Bankoh Investment Services, Inc.

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Retirement Plan Options Disclosure:
Understanding Your Options For Assets Invested In A Retirement Plan Account

If you have an employer-sponsored retirement plan, you have several choices in relation to what you may do with your assets in that plan when you retire or change jobs. Generally, you might choose one or more of the following options:

1. Keep your assets in the employer's plan (if allowed)

2. Rollover your assets into an individual retirement account or individual retirement annuity, each of which is commonly referred to as an IRA

3. Rollover your assets to another employer-sponsored plan (if allowed). Your current and/or prior employer may allow for the transfer of assets into their plans. You should consult with your employer's plan administrator to determine eligibility.

4. Take a distribution in cash from the plan (subject to applicable tax penalties and/or withholding.)

When faced with these decisions, you should carefully weigh the advantages and disadvantages of each option. You should consider the applicable taxes as well as the applicable fees and features of each option before making your decision. Please review any potential penalty free withdrawal options that may be available in your existing plan. Before making any decision about your plan assets you should contact your tax and/or legal advisor to determine applicable tax consequences. Your financial advisor can assist you with getting the information you need to consult with your tax and/or legal advisor and make the appropriate decisions to meet your specific needs. Below are some general factors that you should consider when making your decision.

1. If you keep your assets in ***certain types of employer-sponsored plans*** [e.g., 401(a). 401(k) or 403(b)], consider:

Tax Deferral. Your money can continue to grow tax deferred.

Additional Withdrawal Allowances. There is no federal tax penalty for withdrawals if you are age 59½ or separated from employment in the year you reach age 55.

Low Cost Investment Options/Investment Strategy. You may have access to low-priced mutual funds or special products that are not available in an IRA, such as company stock, fixed annuity contracts or stable value options. Also, you can maintain your current asset allocation strategy.

Protection from Creditors. Assets in a retirement savings plan such as a 401 (k) or 403(b) are generally protected from creditors and legal judgments while assets in IRAs receive more limited protections from creditors.

Deferral of Required Minimum Distributions (RMDs). Your employer-sponsored retirement plan may offer this feature if you are actively working for the sponsoring employer and are over age 70½.

Availability of Company Stock as an Investment Option. If you hold company stock in your former employer's plan, you should consider the negative tax consequences of rolling the stock into an IRA (e.g., stock appreciation taxed as ordinary income upon distribution). You should consult your tax preparer regarding Net Unrealized Appreciation (NUA) and other tax consequences or benefits.

Outstanding Loan Balances. If you have outstanding loans from your retirement plan and you leave employment you may be able to continue repaying the loan. Alternatively, upon leaving employment you may be required to repay the loan in full or have it become taxable. (Consult with the Plan's Administrator to determine the consequences of any outstanding plan loan.)

Subject to Plan Limitations. Accounts of inactive or retired participants may have limitations such as the inability to take plan loans. The employer might change plan provisions in the future. You can no longer make contributions to the plan.

Fees & Expenses. Plan fees typically include plan administrative fees (e.g., recordkeeping, compliance, trustee fees) and fees for services such as access to a customer service representative. In some cases, employers pay for some or all of the plan’s administrative expenses.

Services. Consider the different levels of services available. Plans may provide access to investment advice, planning tools, telephone help lines, educational materials and workshops.

2. If you rollover assets into ***an IRA from an employer-sponsored plan***, consider:

   Tax Deferral. Your money can continue to grow tax deferred. No taxes or penalties are applicable for direct rollovers.

   More Investment Options. An IRA generally allows for a broader range of investment options, which may include mutual funds, exchange-traded funds, stocks and bonds.

   Consolidation of Retirement Accounts. Combining all retirement plan accounts into a single IRA may make it easier to track your assets and manage required minimum distributions required under federal tax laws.

   Inability to Take Plan Loans/Limited Access to Monies Prior to age 59½. You will not have the ability to take penalty-free withdrawals as a plan loan. In addition, your access to IRA assets prior to age 59½ will be limited to certain specific circumstances, such as first-time homebuyers and higher education expenses. Potential Conflicts of Interest. Your financial advisor may have a financial incentive to recommend an IRA rollover because of the compensation that he/she may receive when you transfer funds from an employer-sponsored retirement plan or from another IRA. This potential conflict also pertains to situations where you are a participant in a plan where your financial advisor is a fiduciary.

   Loss of Plan Options. You may lose certain options offered by your former plan, which may include, but are not limited to, guaranteed interest rates, death benefits and protection from creditors (under certain plan types).

   Potential Charges for Rollovers. Surrender charges could be imposed by a provider under the plan if the account included one or more annuity products.

   Fees & Expenses. An IRA's account fees may include administrative, account set-up and custodial fees

   Services. Like Plans, IRA providers offer different levels of service, which may include full brokerage services, investment advice, distribution planning and access to securities execution online.

3. If you rollover assets into ***another employer-sponsored plan,*** consider:

   Tax Deferral / Additional Withdrawal Allowances / Low Cost Investment Options / Protection from Creditors / RMD Deferrals. Like keeping your assets in your existing employer-sponsored plan, if you move your assets into a new employer's retirement plan, you may receive similar benefits as noted above (tax deferral, withdrawal allowances, low cost investment options, certain protections from creditors and deferral of RMDs).

   Consolidation of Retirement Accounts. It may make it easier to track your assets and manage your retirement plan accounts with all your money in one place.

   Plan Limitation on Accepting Rollover Assets. You will need to check with the new employer sponsored plan to confirm that it is willing to accept rollovers.

   Possible Limitations on Access to Withdraw Funds Rolled into Plan. Check with the new employer-sponsored plan to confirm that the plan does not impose any restrictions on your accessibility to amounts rolled into the plan.

4. If you take ***a cash distribution***, consider that:

   Withdrawals May be Subject to Tax Withholding Penalties and Other Charges. If you are under the age 59½, the withdrawal will be subject to mandatory tax withholding as well as applicable tax penalties for early withdrawal. Note, there are limited exceptions to the penalty tax *(e.g.,* payments made to you after you separate from service if you are age 55 or over in the year in which you separate). Note also that the penalty tax does not apply to distributions from a governmental 457(b) plan. You may also be subject to surrender charges or penalties assessed under the terms of the applicable investment.

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