Don't sail your retirement plan into potentially stormy seas.

If you have funds in a workplace retirement plan, such as a 401(k) plan, a pension plan or a profit-sharing plan, you may consider putting that money in a Traditional or Roth IRA to maximize your savings.

Steering your retirement funds to a Traditional or Roth IRA provides maximum flexibility and control over your retirement nest egg. Because you control the investment, you can control the risk associated with your investments. What's more, because you can choose to roll over your retirement funds to a Traditional IRA or Roth IRA, you can control the tax impact on your retirement funds.

Whichever course you set, a rollover is a smart way to help maximize growth and provide needed shelter for your retirement assets.

IMPORTANT! Tax rules can be complicated. This brochure is intended to serve as a general overview. Before making any decisions, you should speak with a qualified tax advisor.

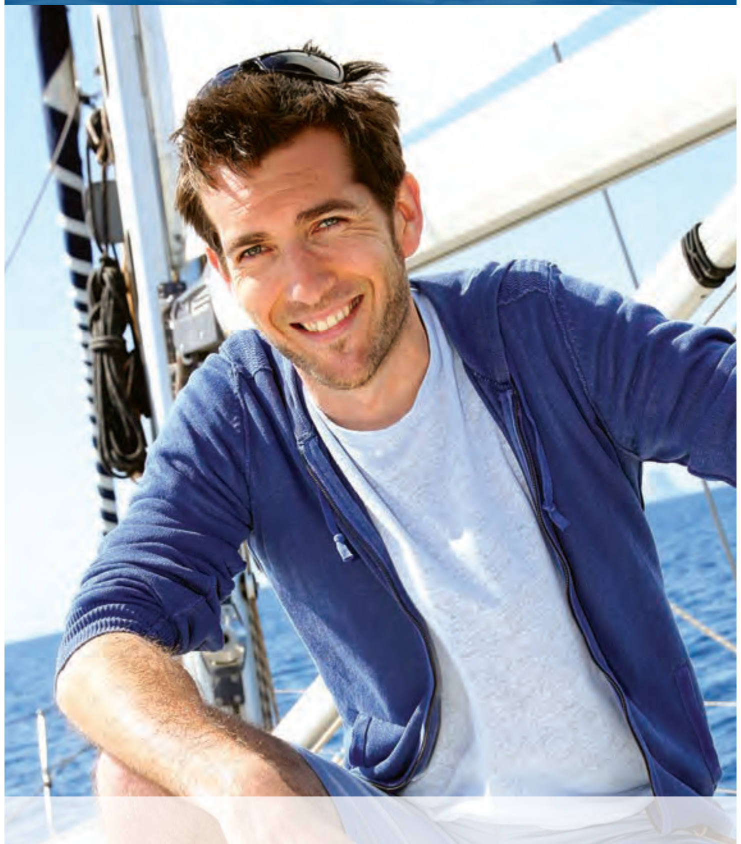
TRroll1020

Breaking Down the Benefits

TRADITIONAL & ROTH

IRA

Rollovers from Workplace Retirement Plans



Put more wind in your retirement sails.

A rollover is a way of moving assets between retirement plans. This offers you tremendous flexibility in managing and maximizing your retirement savings. One type of rollover is moving funds from your workplace retirement plan to your IRA. This gives you the flexibility and control over your retirement money that isn't available while your funds are held in your workplace retirement plan.

Timeline for Workplace Retirement Plan Rollovers

As soon as you are eligible to receive a distribution from your workplace retirement plan, you should seriously consider rolling over these assets into either a Traditional or Roth IRA where they can continue to grow in a tax-advantaged environment.

Eligible rollover distributions from a workplace retirement plan can be moved as either a direct rollover or an indirect rollover.

Direct Rollovers

In a direct rollover, the funds are paid directly to your IRA sponsor from your workplace retirement plan. The workplace retirement plan may send the funds to the IRA sponsor by ACH, wire or check. If by check, the check must be payable to the IRA sponsor. Although the check must be payable to the IRA sponsor, the workplace retirement plan may either mail the check to the IRA sponsor or mail the check to you, and you would then bring the check to the IRA sponsor.

Indirect Rollovers

In an indirect rollover, the funds are paid directly to you from the workplace retirement plan. You then have 60 days to deposit (roll over) the funds to either a Traditional IRA or a Roth IRA. If you choose to have the funds paid to you, the workplace retirement plan is required to withhold 20% of the taxable portion of the distribution for federal income tax. So, if you are planning to roll over the funds, it would be wise to complete a direct rollover.

Benefits of Rolling Over Funds to a Traditional IRA

If you roll over your retirement funds to a Traditional IRA, you will continue the tax-deferred treatment of your retirement funds. You will not have to pay any federal income tax on those funds until you withdraw the funds from the Traditional IRA. This option is best if you don't want to pay the federal income tax on these funds now, but you prefer to defer the tax until you withdraw the funds from your Traditional IRA.

Benefits of Rolling Over Funds to a Roth IRA

If you roll over your funds to a Roth IRA, you will pay federal income tax for the year on the tax-deferred funds that are withdrawn from the workplace retirement plan. But then, your Roth IRA will earn tax-free earnings and withdrawals from your Roth IRA will be tax-free. This option is best if you want to pay the federal income tax on these funds now, so you will not have to pay the tax on the funds when you withdraw them from your Roth IRA. If you have both before-tax and after-tax funds in your workplace retirement plan, you may allocate the before-tax funds to be rolled over to a Traditional IRA, with continued tax-deferral and the after-tax funds to be rolled over to a Roth IRA tax-free.

> *Hoist the sails of choice to harness the winds of joy.*
>
> **Jonathan Lockwood Huie**