



Wealth is the ability to fully experience life.

Employer Retirement Plan

401(K) QUALIFIED EMPLOYER-SPONSORED RETIREMENT PLAN	
Overview	Must be an employee of a company who has established a qualified plan (cannot adopt on their own). Funds held in a 401(k) are generally protected from creditors.
Eligibility: Income Limits	None
Eligibility: Withdrawals and Loans	Withdrawals: If under 59½, withdrawals are subject to 10% federal early withdrawal fee. You will also be required to pay normal income taxes on the withdrawn funds. Potential early access to funds at age 55 or later if you retire, quit, or get fired. Loans: The maximum amount is generally 50% of your vested account balance, or \$50,000, whichever is less. If you leave your employer, the loan must be paid back.
2021 Annual contribution Limits	Up to \$19,500. Additional \$6,500 catch-up contributions for those over age 50.
Company Match/Vesting	Any money you contribute is always 100% yours. Company matching funds usually vest over time - typically either 25% or 33% a year, or all at once after three or four years. Once you're fully vested, you can take the entire company match with you when you leave your employer.
Investment Options	May only invest in those funds available in the plan.
Tax Considerations	401(k): Tax-deferred growth. Contributions are deducted from income pre-tax. Pay taxes when you withdraw assets during retirement. Roth 401(k): Pay tax on income before contributions. Earnings grow tax-free. Pay no taxes when you withdraw assets during retirement.
401(k) to Roth 401(k) Conversions	Check with your employer to see if converting is an option. If you convert your 401(k) into a Roth 401(k), you will owe taxes on that money because it hasn't been taxed yet. You could leave your traditional 401(k) alone and start putting money into a new Roth 401(k) instead.
Required Minimum Distributions	Distribution must begin by age 72. Potential to defer RMD if still working for employer.
Management and Communication	1-800 number for service. Your plan administrator handles your portfolio's actual transactions and the recordkeeping and reporting, but you are responsible for determining when and how to reallocate and rebalance your assets.

AVERAGE RETIREMENT PLAN FEES*

Number of Participants	1-10	11-25	26-50	51-100	101-200	201-500	501-1000	1001+**
Investment Expense %	1.72%	1.68%	1.59%	1.39%	1.26%	1.22%	1.12%	1.01%
RK/Admin %	2.23%	1.00%	0.64%	0.48%	0.38%	0.29%	0.26%	0.22%
Total Bundled %	3.95%	2.68%	2.23%	1.87%	1.64%	1.51%	1.38%	1.23%

* Source: The 401k Averages Book (20th Edition) published by Pension Data Source, Inc.

** Data for plans with more than 2,000 participants is not readily available, but the expectation is the total bundled expenses/fees would continue to decrease.

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