Safe Harbor IRA of Choice

2025

An Introduction to PensionBee

Safe Harbor IRAs Create Significant Employer Benefits

- Employers are permitted to automatically rollover (**"force out"**) small balances (under $7,000) into Safe Harbor IRAs or offer cash distributions when employees leave the company.
- This is permitted by IRS regulations and helps employers manage their 401(k) plans efficiently, reduce legal risks, improve plan metrics and save significant costs.
- For former employees, there are tax implications to cash distributions, and 401(k)s are intended for long term retirement purposes, so it is **generally favourable for the employee to roll over** rather than take a cash distribution.

Key Sponsor Benefits

Simplify Plan Administration	Reduce Legal Risk	Improve Plan Metrics	Save Significant Costs
✓ Fewer accounts to manage for terminated employees. ✓ Reduced paperwork and follow-up responsibilities. ✓ More efficient communication processes.	✓ Employers are responsible for managing all 401(k) accounts, including those of terminated employees. ✓ Fewer accounts reduce risk of legal errors or compliance issues.	✓ Stronger participation rates and average account balances. ✓ A healthier plan can enhance employee retention and company reputation.	✓ Reduced operational costs. ✓ Reduced audit costs. ✓ Reduced recordkeeping costs.

PensionBee: A Consumer-Focused Safe Harbor IRA

- Founded in 2014, PensionBee is a **leading online retirement account provider**, with >$7bn in Assets Under Administration and >265k customers globally.
- In 2024, PensionBee launched its **award winning product** and technology in the US market, in collaboration with our long term partners, State Street Global Advisors.
- PensionBee specializes in the **mass market** (consumers with < $100,000 in retirement savings), delivering simplicity and instilling **retirement confidence** in our customers.
- PensionBee **offers former employees a good home for their retirement savings,** with the following key benefits:

1. An easy, intuitive product experience, online and through our app.
2. A leading investment product, with a superior return profile for consumers.
3. A competitive ongoing cost structure, designed to preserve and grow retirement savings.
4. Personalized customer service, with an individual "BeeKeeper" for each customer.
5. Focus on financial wellbeing, with interactive tools and educational content.
6. A seamless sponsor experience for reducing risk and operational cost.

Key Facts

>$7bn
Assets under Administration
December 2024

265k
Customers
December 2024

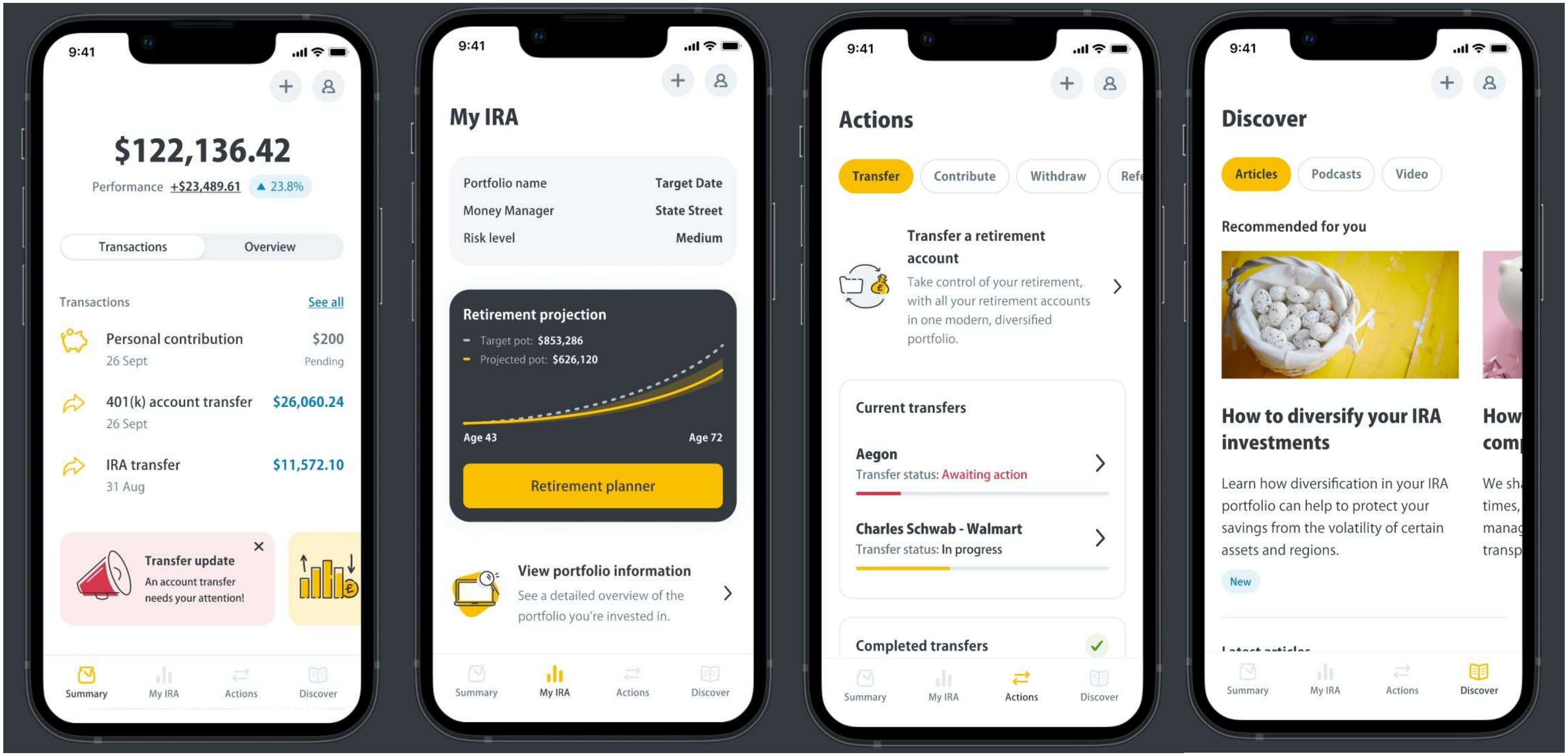
>95%
Customer Retention Rate

4.7★
Average Trustpilot, Android and IOS app ratings

500k+
Retirement Accounts Transferred/Rolled over

**All figures as of 30 December 2024.*

Easy, Intuitive Product Experience, Online and in an App



A Leading Investment Product, With a Superior Return Profile for Customers

- PensionBee's Safe Harbor IRA invests exclusively in State Street's SPDR T-Bill ETF (BIL), one of the world's most established and liquid Treasury instruments.

- Designed to protect capital by only investing in short-term Treasury securities (1-3 month maturity), BIL offers consumers Treasury returns and capital preservation.

- BIL provides structurally superior returns compared to typical Safe Harbor IRAs, which invest in low-yielding FDIC accounts, where the Safe Harbor IRA provider retains a significant portion of the interest for itself.
  - The market-leading Safe Harbor IRA provider offers an annual return of 0.50% compared to BIL's last 12 months' return of over 5%.

- In addition, PensionBee and State Street have partnered to offer a curated range of Model Portfolios consisting of **good value, liquid ETFs for future investment.**

- Forced out customers will have the opportunity to move back into a market-leading **Target Date Portfolio,** mirroring the type of investment they benefited from in their 401(k) at the same cost as BIL.

Overview of BIL

Fund Information	
Inception Date	05/25/2007
CUSIP	78468R663

Total Return (As of 12/31/2024)	NAV (%)	Market Value (%)	Index (%)
Cumulative			
QTD	1.17	1.17	1.19
YTD	5.20	5.19	5.32
Annualized			
1 Year	5.20	5.19	5.32
3 Year	3.82	3.82	3.98
5 Year	2.34	2.33	2.49
10 Year	1.61	1.61	1.75

Quality Breakdown	Weight (%)
Aaa	0.49
Aa	99.51

Totals may not equal 100 due to rounding.

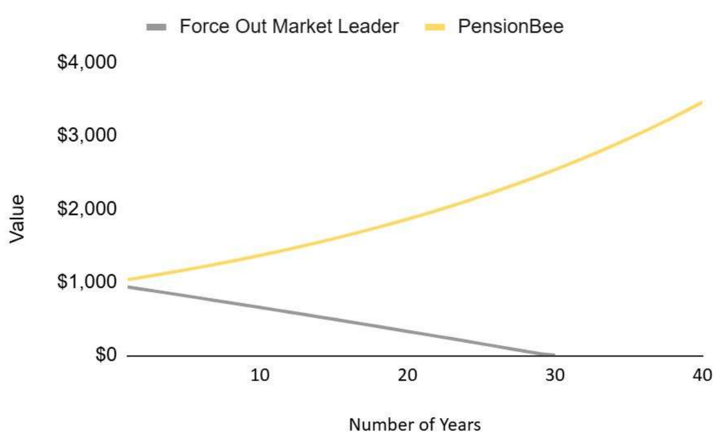
Source: https://www.ssga.com/library-content/products/factsheets/etfs/us/factsheet-us-en-bil.pdf. Past performance is not a reliable indicator of future performance. Investment return and principal value will fluctuate, so you may have a gain or loss when shares are sold. See factsheet for more information and further disclosures.

A Competitive Ongoing Cost Structure, Designed to Preserve and Grow Retirement Savings

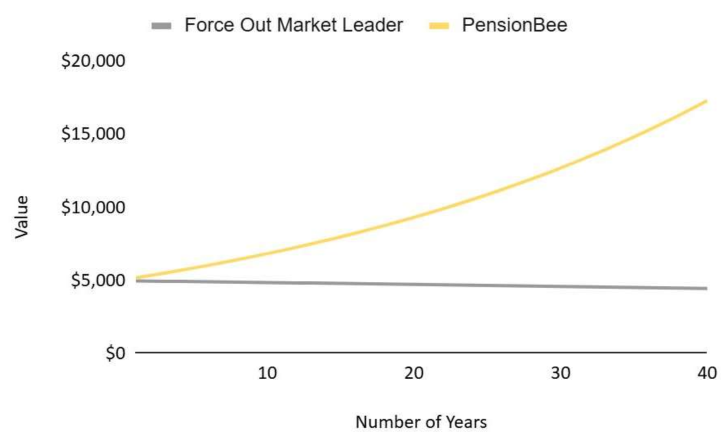
- PensionBee offers a competitive fee structure for consumers, with a single 0.85% annual fee and no fixed fees. The absence of fixed fees eliminates the risk of accounts being extinguished, while structurally superior returns facilitate long-term growth.

- There is no fee for the sponsor to transfer former employees into a PensionBee Safe Harbor IRA.

Growth of $1,000 Account with PensionBee and Current Force Out Market Leader



Growth of $5,000 Account with PensionBee and Current Force Out Market Leader

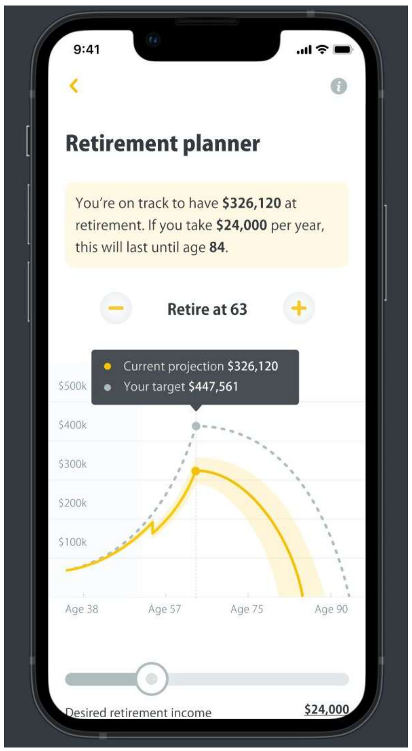


** Based on a 0.46% confirmed interest rate on competitor product and published fees. Actual investment may differ. Past performance is not a guarantee of future returns. See Appendix for full details on the fees of other providers.*

Focus on Financial Wellbeing, With Interactive Tools and Educational Content

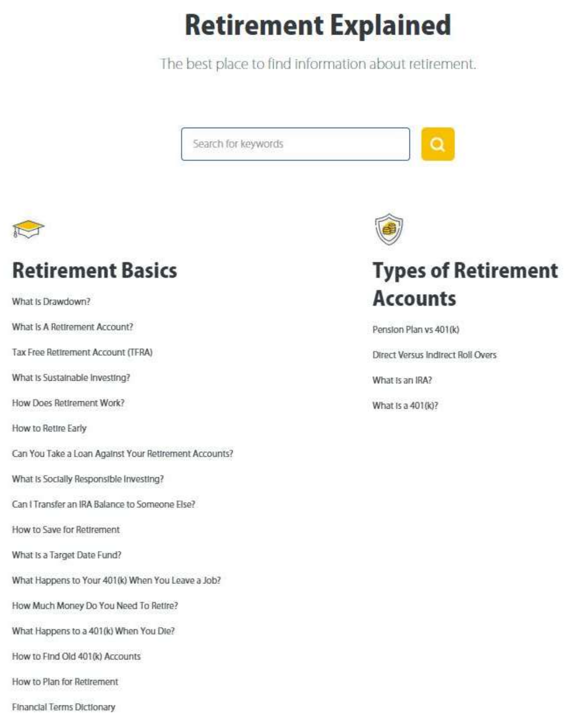
Helpful Retirement Calculators

Purpose-built tools empower customers to plan for the future.



Jargon-Free Explainers

Deep, written content to raise education levels and encourage positive behaviors.



Retirement Explained

The best place to find information about retirement.

Search for keywords

Retirement Basics

What Is Drawdown?
What Is A Retirement Account?
Tax Free Retirement Account (TFRA)
What Is Sustainable Investing?
How Does Retirement Work?
How to Retire Early
Can You Take a Loan Against Your Retirement Accounts?
What Is Socially Responsible Investing?
Can I Transfer an IRA Balance to Someone Else?
How to Save for Retirement
What Is a Target Date Fund?
What Happens to Your 401(k) When You Leave a Job?
How Much Money Do You Need To Retire?
What Happens to a 401(k) When You Die?
How to Find Old 401(k) Accounts
How to Plan for Retirement
Financial Terms Dictionary

Types of Retirement Accounts

Pension Plan vs 401(k)
Direct Versus Indirect Roll Overs
What Is an IRA?
What Is a 401(k)?

Engaging Content

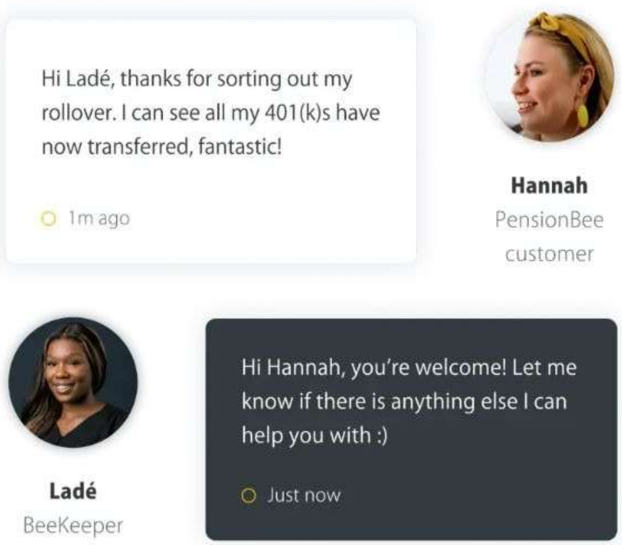
Strategy to make retirement savings relatable.

Am I On Track For Retirement?

5 Tips for Retirement Planning from PensionBee's CEO

Personalized Customer Service, With an Individual BeeKeeper for Each Customer

Each Customer Receives a Personal BeeKeeper



Resulting in Heartfelt Reviews About our Service

RA **Ram**
13 reviews GB

25 Oct 2024

PensionBee was very easy to use

PensionBee was very easy to use. At a time when many of my old employer pensions were stagnating, it was easy to arrange the transfers in and select a investment type that suited me. Really appreciate the simplicity and how much I have been able to grow my pension, setting myself up for the long term.

Date of experience: 25 October 2024

PC **Pat Carmichael**
7 reviews GB

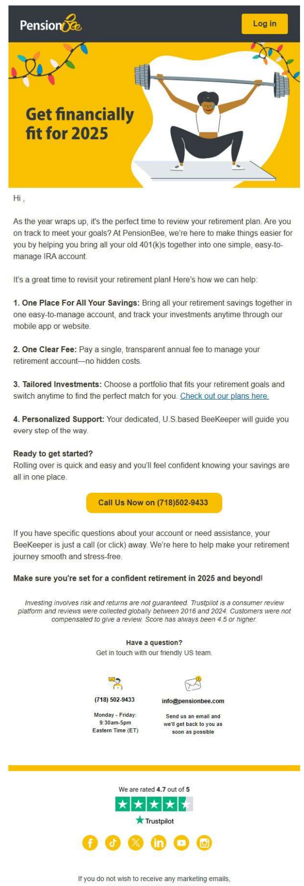
Verified 23 Oct 2024

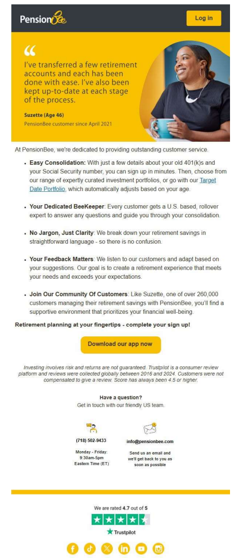
Simple straightforward process

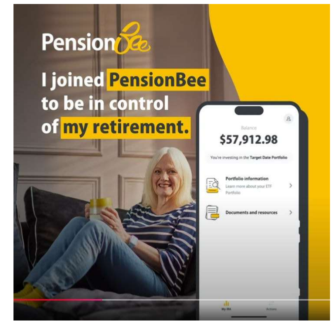
After filling in a straightforward online form with PensionBee they then took over the whole process of moving my modest pension from another provider. They kept me update. There was no charges involved and although they said it could take up to 12 weeks it was done within 6-7 weeks

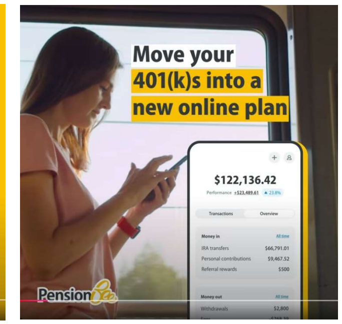
Date of experience: 22 October 2024

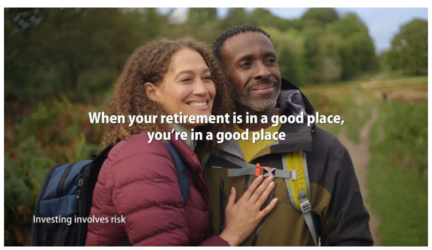
Multi-media Approach to Financial Education is a Cornerstone of our Proposition

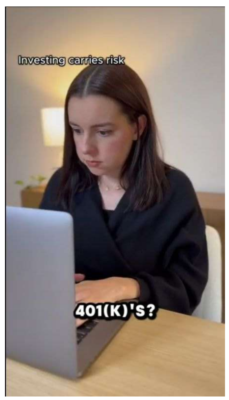


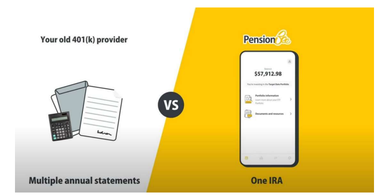


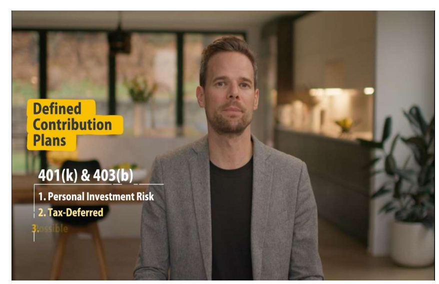


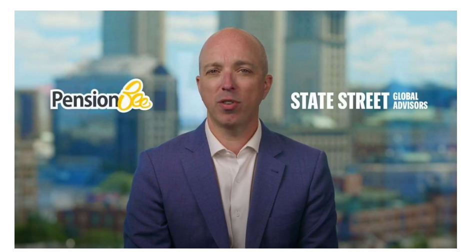












Example Educational Video from our Retirement 101 Series

www.pensionbee.com

Information Security is of the Utmost Importance

External certification

- PensionBee maintains an in-house information security program that is certified to the world-leading ISO 27001 standard.

Encryption

- We protect data with the strongest, most up-to-date technology and processes. All information is encrypted using 128-bit Transport Layer Security.

Third-party perimeter monitoring

- In addition to our internal controls, we use a third party to monitor our perimeter for suspicious activity.

Penetration testing

- Our security is tested annually by independent experts.

No data sharing

- We do not share data with any third parties for marketing purposes.

A Seamless Sponsor Experience for Saving Significant Administration Fees

PensionBee's Safe Harbor IRA **enables streamlined processing**, including:

- Direct-to-recordkeeper integrations with major recordkeepers, including Fidelity and Alight (delivered through the SS&C Automatic Rollover Program)
- Employee address tracing
- Batch processing of distributions
- Automated IRA account openings within 24 hours
- Reconciled reports on all funding activity
- Regular rollover processing cycles annually, semiannually, quarterly or a frequency of your choice
- Plan enrollment and contract processes

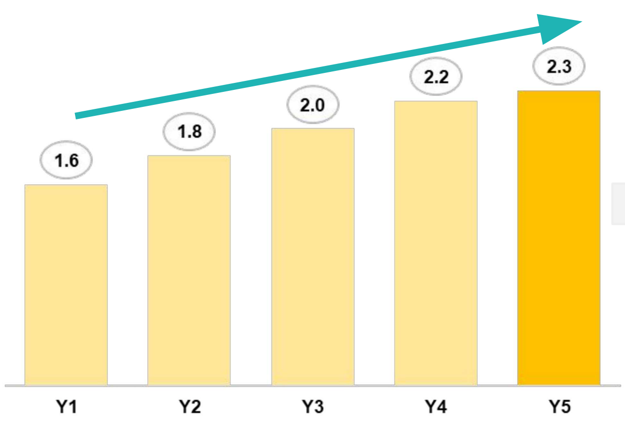
Employee address tracing

Sponsor issues Notice of Rollover to last known address of employee 30 days in advance	Employee is transferred to PensionBee	PensionBee verifies current customer address	PensionBee mails Welcome Pack to Employee with QR code

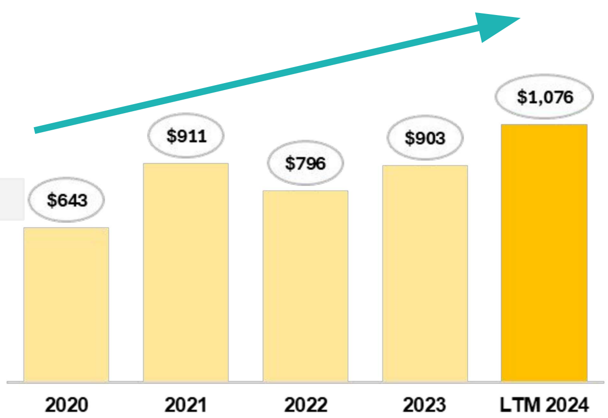
PensionBee Provides Consumers with a Good Home for their Retirement Savings in the Long Term

- Bureau of Labor Statistics show that the typical American holds **12 - 13 jobs in their lifetime**, and therefore could have the same number of retirement plans. Multiple accounts lead to **confusion and difficulty in retirement planning.**
- Consumers are more likely to consider accounts in isolation rather than holistically, **leading to poor financial decisions** (e.g early withdrawals).
- PensionBee encourages **financial ownership**. Force outs can prompt former employees to take action and ensure they gather other unclaimed balances in one new online plan.

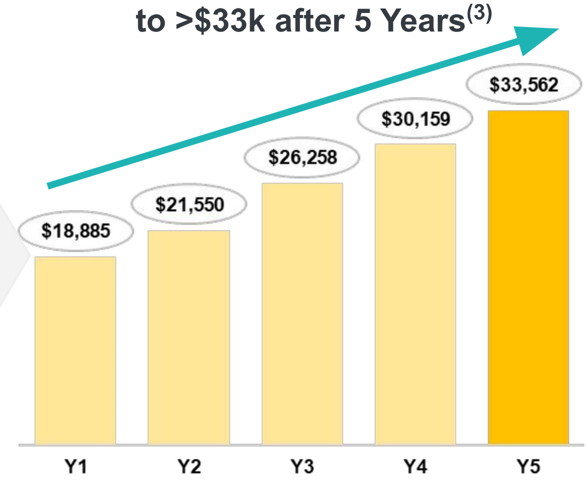
Rising Consolidation[1]
Average Accounts per Customer (x)



Increasing Contributions[2]
Average Contribution per Customer



Invested Account Values Increasing to >$33k after 5 Years[3]



** Based on global data*
** As of 14-Nov-2024, FX of 1.267USD/GBP*
(1) Average Accounts per Customer calculated as the Number of Transfers In per Invested Customer across 2016 to 2023.
(2) Average Contribution per Customer is calculated as the Total Annual Contribution Value divided by the Total Customer base. LTM is based of the last twelve months to June 2024.
(3) Average Account Value for Customers across 2016 to 2023.

Conclusion and Next Steps

- PensionBee offers employers and former employees **a differentiated solution and a home for small accounts** under the Safe Harbor limit.

- Employers can continue to encourage the wellbeing of former employees through a PensionBee Safe Harbor IRA, which enables consumers to prepare confidently for retirement.

- It usually just takes an email to your Recordkeeper in order to start the process

- We look forward to discussing our approach to Safe Harbor IRAs with you.

Appendix

Deep Dive Comparison: PensionBee vs. Inspira

	SPONSOR FEE	CUSTOMER SET-UP FEE	ANNUAL CUSTODIAN FEE	TERMINATION FEE	DEFAULT FUND	DEFAULT FUND ANNUAL RETURN	AVAILABLE INVESTMENTS
PensionBee	None	$0	0.85%	$50	BIL, Treasury Bill ETF	c.4.5%	ETF based Target Date & Risk Based Model Portfolios
Inspira	None	$35	$35	$25	FDIC-insured interest-beari ng bank accounts	c.0.5%	Access to stocks, bonds, ETFs, mutual funds, and alternative assets.

Sourced on 3 December 2024. Inspira information based on default fund. Actual investment may differ based on employer selection.

Comparison of Other Providers and Fees

	PensionBee	PenChecks Trust	AutoRollovers (a BPAS service)	Broadridge Matrix	Inspira Financial	GoldStar Trust Company	PrecisionIRA
Account Minimum	None	None	None	None	None	None	None
Accepts Lost Participant and Uncashed Check Balances	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Default Investment Vehicle	SPDR® Bloomberg 1-3 Month T-Bill ETF (BIL)	Standard Stable Value Fund, Accounts guaranteed by the State	Guaranteed Investment Option, Accounts guaranteed by the State Guaranty	FDIC Insured Bank Demand Deposit Account	FDIC Insured Bank Demand Account	FDIC Insured Bank Demand Account	FDIC Insured Bank Demand Account
Other Participant Investment Options	Target date and other model portfolios, consisting of ETFs managed by State Street, available in Traditional and Roth IRA	Open architecture mutual funds, ETF, stocks and bonds available through a rollover IRA; Managed Account option available	No transaction fee institutional share class mutual funds, selected and monitored by BPAS Fiduciary Services	Self-directed IRA platform available with access to open infrastructure investments and Morningstar Retirement Manager personalized saving and investment advice platform	Stocks, bonds, CDs, open architecture mutual funds, alternative investments	Stocks, bonds, ETFs, mutual funds, alternative investments	Mutual Funds, stocks, ETF's, Health Savings Account, Alternative Investments available through a rollover IRA; Managed account option available
Plan Sponsor Fees	None	None	None	None	None	None	None
Participant Enrollment Fee	None	None	None	$15	None	None	None
Participant Account Termination/ Distribution Fee	$50 account termination fee	20% of account balance, not to exceed $30	$75 per distribution (installments included)[1]	$35 per distribution	$25 account termination fee	$25 account termination fee	$25
Participant IRA Annual Custodial Fee	0.85% all in fee	$2.00 per Month (no annual fee)	$1.00 to $5.00/mo	$50	$35[2]	$20	$20

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