

Should you consolidate your retirement assets?

Most investors have accumulated a number of retirement accounts over the years. These may include Traditional and Roth Individual Retirement Accounts (IRAs), workplace retirement plans like SEP and SIMPLE IRAs, or qualified employer sponsored retirement plans (QRPs) such as 401(k)s, 403(b)s, or governmental 457(b)s. To simplify your finances and get a better view of your overall financial picture, consider consolidating your financial assets with one provider.

Reasons to consider consolidating

- **Ease in managing your investment strategy.** Maintaining multiple investment accounts is not the same as diversification. Your financial advisor can help ensure that your asset allocation meets your goals and risk tolerance. Through regular financial checkups, you can adjust your investment selections according to varying economic and market conditions or to changes in your personal situation.
- **Improve tax efficiency.** Bringing retirement accounts and brokerage accounts together with one service provider may make it easier to implement a tax-efficient investing strategy. With all your assets in one place, you can be sure the least tax-efficient assets are in accounts that offer tax deferral or exemption.
- **Account management.** The optional Brokerage Cash Services features of your Wells Fargo Advisors IRA combines investing with easy access to online and mobile cash management to help you better manage your financial life.
- **Planning tools.** Our process is designed to help you identify and prioritize your goals. This unique process creates an effective, easily followed roadmap with personalized milestones to help you discover whether you have the financial resources to live your life the way you want.
- **RMD simplification.** Beginning in 2023, the required minimum distribution (RMD) age has been increased from 72 to age 73. Note: this does not affect individuals who turned age 72 before 2023. RMDs must be taken from your Traditional, SEP, and/or SIMPLE IRAs as well as from any QRPs, left with former employers. Roth IRA owners do not have to take RMDs. Failure to take your RMD on time or in the right amount may subject you to an IRS 25% excise tax. This tax can be reduced to 10% if corrected within two years from the date the tax is imposed.
- **Effective beneficiary planning.** Having your assets at one provider can make it easier to update your beneficiaries and keep them in line with your estate planning objectives.
- **One monthly statement.** This can make it easier to monitor your account(s) and lessen the chore of handling paperwork.
- **Potentially fewer fees.** You may be able to eliminate multiple account fees.

Investment and Insurance Products are:

- Not Insured by the FDIC or Any Federal Government Agency
- Not a Deposit or Other Obligation of, or Guaranteed by, the Bank or Any Bank Affiliate
- Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested

With you every step of the way

Everyone has a different vision of retirement that requires a unique financial strategy. Wells Fargo Advisors can support you in your retirement planning process by providing the guidance needed to make informed choices. We will meet with you and help create a comprehensive plan that takes into account your complete financial picture. Your financial advisor will be with you every step of the way to meet to review your progress and adapt your plan as needed. Working together, we'll design and implement a retirement plan that can help you live out your unique vision of retirement.

When considering rolling over assets from an employer plan to an IRA, keep in mind that rolling over assets to an IRA is just one of multiple options, including leaving assets in your former employer's plan (if the plan allows), moving assets into a new employer's plan (again, if the plan allows), and, finally, cashing-out or taking a lump-sum distribution. Factors that should be considered and compared between the employer plan and the IRA include fees and expenses, services offered, investment options, when penalty free withdrawals are available, treatment of employer stock, when required minimum distributions begin, protection of assets from creditors, and bankruptcy. Investing and maintaining assets in an IRA will generally involve higher costs than those associated with employer-sponsored retirement plans. You should consult with the plan administrator and a professional tax advisor before making any decisions regarding your retirement assets. Please Note: This material has been prepared for informational purposes only and is not a solicitation or an offer to buy any security or instrument or to participate in any consolidation, planning, trading or distribution strategy. Asset allocation cannot eliminate the risk of fluctuating prices and uncertain returns. The accuracy and completeness of this information is not guaranteed and is subject to change. It is based on current tax information and legislation as of February 2023. Since each individual's situation is unique, you need to review your specific investment objectives, risk tolerance, and liquidity needs with your financial professional(s) before an appropriate planning, savings, distribution or investment strategy can be selected. Also, since Wells Fargo Advisors does not provide tax or legal advice, individuals need to consult with their own tax and legal advisors before taking any action that may have tax or legal consequences.