

Components	Retirement Plans: 401(k), 403(b), 457, etc.	Rollover IRA with IGM	Advantage
Fees	<p>Fees in retirement plans include administration, record keeping, investment expenses, advisor fees, and fees for annual plan non-discrimination testing.</p> <p>Retirement plan fees can be less straight forward and may be challenging to identify. You can request you plan fees from HR.</p> <p>Also see the form 408(b)2 for plan service provider fee disclosure.</p>	<p>Fees in an IRA may include brokerage commissions (on trades), investment fees, and advisor fees.</p> <p>Compared to retirement plans IRA fees tend to be more explicit and easily identified.</p> <p>IRAs will have no custodian fees.</p>	<p>Will depend on actual plan fees.</p> <p>It is important to understand the true cost of your retirement plan.</p>
Investment Selection	<p>Retirement plans have a limited investment selection. The average investment menu in a 401(k) has around 20 options.</p> <p>The investments are usually limited to Mutual Funds, Exchange Traded Funds, and Stable Value Funds.</p>	<p>An IRA will have the entire universe of investments to select from that includes individual stocks and bonds. A wider selection of investments contribution to a more efficient risk return premium.</p> <p>Example: A selection of individual dividend stocks and bonds may be more advantages to an income/ dividend investor or one who is in or near retirement and looking for income.</p>	<p>When managed by a fiduciary adviser an rollover IRA has the advantage.</p>
Financial Advice and Services	<p>Does your current 401k offer comprehensive financial advice and planning?</p> <p>Most plans will just offer general investment allocation advice and may not give compressive investment management and financial planning.</p>	<p>IGM offers the following advantages:</p> <ul style="list-style-type: none"> • Direct investment management, and daily monitoring. • Maximize income withdrawal strategies and tax efficient decisions. • A continual relationship. 	<p>A rollover IRA managed by a fiduciary Investment Adviser.</p>

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Financial Advice and Services Cont.	Participants will have to make all investment decisions themselves.	<ul style="list-style-type: none"> • Single point of contact. • Goal relative portfolio design. • Planning optimization. • Savings and withdrawal guidance. • Reinvesting/ Rebalancing of portfolios. • Help with financial decision making. 	A rollover IRA managed by a fiduciary Investment Adviser.
Income Distributions	<p>Some 401(k)s plans will restrict the frequency of withdrawals, and will charge a fee per withdrawal.</p> <p>Individuals will have to sell shares and will need to factor in depletion.</p>	<p>Adviser to consult and manage distributions for client’s income needs.</p> <p>Income can come solely from interest and dividends per a personalized plan developed with client.</p> <p>Distributions have no cost.</p>	A rollover IRA managed by a fiduciary Investment Adviser.
Asset Protection	Assets in qualified ERISA retirement plans (401ks, 403bs, etc.) are fully protected from creditors and bankruptcy.	Money that originated from a ERISA retirement plan and rolled over into an IRA will remain fully protected from creditors and bankruptcy.	Null.

Other components to consider:

- The financial strength and longevity of your employer.
 - o If your company files for bankruptcy or closes down the 401(k) funds may be locked up for a considerable time period. There can also be high cost associated with the termination and transfer of a 401(k).
- Your beneficiaries.
 - o An advisor will be able to help with the account opening /transferring processes and give advice for your account beneficiaries.

If you leave a company, you will be able to rollover your vested retirement plan assets. Many plans will allow a partial or full rollover if are still working and over the age of 59^{1/2}. If you would like to discuss your options for money you have in retirement plan and the advantages of a rollover, please feel free to contact us.

Investment Growth Management (IGM) is Registered Investment Adviser. We act under the fiduciary standard, which means we are to act in the best interests of each client.

INVESTMENT GROWTH MANAGEMENT

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