



# Direct Account Transfers

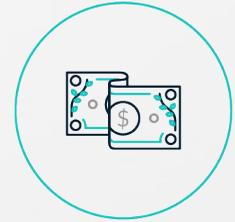
At M1, we work with you to make direct account transfers seamless.



**What:** A direct account transfer allows you to move holdings directly from your current brokerage to M1.



**Why:** Direct transfers allow you to move stocks and funds to your M1 account without having to sell them at your current brokerage.



**Cost:** Just like the rest of our platform, M1 does not charge for incoming direct transfers. The firm where the accounts originated, however, may charge a fee.

## Getting Started

- First, you'll need to **open an account with M1**. For a smooth transfer, your M1 account type should match your current account type. For example, a Joint account should be transferred to a Joint account and a Roth IRA should be transferred to a Roth IRA. If you choose to change account type in a transfer, it will require additional paperwork.
- Email our team at [transfers@m1finance.com](mailto:transfers@m1finance.com)** with your most recent account statement and any additional instructions, including directions on which securities you do and do not want transferred.

After you've emailed our team, we'll reach out to confirm your submission.

## During the Transfer

- Transfers typically take 7-10 business days, though some brokerages tend to have longer lead times. Please check the FAQs for a full list of brokerage timelines.
- The M1 team will contact you with updates on your transfer.
- Transferring stocks and funds you plan on keeping in your M1 portfolio? Simply add them to your M1 target portfolio to ensure a seamless transfer.

## After M1 Receives Your Transfer

- Our team will let you know via email when your transfer is received. (Please note: there may be a day or two between assets leaving your prior account and entering M1's platform. Don't panic! This is totally normal.)
- Our team will pause your portfolio and provide specific instructions pertaining to your transfer. Your account will remain paused until you and our team have communicated and your account is ready to go.
- How your transferred holdings will integrate into your M1 portfolio:
  - M1 supported stock and funds:** Add securities you wish to keep to your M1 target portfolio. If you choose not to keep certain securities, M1 will sell them at no cost and the proceeds will flow directly into your portfolio.
  - Mutual Funds:** M1 does not support mutual funds, but those transferred from outside accounts will be liquidated. The cash proceeds will then be applied to your portfolio.
  - Cash:** Cash received in a transfer will flow into your M1 portfolio according to your asset allocations.



# FAQs

## How long will my transfer take?

Transfers typically take 7-10 business days, though some firms have a longer lead time. Transfers from Betterment or Capital one investing take on average 10-15 business days.

## What do I need to do when waiting for my transfer?

While you wait for M1 to receive your transfer you can begin adding any supported securities to your M1 account that you wish to keep from your previous brokerage.

## Should I use an account transfer or liquidate my account and send the money over as cash?

Although M1 does not charge an incoming transfer fee your old brokerage will most likely charge an outgoing fee. To make this decision you will need to determine whether the benefits of a direct account transfer will outweigh the cost associated with the transfer. The tradeoff is between the tax efficiencies of an account transfer and the outgoing transfer fee charged by your current brokerage. If the transfer will cost you more than the amount you are saving in taxes, then you should liquidate your account and send the money over as cash. General rule of thumb if you have less than \$500 capital gains it is more beneficial to liquidate your portfolio and transfer as cash.

## Can I transfer mutual funds?

Though M1 does not support mutual funds, you can still transfer them to our platform. Once M1 receives your transfer, they will be liquidated, and the cash proceeds will flow directly into your portfolio.

## Can I transfer OTC and other unsupported stocks or funds?

Even if a security is not supported by M1, you can still transfer it to our platform. Please note this excludes corporate bonds, options and other derivatives, which will need to be liquidated prior to initiating the transfer. When we receive OTC stocks, these assets will be liquidated and the cash proceeds will flow directly into your portfolio.

## Can I transfer fractional shares?

M1 cannot transfer fractional shares. However, we will transfer all full shares, while partial shares will flow into your new M1 account as cash.

## Can I make a partial account transfer?

Yes, you can pick and choose any stocks, funds, or cash that you want to transfer over, and leave the rest.

## Will I receive my pending dividends?

Yes, you will receive any residual dividends paid after the account transfer.

## Does it cost anything to transfer my account to M1?

Although M1 does not charge for incoming account transfers, your previous brokerage may charge an outgoing fee.

## What types of accounts does M1 support?

You can directly transfer any account that M1 supports. M1 supports the following types of brokerage accounts:

### Brokerage

Individual  
Joint

### Retirement

Traditional IRA  
Roth IRA  
SEP IRA  
Concierge Rollover Service

### Entities

Trust  
LLC  
Partnership  
Corporation

*Member of SIPC. Securities in your account protected up to \$500,000. SIPC insurance does not protect against loss in the market value of securities. For additional information visit [www.sipc.org](http://www.sipc.org). Securities and services are provided to clients of M1 by M1 Finance LLC, member FINRA/SIPC. Investments are not FDIC insured and may lose value. Investing in securities involves risk and there is always the potential of losing money when you invest in securities. Please consider your objectives and M1 fees before investing. Past performance is not a guarantee of future results. Using margin involves risks: you can lose more than you deposit, you are subject to a margin call, and interest rates may change. Not an offer, solicitation of an offer, or advice to buy or sell securities in jurisdiction where M1 Finance LLC is not registered.*