

401(k) Plan and IRA Rollover Guide



One of the most important things to realize when leaving an employer is that you have options for the money that you have worked hard for and saved.



Leave it

Most employer plans allow you to leave the funds within the qualified plan. Sometimes smaller account balances must be rolled over.



Roll it

Depending on the type of qualified plan, you can roll the funds over from the employer-sponsored retirement plan to your own Individual Retirement Arrangement (IRA).



Move it

If you've started working at another company or are self-employed, you may be able to move your funds into another employer-sponsored qualified plan instead of an IRA.



Take it

You can liquidate the funds for cash, but this is not typically advisable due to the potential tax and penalty implications.

A fiduciary is obligated to provide you unbiased professional advice and disclose any conflicts of interest in their recommendations. It may be important to work with a fiduciary during transition periods such as retirement and relocation to help you evaluate the pros and cons of your choices. We are here to help you work towards your goals and learn about all of your options.

You should work with a professional with experience and expertise with a multitude of different plan types such as **401(k)**, **403(b)**, **Employee Stock Ownership Plans**, **TSP**, **SEP-IRAs**, etc. Not all plan types can be combined and every qualified plan can have its own unique policies and procedures.

Rolling over retirement assets to IRAs

PROS

- Potentially more investment choices in an IRA
- Ability to make contributions to the account even after leaving your former employer
- You have more choices over the investment custodian and investment advisor that you work with

CONS

- IRAs have fewer protections from creditors than 401(k)s and other qualified plans
- You have less access to your IRA funds prior to age 59½ than in some qualified plans
- You must start your Required Minimum Distributions (RMDs) at age 72 with an IRA. Roth IRAs have no RMDs.

CONTACT US

**Work with
a fiduciary
today**

☎ 919-439-2114

✉ info@planwithcardinal.com

🌐 www.planwithcardinal.com

