

401K or 403B

Many corporations of significant size offer 401K or 403B retirement plans for their employees. These plans are regulated by the IRS as qualified retirement savings accounts, where contributions are deducted from wages earned. A 403B retirement savings account is available to non-profit entities, and is very similar to the 401K plans available to for-profit businesses.

401K plans are typically managed by a third party administrator, often referred to as a Broker/Dealer, which manages the entire plan for the employer on behalf of its employees. When an employee retires, changes jobs, or is terminated or laid off however, ownership rights and control of the funds transfer to the departed employee. At the employee's option, their funds may transfer to an IRA plan.

403B plans are also managed by third party administrators. This regulated category has the additional advantage of being able to offer the Sep IRA's described in the Sep IRA page of this website. Freedom Financial Services is available to present this plan to both the employer and employees. Simply reach out to us on the Contact Us page of this website. As in the case of a 401K plan, employees who are no longer employed by their 403B plan sponsored employer have acquired ownership rights and may change their 403B plan to an individual IRA account.

If you are interested in transferring your 401K or 403B account into an individual IRA account, Freedom Financial Services can assist you in moving funds into a Flexible Indexed Tax Deferred Annuity, with the added benefit of a sign-on bonus of up to 10%, including any future deposits through the end of the 7th year. This type of savings account guarantees against market losses through annual locked-in market gains. In addition, income on the account can be setup in advance, with choices of guaranteed annual interest credits of up to 6.75%/year. To obtain further information, or to discuss a possible transfer, please click on Contact Us and complete the Contact Information Form.

If you are currently employed and are contributing to a 401K or 403B retirement plan and have questions or concerns, we're here to help. Employees have choices regarding growth and investments. A review of the information provided herein may trigger questions.

For example:

- (1) Are there opportunities to earn more on the part of my 401K or 403B contribution in excess of the company matching contribution?
- (2) What is the projected value of my 401K or 403B at retirement?

For assistance with these or other questions, visit the Contact Us page. We'll be happy to help.