Retirement Account Rollover Policy and Guidelines

April 18, 2023

David Lerner Associates, Inc. ("DLA" or the "Firm"), as a securities broker-dealer, and its Investment Counselors ("ICs"), adhere to the "best interests" standard in making investment recommendations to clients and potential clients. This standard is designed to avoid conflicts of interest and to put the interests of the investor ahead of those of DLA and the IC. DLA does not provide retail, managed/fee based accounts and does not otherwise act as a fiduciary in dealing with its broker-dealer clients. Compensation for all trades executed through DLA, the broker-dealer, are based on commissions per transaction.

When dealing with DLA investors who may be considering moving their existing retirement account to a new DLA retirement account ("rollover"), DLA merely provides educational information to those investors so that they may make an informed decision as to whether to rollover their existing retirement account to DLA. **The firm and its ICs do not provide advice or recommendations for investors to rollover their retirement account(s) and, therefore, do not act as fiduciaries.** DLA's limited role is to provide investors with guidance as to what information/factors to consider and where to obtain that information when evaluating a possible rollover. The following chart provides more details regarding that guidance. Note that while this information is designed to give investors direction in obtaining the requisite information, this chart is not an "all inclusive" list of factors to consider:

Factors to consider and where to obtain the information about those factors:

Factors to Consider (When comparing existing retirement plan with new plan)	How/Where to Obtain Information
Features and investment components: Is the plan self-directed or employer directed? What are the investment types available in the plans? Stocks; Bonds; Mutual Funds; REITs; Limited Partnerships; Annuities; UITs; etc.?) Are there any limitations to investment selection?	Refer to summary plan description; monthly statements; ask your plan administrator, financial advisor, and/or your investment counselor.
Annual costs/fees: How are you charged for transactions in your account? What are those charges and how are they calculated? Do the costs and compensation paid to your financial professional vary based on products and services? Are there any account maintenance fees, inactivity fees, or other administrative fees charged to your account?	Ask your plan administrator, financial advisor, and/or your investment counselor; obtain costs/fees schedules, if available.
Availability of penalty-free withdrawals between ages 55 and 59½: What are the differences between the plans regarding events that give rise to a 10% or 20% IRS early withdrawal penalty?	Refer to summary plan description; Ask your plan administrator, financial consultant, accountant/tax advisor, and/or your investment counselor.*

Factors to Consider (When comparing existing retirement plan with new plan)	How/Where to Obtain Information
Availability of plan loans: Does the plan allow you to take a loan against the plan?	Refer to summary plan description; Ask your plan administrator, financial consultant, and/or your investment counselor.
Availability of in-service withdrawals: Can you withdraw from your retirement plan and what are the limitations and tax consequences of those withdrawals?	Ask your plan administrator, financial consultant, accountant/tax advisor, and/or your investment counselor.*
Protection from creditors/legal judgments: What are the different levels of protection from creditors (i.e., full versus partial (federal bankruptcy protection only, state law limitations)?	Refer to summary plan description; Ask your plan administrator, financial consultant, and/or your investment counselor.
Beneficial tax treatment of employer stock: Are there any tax benefits available upon distributions from the plan (i.e., Net Unrealized Appreciation ("NUA") on employer stock)?	Ask your plan administrator, financial consultant, accountant/tax advisor, and/or your investment counselor.*
Availability and quality of advice/service: Are you able to receive advice from an investment professional regarding your investment selections? Is there a separate fee for that service? How much time will your investment professional be devoting to servicing your account? Will you have access to online account information?	Ask your plan administrator, financial advisor, and/or your investment counselor.
Plan Distributions: Does the plan restrict the number of distributions that can be taken in a year or limit distributions to a single lump sum?	Refer to summary plan description; Ask your plan administrator, financial consultant, and/or your investment counselor.
Beneficiary Designations: Are there any limits on your ability to name beneficiaries (i.e., contingent, multiple, etc.)?	Refer to summary plan description; Ask your plan administrator, financial consultant, and/or your investment counselor
Alternatives to proposed rollover: Does it make more sense to retain your existing retirement plan?	Ask your plan administrator, financial consultant, and/or your investment counselor
Other Sources of Information:	Form 5500; 402(f) Notice; 401K or Employer Plan Help Desk; DLA Schedule of fees/charges.

**DLA and its Investment Counselors do not provide tax advice. Please consult with your accountant and/or tax advisor regarding tax implications of your rollover/investment decisions.*

Hypothetical Examples of Differences Between Existing Employer Plan and DLA Individual Retirement Account ("IRA")[1]

Typical, Existing Employer Plan	DLA Individual Retirement Account (IRA)
Investment Components/Features Generally narrow universe of investment products from a select menu provided by plan fiduciary that investors may choose from (unless brokerage account available); may be limited access to annuity products; account access and trading may be limited during "blackout" periods; plan may be employer directed or self-directed.	Wide range of investment opportunities available: mutual funds, limited partnerships, unit investment trusts, REITs, bonds, annuities (including those with guaranteed retirement income options) and stocks. No blackout periods. IRAs are self-directed.
Annual costs/fees Depending on type of account (brokerage or advisory), costs may be based on commissions/ sales charges on transactions or on assets under management; some plans may offer access to institutional pricing which may lower your investment costs; employer plans typically charge administrative fees and may charge fees to access investment advice and/or customer services.	Commissions/sales charges are based on transactions. There may be deferred sales charges on certain classes of mutual funds. While the underlying investment products may have differing sales charges, the commission rate that DLA applies to determine your investment professional's compensation does not vary based on products and services. Accounts are subject to certain fees, except no additional fees are charged to access customer service or advice from investment professionals.
Availability of penalty-free withdrawals A penalty will apply to early withdrawals unless you are: a) at least 59 ½ years old; b) leaving your employer in or after the calendar year when you reach age 55; c) disabled; d) taking substantially equal periodic payments; e) subject to a qualified domestic relations order (QDRO); f) paying deductible medical expenses for you, your spouse or dependents; g) deceased; h) paying qualified birth or adoption expenses up to $5,000.[2]	A penalty will apply to early withdrawals unless you are: a) at least 59 ½; b) disabled; c) taking substantially equal periodic payments; d) first time home purchase (up to $10,000 for you, your spouse, children or grandchildren; e) paying deductible medical expenses for you, your spouse or dependents; e) paying health insurance premiums while unemployed; f) deceased; g) paying certain higher education expenses for yourself, spouse children, or grandchildren; h) paying qualified birth or adoption expenses up to $5,000. [2]
Availability of plan loans An employer plan may make loans available but only to active employees and with certain other restrictions/requirements (there may be repayment obligations, tax consequences)[2]	Loans against the IRA are not permitted
Protection from creditors/legal judgments ERISA qualified plans typically offer full protection from creditors.	Limited to federal bankruptcy law protection and state law protection from creditors outside of bankruptcy.
Beneficial tax treatment of employer stock Employer plans typically provide certain tax benefits for employees holding stock of the employer.	If you own employer stock, you likely will not receive beneficial tax treatment if you decide to rollover that stock to your DLA IRA[2]
Plan Distributions Some plans may only allow a certain number of distributions per year and may restrict distributions to a single lump sum; others may require proportionate investment redemptions on all investments in the event of a partial distribution.	No limits to the frequency of distributions. You determine the timing of distributions to satisfy your retirement income needs. No requirement for proportionate redemptions.

Typical, Existing Employer Plan	DLA Individual Retirement Account (IRA)
Beneficiary Designations: Some plans potentially limit your ability to designate multiple or contingent beneficiaries	Multiple and contingent beneficiary designation options available.
Availability of In Service Withdrawals Some plans may allow a distribution, in defined circumstances, before the employee leaves the company.	Not available in an IRA
Availability and quality of advice/service Some retirement plans may only provide investors with educational information and/or robo (computer generated) advice; others may provide professional investment advice and managed accounts to help you chose investment options.	Unlimited access to DLA investment counselor; online access to account information; in-person meetings encouraged. Other than disclosed commissions/sales charges and fees, no additional charges for customer service.
Direct Rollovers/Roth IRA Conversions You can make a direct rollover from a Roth 401(k) or 403(b) to a Roth IRA; depending on the plan, you may be permitted to convert to a Roth 401(k) or Roth 403(b); your spouse beneficiary may convert/roll over to their Roth IRA or inherited Roth IRA; your non-spouse beneficiary can convert/roll over to an inherited Roth IRA[2]	You may convert/rollover from an employer plan to a Roth IRA; you may convert a traditional IRA to a Roth IRA; you *cannot* convert an inherited IRA to an inherited Roth IRA (there may be tax implications)[2]
Federal Withholding Rules Distributions typically are subject to mandatory 20% federal income tax withholding, except where plan assets are directly rolled over to another eligible Roth IRA, retirement plan or IRA.	Generally, distributions are subject to a 10% federal withholding tax, although you may chose not to withhold.[2]
Required Minimum Distributions (RMD) Normally, you must start taking RMDs from an employer plan by April 1 of the year after you reach age 73.[3]	You are required to start taking RMDs by April 1 of the year after the year in which you turn 73[3], notwithstanding whether you continue to be employed. Different RMD requirements apply to Roth IRAs, spousal beneficiaries and inherited Roth IRAs.[2]

1) *Employer retirement plans differ. The examples provided are for typical employer plans but may not entirely match your actual, existing plan and may not be all inclusive of the factors that you need to consider. You, the investor, are responsible for obtaining the information specific to your individual employer plan so that you can make an informed rollover decision.*
2) **DLA does not give tax advice.** Please c*onsult your accountant and/or tax advisor. Other exceptions may apply when considering the availability of penalty-free early withdrawals; beneficial tax treatment of employee stock, if applicable); and timing of RMDs (i.e., depending on your percentage ownership of the company and/or whether the employer plan is a Roth 403(b)).Please consult your tax professional regarding availability of Qualified Charitable Distributions.*
3) *The change in the RMD's age requirement from 72 to 73 applies only to individuals who turn 72 on or after January 1, 2023. If you turned 72 in 2022 or earlier, you will need to continue taking RMD's as scheduled.*