Your rollover options.

A rollover occurs when you transfer money from one eligible retirement plan to another eligible retirement plan.

Option	Potential advantages	Potential disadvantages
Directly roll over to a traditional IRA	• No taxes or penalties • Maintain tax-deferred status • Additional contributions allowed to age 70½ • Wide range of investment choices • Greater control over assets • Opportunity to consolidate retirement accounts	• Loans not allowed • Creditor protection is reduced • Fees and expenses may be higher • Availability of penalty-free withdrawals from an employer-sponsored retirement plan between the ages of 55 and 59½ • Required minimum distribution rules from your current employer's retirement plan may not apply but would be required for IRAs • There may be negative tax consequences for withdrawing shares of employer's stock
Directly roll over to a Roth IRA	• No income limits to qualify • No penalties • Qualified withdrawals are tax-free • No mandatory withdrawals at age 70½ • Additional contributions allowed if you meet income limits • Wide range of investment choices • Greater control over assets • Opportunity to consolidate retirement accounts	• Loans not allowed • Must pay taxes in the year of rollover, preferably with assets outside of the retirement account • There is a five-year holding period for Roth IRAs before qualified withdrawals can be made
Leave the money in your former plan	• No taxes or penalties • Maintain tax-deferred status	• No additional contributions • Limited to investment choices within the plan • Less control over assets: subject to plan policies of former employer • May require account minimums
Directly move the money to a new employer's plan	• No taxes or penalties • Maintain tax-deferred status • Additional contributions allowed • Plan may allow loans	• Limited to investment choices within the plan • Less control over assets: subject to plan policies of current employer • May require a waiting period to participate, subject to plan terms
Take the money in a lump sum	• Money available to spend or reinvest	• 20% automatically withheld for taxes • Additional federal, state, and local taxes may be due • Possible 10% penalty tax for early withdrawal • Loss of tax-deferred status • Retirement account reduced to $0

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	Take cash	Leave in former employer's plan	Roll over to new employer's plan	Roll over to IRA	Roll over to Roth IRA
Tax-deferred status	No	Yes	Yes	Yes	Tax-free
Avoid current taxation	No	Yes	Yes (if directly rolled over)	Yes (if directly rolled over)	No
Avoid IRS early distribution penalties	No	Yes	Yes (if directly rolled over)	Yes (if directly rolled over)	Yes (if directly rolled over)
Offers investment flexibility	Yes	May be limited	May be limited	Depends on IRA	Depends on IRA
Available to all employees	Yes	If permitted under plan and balance is $5,000 or more	May be limited	Yes	Yes
Can continue to make contributions	N/A	No	May be limited	Yes	Yes (subject to income limits)
Eligible for 72(t) distributions	N/A	Maybe (not relevant if separated from service after age 55)	Maybe (not relevant if separated from service after age 55)	Yes (not relevant if 59½ or older)	Yes (not relevant if 59½ or older)

Beginning 1/1/15, you can make only one indirect (i.e., 60-day) IRA rollover in any 12-month period, regardless of the number or types of IRAs you own (see IRS Announcement 2014-32); however, you may continue to make an unlimited number of direct and trustee-to-trustee transfers (transfers directly between IRAs) as well as unlimited rollovers from traditional IRAs to Roth IRAs (conversions). Please consult your tax advisor prior to effecting a rollover. When considering rolling over the proceeds of your retirement plan to another qualified option, such as an IRA, please note that you have the option of leaving the funds in your existing plan or transferring them into a new employer's plan. You should consult with the human resources department of the applicable employer to learn about the options available to you under your plan and any applicable fees and expenses. Tax consequences may apply if you were to withdraw the funds, and there are additional tax consequences to transferring stock out of your retirement plan. Please consult with a tax advisor before taking such action. You should also know that depending on the state where you reside, assets held in a retirement plan may enjoy greater protection from creditors than assets in other types of tax-qualified vehicles. You should also consider the different fees and the different services that apply to your plan and compare them to any new option that you are considering.

Please consult with your employer's human resources representative and a tax advisor prior to making any decisions.

New York Life Insurance Company

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