ongoing monitoring and advice about investments, tailored to client's investment objectives and risk tolerance; paid by an investment advisory fee (not commission) that is: ☐ non-discretionary investment advice ☐ discretionary investment management	☐ ongoing monitoring and advice about investments, tailored to client's investment objectives and risk tolerance; paid by an investment advisory fee (not commission) that is: ☐ non-discretionary investment advice ☐ discretionary investment management	
☐ a rollover of assets from the plan to an IRA is not subject to federal income tax.		

client's plan features	IRA's features	reasons to support proposed rollover
☐ client is at least age 55 and, therefore, may be immediately eligible to take penalty-free withdrawals.	☐ client is at least 59-½ and, therefore, may be immediately eligible to take penalty-free withdrawals.	
☐ so long as client is working for the plan sponsor, required minimum distributions are not required.	☐ client must begin required minimum distributions from IRA.	
☐ loans are available	☐ client cannot take a loan from an IRA and does not need one	
☐ plan assets have unlimited protection from creditors under federal law	☐ IRA assets are protected in bankruptcy proceedings only. state laws vary in how IRA assets are protected from creditors	
☐ client does not beneficially own any employer stock through the plan	☐ client does beneficially own employer stock through the plan but chooses to: ☐ rollover the employer stock to an IRA or ☐ liquidate the employer stock in the plan and rollover the proceeds to an IRA.	an investor who holds appreciated employer stock in a plan should consider the negative tax consequences of rolling over the stock to an IRA. if employer stock is transferred in-kind to an IRA, stock appreciation will be taxed as ordinary income upon distribution. the tax advantages of retaining employer stock in a plan should be balanced with the possibility that the investor may be overly concentrated in employer stock. it can be risky to have a higher concentration of employer stock in a retirement account. for some investors, it may be advisable to liquidate the holdings and roll over the proceeds to an IRA, losing the potential for long-term capital gains treatment on the stock's appreciation.
☐ other	☐ other	☐
☐ other	☐ other	☐
☐ other	☐ other	☐

exhibit a

1. material(s) considered by advisor in making the recommendation:

- ☐ client's 404(a)(5) participant disclosure

or

- ☐ plan's 408(b)(2) disclosures
- ☐ plan's form 5500
- ☐ plan's enrollment materials
- ☐ industry benchmark material
- ☐ other ____

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2. cost comparison of investment options

the client's 404(a)(5) participant disclosure would be the preferred document to gather and is required for all intellicents 401k plan participants, or

if the 404(a)(5) is not available, other documents that may be considered include, but are not limited to:

- plan's 408(b) disclosures
- plan's form 5500
- plan's enrollment materials
- industry benchmark material
- other documentation as deemed necessary

<u>all documentation gathered or produced by the advisor in making the recommendation to the client should be attached to this form, as exhibit a, for retention and review purposes.</u>