

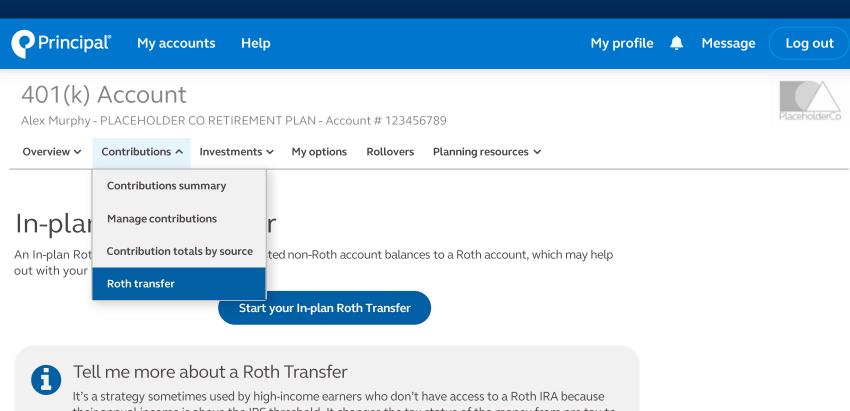
In-plan Roth transfer

Participant website experience

Roth transfer

After logging in, select "Roth transfer" from the "Contributions" tab.

*This menu option is only available if Roth conversions are allowed on the plan.



It's a strategy sometimes used by high-income earners who don't have access to a Roth IRA because their annual income is above the IRS threshold. It changes the tax status of the money from pre-tax to Roth. And if you have after-tax money, you can change that tax status to Roth, too. This is sometimes called "super" Roth.

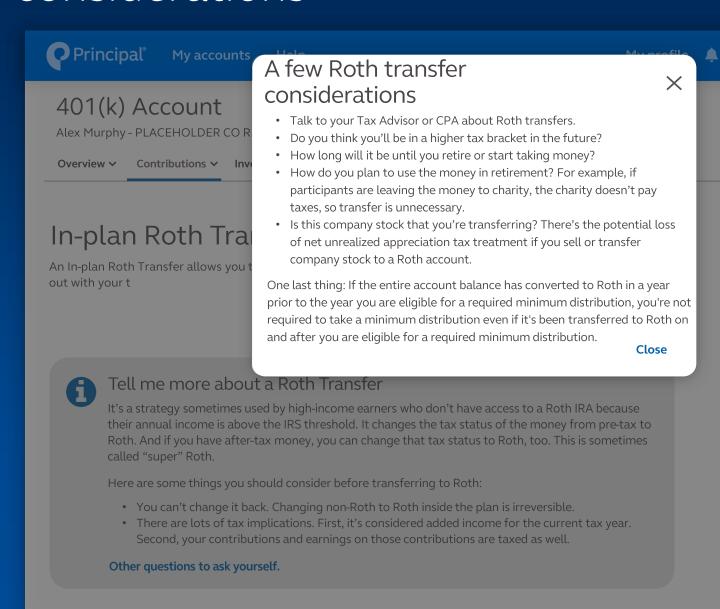
Here are some things you should consider before transferring to Roth:

- You can't change it back. Changing non-Roth to Roth inside the plan is irreversible.
- There are lots of tax implications. First, it's considered added income for the current tax year. Second, your contributions and earnings on those contributions are taxed as well.

Other questions to ask yourself.

Roth transfer considerations

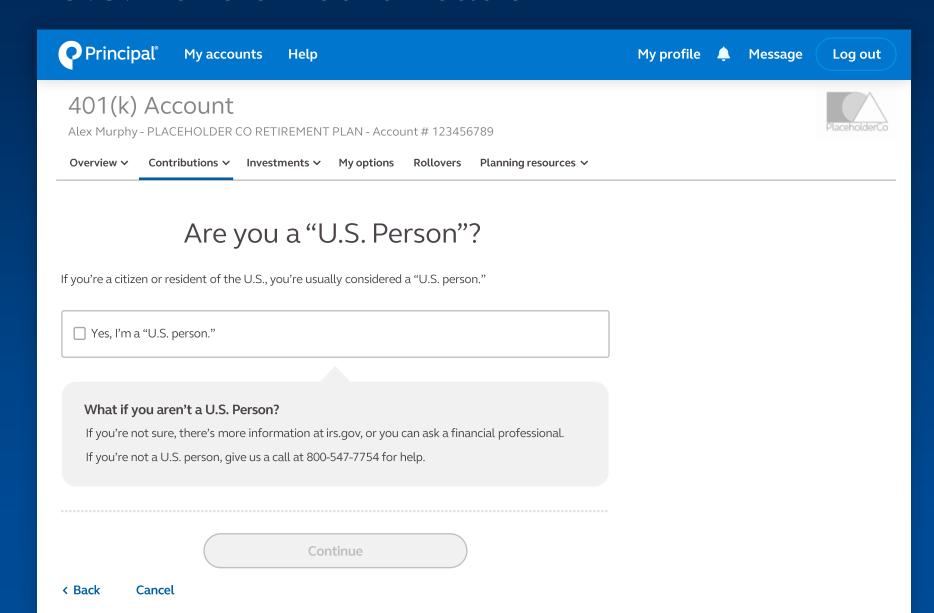
Review other questions about benefits and potential risks of completing a Roth transfer before beginning the process



Log out

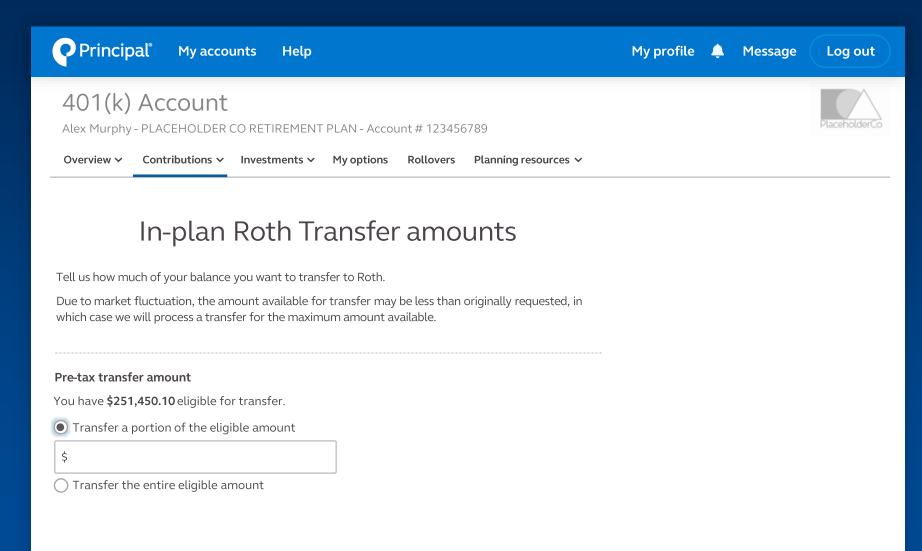
Roth transfer – U.S. Pension certification

"U.S. person" certification



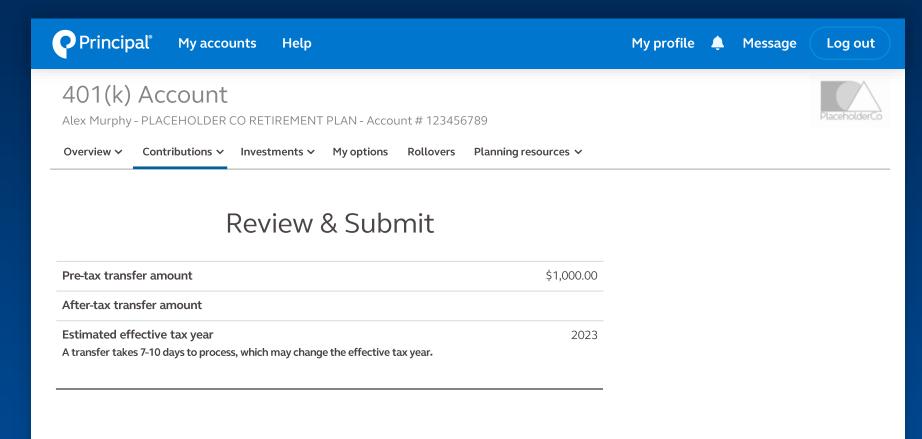
Roth transfer amount selection

Enter the amount of eligible pre-tax balance to transfer to Roth



Final review & submit

Final review page of elections with disclosures



Elections to transfer non-Roth funds to a Roth account within the plan must be received and contain all the necessary information to process the request on or before the close of market on the last open market date of the calendar year in order to receive current year tax treatment. If there's missing or unclear instruction or instruction is received after the close of market on the last open market date, it will be processed in the following tax year.



Important information

The subject matter in this communication is educational only and provided with the understanding that Principal[®] is not rendering legal, accounting, investment or tax advice. You should consult with appropriate counsel, financial professionals, and other advisors on all matters pertaining to legal, tax, investment or accounting obligations and requirements.

A qualified Roth distribution is one that is made after a participant reaches age 59 1/2, death or disability and must be made at least five years after the first Roth 401(k) contribution was made.

You should consider the differences in investment options and risks, fees and expenses, tax implications, services and penalty-free withdrawals for your various options. There may be other factors to consider due to your specific needs and situation. You may wish to consult your tax advisor and legal counsel.

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