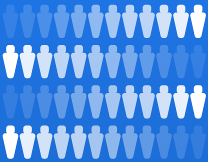
Your 401(k):
To roll over, or not to roll over?

Retirement savers have **rollovers** on their minds

14.8 million

Every year, **14.8 million Americans** with workplace retirement plans move on to new jobs.[1]

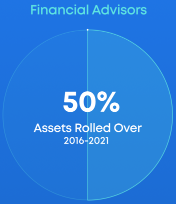


12 jobs

The average American changes jobs **12 times in their lifetime**, and spent **11% less time** in one role over the last decade.[2, 3]

$2.9 trillion

$2.9 trillion in assets rolled over into **IRAs from 2016-2021**, with financial advisors facilitating **>50%**.[4]



Sometimes, sticking with the 401(k) is **best**

Here are some things to consider:

Lower fees

Rollover accounts can come with higher fees; a single year of rollovers to traditional IRAs could cost retirement savers an extra $45.5 billion in fees over the next 25 years.[5]

More protection

Investors generally get stronger creditor protection in a 401(k) than an IRA by federal law.

Tax considerations

If you own company stock, rolling over could increase your tax rate from capital gains to ordinary income tax rate, unless you qualify for net unrealized appreciation. It's important to keep this and other tax considerations in mind.

Loan options

Some 401(k)s offer options to take out loans while IRAs do not.

Additional fund access

401(k)s can have access to funds not available through IRAs.

Your financial advisor can manage your 401(k)

Common misconceptions

The reality of 401(k) management

Advisor can't manage

Advisors can't manage a 401(k) like they do an IRA.

Consolidation is better

Consolidation is better for account management and outcomes.

Informal advice only

Free, informal advice is the only way for your financial advisor to help.

Can't receive same level of service

I don't know if my personal advisor can professionally manage my 401(k) like my other assets.

Advisors can manage

Advisors can manage 401(k)s by directly managing the account consistent with the custody rule or using Pontera.

May offer better benefits

Consolidation isn't always better; your 401k may have lower fees, optimal funds and other benefits for your personal financial situation.

Pro services available

Retirement savers can benefit from paid 401k management by their personal advisors as part of their portfolio strategy.

Savers can benefit

Retirement savers can benefit from paid professional 401(k) management.

Pontera helps retirement savers get professional guidance of their 401(k)s

Pontera is a fintech platform that helps thousands of retirement savers securely connect 401(k)s, 403(b)s, and more for proactive management by their financial advisors.

It is a path to ✓ seamless ✓ secure ✓ compliant professional management of retirement plan accounts.

Here’s how it **works**:

1. Your financial advisor invites you to the Pontera platform.
2. You connect your account to Pontera.
3. Your advisor manages your 401(k) according to your financial goals.

Hundreds of millions of adults have connected their bank accounts with digital finance apps and services to help them lead healthier financial lives.[6]

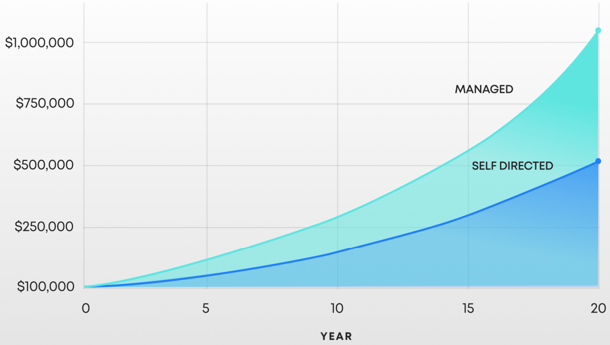
Pontera helps advisors make **better choices** for their clients

59% of surveyed financial advisors **chose not to roll over a client’s 401(k) into an IRA in 2022** due to better plan benefits and the advisor’s ability to manage these assets in plan via Pontera.[7]

Your financial advisor can help you reach your **retirement goals**

Studies show professional management of retirement accounts can grow them by 3% more per year; that's 75% over the span of 20 years.[8] As you near retirement, often times a more tailored plan is needed, and your financial advisor can help you reach your goals.

PROFESSIONALLY MANAGED 401(K) ACCOUNTS CAN OUTPERFORM SELF-DIRECTED BY 3% PER YEAR



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[1] Retirement Clearinghouse, 2021
[2] Zippia, 2023
[3] U.S. Bureau of Labor Statistics, 2022
[4] American Society of Pension Professionals & Actuaries, 2023
[5] Pew, 2022
[6] Plaid, 2021
[7] Pontera's 2023 Financial Advisory Survey (n = 124)
[8] Vanguard, 2022

Pontera

If you have an advisor, visit pontera.com/my401k to learn more.

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