

Information on Rollovers to Individual Retirement Accounts

Whether an investor rolls over their employer-sponsored plan assets to an IRA account is an important decision. A decision to roll over plan assets to an IRA rather than keeping assets in a previous employer's plan or rolling over to a new employer's plan should reflect consideration of various factors, the importance of which will depend on your individual needs and circumstances.

Representatives of Integral Financial are not permitted to make any recommendations as to whether you should roll over your retirement assets.

Integral Financial strongly recommends that you consult with advisors (e.g., financial, tax, legal, etc.) prior to making a decision whether to roll over plan assets to an IRA. Our representatives at Integral Financial can explain the types of services we offer, but are not permitted to comment on whether you should or should not roll over retirement assets into an IRA.

Some of the factors that you may want to consider are listed below.

- **Investment Options** - An IRA often enables an investor to select from a broader range of investment options than a plan.¹ The importance of this factor may depend in part on how satisfied you are with the options available under the plan under consideration. For example, if you are satisfied by the low-cost institutional funds available in some plans may not regard an IRA's broader array of investments as an important factor.
- **Fees and Expenses** - Both plans and IRAs typically involve (i) investment-related expenses and (ii) plan or account fees. Investment-related expenses may include sales loads, commissions, the expenses of any mutual funds in which assets are invested and investment advisory fees. Plan fees typically include plan administrative fees (e.g., recordkeeping, compliance, trustee fees) and fees for services such as access to a customer service representative. In some cases, employers pay for some or all of the plan's administrative expenses.² An IRA's account fees may include, for example, administrative, account set-up and custodial fees.
- **Services** - You may wish to consider the different levels of service available under each option. Some plans, for example, provide access to investment advice, planning tools, telephone help lines, educational materials and workshops. Similarly, IRA providers offer different levels of service.
- **Penalty-Free Withdrawals** - Depending on your age, it may be possible to take penalty-free withdrawals from a plan before you reach age 59 1/2. In contrast, penalty-free withdrawals generally may not be made from an IRA until age 59½. It also may be easier to borrow from a plan. We recommend that you consult an advisor so you understand the tax implications prior to making a decision.
- **Protection from Creditors and Legal Judgments** - Plan assets and assets held in IRAs may be treated differently and have different levels of protection from creditors under

¹ Not all IRAs permit a broad range of investments. For example, an IRA held with a mutual fund complex may limit investment to the complex's funds.

² See U.S. Department of Labor publication **A Look At 401(k) Plan Fees**. September 2019

Mailing Address: 1072 S De Anza Blvd. Suite A205, San Jose CA 95129 • Tel: 408-996-1118 • Fax: 408-996-1116 • Email: info@infi.biz

federal law as well as in bankruptcy proceedings. Furthermore, state laws may vary in the protection of IRA assets in lawsuits. Consulting an expert in this area may be appropriate so you have a clear understanding before making a decision.

- **Required Minimum Distributions** - Once an individual reaches age 72, the rules for both plans and IRAs require the periodic withdrawal of certain minimum amounts, known as the required minimum distribution. If a person is still working at age 72 however, they are generally not required to make required minimum distributions from his current employer's plan. This may be advantageous for those who plan to work into their 70s. We recommend that you consult an advisor so you understand the tax implications prior to making a decision.
- **Employer Stock** - An investor who holds significantly appreciated employer stock in a plan should consider potential negative tax consequences of rolling the stock to an IRA.

These are examples of the factors that may be relevant when analyzing available options, and the list is not exhaustive. Other considerations also might apply to specific circumstances.

Fiduciary Disclosure

Pursuant to the Employee Retirement Income Security Act (“ERISA”), we are required to provide you with certain disclosures regarding the nature of our relationship with you. 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 ERISA 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 are required to:

- 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 welcome you to discuss this or any aspect of our relationship with your financial professional or the professionals in our corporate home office.

Very truly yours,
Integral Financial, LLC



1072 S. De Anza Blvd. Suite A-205, San Jose, CA 95129
Tel: 408-996-1118 Toll Free: 888-666-6551 Fax: 408-996-1116 Email: info@infi.biz
Clearing services provided by Hilltop Securities, Inc. Member: NYSE/FINRA/SIPC

IRA Rollover Certification Form

1. HTS Account Information.

HTS Account Number (if available): _____

Name: _____ Social Security Number: _____

2. Rollover Information.

Rollover from: Qualified Plan Traditional SEP Simple

Rollover Entire Account? Yes No

Cash Amount:\$ _____ Pre tax After tax

If you are rolling over securities, please describe below. (Please provide the number of shares. We cannot process the request based on a dollar amount.)

Asset Description	Quantity

Asset Description	Quantity

*Note: Please make checks payable to Hilltop Securities Inc.

3. Rollover Requirements.

- The funds or securities deposited into the IRA or Qualified Plan must be deposited within 60 days of receipt;
- Rollover deposits cannot include any distributions which are a part of a series of substantially equal periodic payments;
- Rollover deposits cannot include any distributions which represent a required minimum distribution;
- Rollover deposits must consist of the same assets originally distributed;
- In an IRA to IRA rollover, the assets cannot have been involved in a rollover in the past 12 months;
- Rollovers from Qualified Plans may consist of the proceeds from the sale of distributed property;
- Rollovers from Qualified Plans can consist only of tax deferred funds;
- Rollover deposits to a SIMPLE IRA can consist only of funds or securities distributed from a SIMPLE IRA; and
- If I choose to make contributions to my rollover IRA, I understand that combining regular IRA contributions with rollover/direct contributions from employer plans may preclude me from rolling over these funds into a subsequent employers' plan.

4. Acknowledgements.

I understand that there are a number of options available to me which include:

- Rolling my assets to my current employer's plan (if you have a new job and the plan permits it).
- Keep your assets in your former employer's plan (if the plan permits it).
- Rolling my plan assets into an IRA.
- Take a distribution in cash (taxes will apply and withdrawal penalties may apply).

I further understand that before making the decision to rollover my account I considered my retirement plan options carefully which includes but may not be limited to:

- The benefits and penalties involved including any withdrawal penalties.
- Investment or account related fees and expenses.
- Differing levels of service available.
- Required minimum distributions.
- Tax consequences which may vary based on my state and individual situation.

I acknowledge receiving the DOL PTE Fiduciary Disclosure.

For more information please see the FINRA Investor Alert entitled "10 Tips to Making a Sound Decision" located at: <http://www.finra.org/Investors/ProtectYourself/InvestorAlerts/RetirementAccounts>

5. Please Read and Sign.

I certify that this deposit has met all of the above rollover eligibility requirements and assume full responsibility for any adverse tax consequences arising from this rollover. I further understand that rollover contributions have important tax implications and I have been advised to seek guidance from a tax professional.

X _____
Applicant's Signature Date

