

WHEN OPENING ANY TYPES OF RETIREMENT PLAN ACCOUNT, THIS DOCUMENT MUST BE COMPLETED AND SIGNED BY THE CUSTOMER.

**SECTION A. ACCOUNT INFORMATION**

1. Customer Name: \_\_\_\_\_
2. Tax ID Number: \_\_\_\_\_ 3. Dashboard Account Number: \_\_\_\_\_ OR  Not Assigned
4. Account Type: (select only one)
- |   |   |
|---|---|
| a. <input type="checkbox"/> New IRA Account                             | b. <input type="checkbox"/> New Roth IRA Account  |
| c. <input type="checkbox"/> IRA Account for Custodial Transfer          | d. <input type="checkbox"/> Roth IRA Account for Custodial Transfer                           |
| e. <input type="checkbox"/> Roth IRA Account for IRA Account Conversion | f. <input type="checkbox"/> IRA Account for Qualified Plan Rollover (Must complete Section B) |
| g. <input type="checkbox"/> 401k Plan Account                           | h. <input type="checkbox"/> 403(b) Plan Account   |
| i. <input type="checkbox"/> SEP IRA Account                             | j. <input type="checkbox"/> Simple IRA Account  |
| k. <input type="checkbox"/> Other: _____                                |   |

**SECTION B. RETIREMENT PLAN ROLLOVER EVALUATION WORKSHEET (Must complete this section when checked A-4(h) above)**

Please complete this section when opening an account for, or with the assets moved, transferred or withdrawn from an (either former or current) employer sponsored retirement plan ("the Plan"). Additional transfer or deposit(s) of an (either former or current) employer sponsored retirement plan asset(s) to an existing account with Colorado Financial Service Corporation also requires this section.

**BEFORE YOU CONSIDER ROLLING OVER YOUR RETIREMENT PLAN ASSETS OR ACCOUNT TO AN IRA, PLEASE READ BELOW.**

A plan participant leaving an employer typically has four options (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted; (ii) rollover the assets to a new employer's plan, if one is available and rollovers are permitted; (iii) roll over to an IRA; or (iv) cash out the account value\*. In general, tax penalties will apply if the employee is below age 59½ and the distribution will be taxed as ordinary income. \*Please note that taking a lump sum distribution that is not rolled over into another plan or an IRA may be costly for many younger individuals.

Each choice offers advantages and disadvantages. Therefore, your decision to rollover your retirement plan assets to an IRA rather than keeping them in a previous employer's plan or rolling over to a new employer's plan should reflect consideration of various factors, such as: investment options, fees and expenses, services available, withdrawal options, penalty and tax treatments, legal implications, requirement minimum distributions, and your unique financial needs and retirement plans.

Please also note that Colorado Financial and the Registered Representative(s) who recommend you rollover your retirement plan assets to an IRA will earn commissions or other fees as a result. A recommendation to leave your retirement plan assets with your former employer or rollover them to your new employer sponsored retirement plan will likely results in little or no compensation for Colorado Financial or your Registered Representative(s).

5. Rollover the Account or Asset(s) from Former or Leaving Employer Sponsored Retirement Plan ("the Plan") to an IRA
- a. Rollover Type:  Full Rollover  Partial Rollover  Other: \_\_\_\_\_
- b. Does the former or leaving employer permit its leaving employees to leave the money in the Plan?  Yes \_\_\_\_\_  No \_\_\_\_\_  
(customer initial) (customer initial)
- c. Does the new employer plan allow to rollover the Plan assets to the new employer's retirement plan?  Yes \_\_\_\_\_  No \_\_\_\_\_  
(customer initial) (customer initial)
- d. If answered "Yes" to either 5b or 5c above, explain the reason(s) for the rollover or transfer to an IRA.
- \_\_\_\_\_  
(Customer Initial: \_\_\_\_\_)

6. Rollover the Account or Assets from Current Employer Sponsored Retirement Plan
- a. Rollover Type:  Full Rollover  Partial Rollover  Other: \_\_\_\_\_
- b. Explain the reason(s) for the rollover or transfer to an IRA
- \_\_\_\_\_  
(Customer Initial: \_\_\_\_\_)

**7. Rollover Acknowledgement:** With my signature below, I certify that: (i) I have reviewed all options available for the retirement plan assets that I am planning to rollover to the IRA account; (ii) I have compared the material features of the IRA account and both former and current employer sponsored retirement plans; (iii) I understand that certain features, such as borrowing against the assets and delaying required minimum distributions, will no longer be available for the IRA account; (iv) I have discussed the possible tax consequences (including penalties and minimum distributions) of the rollover with a qualified tax professional and/or legal professional of my choice; (v) I understand that, depending on my state's law, once the assets are moved from the Plan, the assets may no longer be protected from creditors; and (vi) I understand that Colorado Financial and the Registered Representative(s) who recommend me rollover the plan assets to an IRA will earn commissions or other fees as a result; and (vii) after considering the advantages and disadvantages of all choices available, I have concluded that this rollover is in my best interest.

Customer Name: \_\_\_\_\_ Customer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**SECTION C. RETIREMENT PLAN DISCLOSURE INFORMATION**

Colorado Financial Service Corporation ("Colorado Financial") is a broker dealer that provides securities and securities related products and services through its Registered Representatives. Securities and related services and products are typically provided as either; (1) securities transactions in brokerage accounts ("Brokerage Account") through First Southwest Company; or (2) direct purchases via paper applications ("Direct Account").

(1) **BROKERAGE ACCOUNT:** When a retirement plan account is opened in a Brokerage Account through First Southwest Company, Colorado Financial and Registered Representatives receive commissions for each transaction (transaction based commissions). The transaction based commissions include "Trade Commission" (up to 5% of the transaction amount) and "Handling Fee" in the amount of \$28.95. Colorado Financial makes a mark-up from the cost charged by clearing firm, First Southwest Company. This mark-up included in the "Handling Fee" is additional revenue for Colorado Financial. In some cases, Colorado Financial shares such mark-up with its Registered Representatives. In addition to the transaction based commissions, when customers close or transfer their Retirement Plan Accounts, Colorado Financial also receives additional revenue (up to \$100 per account) from the cost (Retirement Plan Account Termination Fee or Account Transfer Fee) charged to customers by First Southwest Company. Colorado Financial does not share this additional revenue with its Registered Representatives.

(2) **DIRECT ACCOUNT:** The compensation Colorado Financial and its Registered Representatives receive for a Direct Account will vary depending on the products or types of products purchased in the Direct Account. When mutual funds or variable products are purchased in Direct Accounts, Colorado Financial and its Registered Representatives receive compensation in the form of commissions for such purchases. The commissions paid are typically between 4-6% of the transaction amount for mutual funds and 7-9% of the transaction amount for insurance types of variable products. These types of products also pay residuals in the form of trail and it is typically between 0.25%-1%. Colorado Financial and its Registered Representatives will receive the trails as long as customers maintain their Direct Accounts with Colorado Financial. When alternative products, such as Direct Participation Products, Private Placements or REITs, are purchased in Direct Account, Colorado Financial and its Registered Representatives receive compensation directly from the direct sponsors and such compensation is typically between 5%-10% of the transaction amount.

In addition to the compensation described above, Colorado Financial receives additional compensation in the form of educational conference sponsorship (typically from \$3,000 to \$20,000) from alternative product sponsors, investment companies, brokerage service providers (clearing firm), and other securities issuers. Colorado Financial does not share any part of this compensation with its Registered Representatives.

**SECTION D. CERTIFICATION AND EXECUTION**

**8. Customer Acknowledgement and Certification:**

With my signature below, I certify that:

- Prior to signing this document, I have received, read and understood the content of this document including "Retirement Plan Disclosure Information" above;
- After considering the advantages and disadvantages of the proposed transaction, I have concluded that this transaction is in my best interest based on my personal and financial situation, and my ability to make any future payments that may be required;
- Neither Colorado Financial Service Corporation nor its Representatives including the Representative named below have provided any tax or legal advice in their capacity as broker-dealer and its Representative(s);
- My representative disclosed that Colorado Financial Service Corporation and my Representative will be paid a commission and/or fees when I purchase or execute any transactions for/in this account; My representative disclosed that he can receive additional compensation from the product sponsor
- I have provided the most current information available regarding the existing investment and my investment profile information including suitability and risk tolerance in the Colorado Financial's new account document, and provided it to my representative for use in making the proposed investment recommendation;

Furthermore, the undersigned certifies that all information provided on this form is true, correct and complete and a copy of this document was also provided to the customer.

<b>Customer's Name</b>	<b>Customer's Signature</b>	<b>Date</b>

**9. Representative Certification**

The information that is recorded in this section was done so by gathering information from the customer. I also certify that: (i) I made best efforts to gather needed information to help the customer determine that the rollover is in the best interest of the customer; and (ii) I provided a copy of this to the customer.

<b>Representative's Name and Signature</b>	<b>Date</b>	<b>/</b>	<b>Representative's Name and Signature</b>	<b>Date</b>

**10. Supervisor's Review and Approval:** I have reviewed the information listed above.

<b>OSJ Supervisor or Designee's Name</b>	<b>Signature</b>	<b>Date</b>