



## ***FREQUENTLY ASKED QUESTIONS ABOUT SAFE-HARBOR-IRA®***

### **Why was my plan balance transferred to a *Safe-Harbor IRA*®?**

The Department of Labor issued regulations providing a way for retirement plan sponsors to remove small balance accounts of former employees from their company plan by creating an IRA on behalf of the former employee. These rules permit plan sponsors to save the time, money and personnel resources required to maintain these balances while still maintaining a secure, tax sheltered retirement fund for these employees. Such transfers are called “automatic rollovers”.

### **What is a *Safe-Harbor IRA*®?**

The *Safe-Harbor IRA*® is an automatic rollover IRA program developed by Centier Bank exclusively for missing or non-responsive terminated plan participants. Your former employer has recently made Centier the trustee of your automatic rollover.

As a result of this action, you can either leave your vested balance in the *Safe-Harbor IRA*®, which will continue building your retirement savings, or elect another option.

### **What options do I have?**

- You may decide to leave your funds with Centier and, if eligible, continue to save for your retirement by making regular contributions to your *Safe-Harbor IRA*® account. Please refer to the question about investing my account for your investment choices.
- If you have a new employer who offers a retirement plan (profit sharing, 401(k) or other type plan), you may be able to transfer your funds to that plan.

Contact your employer’s plan administrator or human resources department for instructions.

- You can elect to transfer your account to another IRA provider. Please contact your IRA provider to obtain a transfer form.
- You may be eligible to receive a distribution from your IRA account. Please remember, any withdrawal is a taxable event. If you want your funds sent to you, go to [www.safe-ira.com](http://www.safe-ira.com) to fill out a Distribution Request and mail or fax it to us. The fax number is 219-924-1757. If you do not have access to the Internet, call 1-219-924-1647, and ask that the form be mailed to you. Failure to properly complete any required documentation may delay or prevent a requested distribution or transfer of these funds.

NOTE: None of these options are available to you unless you return your signed Adoption Agreement, W-9, and a copy of your Photo I.D.

### **Who is Centier Bank?**

Centier Bank has been recognized as the Best Bank for Business in our service area by offering leading-edge Wealth Management and Business solutions. In addition to satisfying our clients, Centier has consistently been recognized by state and national groups, business publications, and other civic organizations. Centier continues to receive honors and awards for excellence in a variety of areas, including community involvement, family friendly policies, lending, marketing, and commercial services.

## How can I invest my funds?

The Department of Labor regulations require that all funds placed in an automatic rollover IRA be invested in a qualified investment. This investment is defined as an investment product designed to preserve principal and provide a reasonable rate of return that is consistent with liquidity. Also, it must be offered by a bank, savings association, credit union, insurance company or a regulated investment company. Please see our website to review the current investment option and applicable rate.

You can leave your funds invested in the initial option established for your account or direct them to be invested. If your account balance is at least \$5,000, you may select an asset allocation mutual fund for your account. **Please contact us to discuss this option in more detail.**

## Are my funds safe?

- Funds invested in Centier Bank deposit products are protected by FDIC insurance. Other investments such as mutual funds and individual stocks/bonds are not insured by FDIC or any other Federal Government Agency, have no bank guarantee and may lose value.
- Like any IRA, your *Safe-Harbor IRA*® may or may not be subject to claims of creditors. You should consult an attorney for specific advice in this area.

## What fees are charged to my account?

Your account is charged a one-time set-up fee and an annual fee for as long as it remains with Centier. Generally, these are \$50 for each of the set-up fee and annual fee. There are no transfer, distribution or termination fees at this time. Details on fees can be found on page 4 of the Disclosure Statement. Certain plan sponsors may have arranged fee discounts on balances transferred to a *Safe-Harbor IRA*®. Your former employer will have notified you in writing prior to the transfer of your plan balance of fees to be charged to your account.

## What if I want my money?

Refer to the answers to the “options question”.

## Who is the beneficiary on my account?

The Department of Labor regulations creating automatic rollover accounts state that any prior beneficiary designation you established for the retirement plan of your former employer is cancelled once the funds are transferred. Thus, you should establish a new beneficiary designation for your *Safe-Harbor IRA*®. You can do so by properly completing and returning the Beneficiary Designation Form located on our website. If you do not indicate a new beneficiary for your *Safe-Harbor IRA*®, the default beneficiary language in the Adoption Agreement will control.

## Why are you asking for personal information on these forms?

The *Safe-Harbor IRA*® has been established for you by your former employer. Now, according to Department of Labor regulations, you must “present” yourself to claim (assert) ownership and control of the account. Asserting ownership of your *Safe-Harbor IRA*® is like opening any account at a financial institution. “Presenting” yourself means completing, signing and returning the Adoption Agreement and providing the appropriate information to comply with the USA Patriot Act – from our website. Returning these forms, signed and dated, along with a copy of your photo ID is an absolute requirement for you to invest, withdraw or otherwise control your *Safe-Harbor IRA*®. We appreciate and thank you for your full and prompt cooperation.

## How do I contact Centier Bank?

We welcome you to call us at 219-924-1647 or send an e-mail to [SafelIRA@centier.com](mailto:SafelIRA@centier.com).