Roll over your prior retirement accounts into the Concordia Plans 403(b)

The Concordia Retirement Savings Plan 403(b) is a great place to save. Did you know you can roll your savings from your previous employers' retirement savings plans or an IRA into the Concordia Plans 403(b)? There are many benefits to consolidating your retirement accounts.

Simplify

Having your investments centrally managed makes it easier for you!

- You'll have a holistic picture of your retirement savings – from managing your beneficiaries to monitoring your balance, making it easier to maintain proper diversification.
- Each separate plan has a cost; the more retirement accounts you have, the more fees you are potentially paying. Consolidating with the 403(b) allows you to take advantage of the plan's low fixed fees.
- The 403(b) pairs perfectly with the Concordia Retirement Plan pension to provide lifetime income.

Low cost

The Concordia Plans 403(b) offers competitive, transparent fees. A modest fixed administrative fee provides cost certainty, while investment expenses are kept very low through institutional share class pricing. With no commissions or surprise fees, more of your savings can stay invested for retirement.

As a nonprofit serving thousands of ministries, we can offer cost advantages and resources typically available only to large organizations.

How to roll over your funds

Moving funds from another retirement plan account into the 403(b) can be a simple process called a **direct rollover.**

1. Gather important information:
    a. A statement from the retirement account you want to rollover that includes the account number.
    b. The phone number for the financial institution associated with the current account.
2. Call Fidelity, the administrator for the 403(b), at 800-343-0860 and a representative will help.
3. The financial institution where the retirement account currently exists sends a check payable to Fidelity or mails the check directly to you. The check should be made payable to: **Fidelity Investments Institutional Operations Company (FIIOC), FBO [YOUR NAME]**.
4. If you receive the check directly, you can:
    > Forward the check and the Fidelity rollover form to: **FIDELITY INVESTMENTS, P.O. BOX 770002, CINCINNATI, OH 45277-0090**, or
    > Upload a photo of the check to the Fidelity NetBenefits app on your smartphone.

Note: *Indirect rollovers (if required by the financial institution) are usually only done if necessary, because the financial institution sends a physical check payable to you. It can be an extremely complicated situation because everything must be completed within 60 days, and can have serious tax consequences if not acted upon quickly and correctly.*

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Early retirement benefits:

If you leave your money in a former employer's plan, you may not be able to access it without a penalty until age 59½ unless you separated from service at age 55 or later, or another exception applies. If you are planning to retire early, specifically between the ages of 55 and 59½, you may take penalty-free distributions from the Concordia Plans 403(b), including funds rolled into the 403(b) from your former employer.

Note: *Cash distributions from a designated Roth 403(b) account are typically tax and penalty free, provided the Roth account has been held for at least five years and you must reach the age of 59 ½, are disabled or deceased (in which case the distributions go to your beneficiaries).*

Benefits when retiring later:

If your retirement plans include working for an employer who offers the Concordia Plans 403(b) past age 73 (or age 75 if born after 1959), you don't have to take required minimum distributions from your 403(b) account. You can leave your money invested until you are fully retired. Another advantage of rolling your Traditional IRAs, 401(k)s or other similar retirement accounts into the 403(b) is you will also postpone required minimum distribution on those funds.

Other considerations: When does it makes sense to leave my previous retirement account at its current location?

Surrender charges: If your plan is invested in variable annuities there may be surrender charges (fees for moving your money before the contract ends). You may not want to rollover this type of account until it's no longer subject to these surrender charges, and you can move your money without paying fees.

Time restriction: You may be subject to a waiting period that requires you to leave your money in the account for a certain period of time until you can roll it over.

Fees: The plan administrator may charge a fee to roll over or transfer funds to another qualified retirement plan, especially if you move your money by wire transfer. Ask if there is an option to send the funds by ACH (Automated Clearing House) to waive those fees.

What should I consider if I'm thinking of cashing out my funds?

Fees: Early withdrawals may be expensive due to taxes. You may owe a 10% tax penalty on the amount that you withdraw, in addition to federal income tax (taxed at your marginal tax rate) and any state income tax.

Lost growth: If you cash out your funds, you forego potential continued tax-advantaged growth in your investments.

Your plan: While it may be tempting to take funds out of your account for current expenses, you may regret it. Remember the reason you saved — to help provide income for your retirement. Review how the withdrawal will affect your overall retirement plan and projected retirement income.

Help is only a phone call away! Call Fidelity at 800-343-0860.

If you need talk about retirement planning, contact our Financial Educators - they will be happy to help!

Email: MoneyMatters@ConcordiaPlans.org **Phone:** 888-927-7526