Invesco

# Why rollover?

Life is full of changes. And when those changes involve your financial future, you need to make sure your savings stay on track. If you're preparing to leave your current job, start a new job or retire, it may be beneficial to consider a rollover IRA that will potentially keep your savings working for you.

Speak with your financial professional to make sure your financial strategy is aligned with your tax situation.

## Which benefits are most important to you?

### Option 1
Direct rollover to an IRA

**Benefits for you**

- Preserves tax advantages
- No tax penalties
- Potentially more investment choices
- Early distribution withdrawal options for certain situations
- Flexible distribution options
- Potential estate planning benefits
- Professional investment assistance from your financial advisor

**Things to consider**

- No loan provisions
- Ongoing contributions generally not permitted
- Required minimum distributions (RMDs) begin at age 70½
- Expenses and fees may be higher
- If rolled over indirectly, taxes and penalties could apply to amounts not rolled over within 60 days

### Option 2
Move to your new employer's plan

**Benefits for you**

- Consolidates retirement assets
- Preserves tax advantages and avoids early withdrawal penalties
- May be eligible to take withdrawals at age 55 in certain situations
- May provide loan provisions

**Things to consider**

- Potentially limited investment options
- Potentially limited withdrawal options
- Subject to all provisions of new plan
- Generally, no professional investment assistance provided by plan
- Generally, RMDs begin at age 70½; plan may permit nonowner employees to delay RMDs until after 70½ if they continue active employment

### Option 3
Leave in your former employer's plan

**Benefits for you**

- Ease and simplicity
- Preserves tax advantages and avoids penalties
- May be able to take withdrawals at age 55 in certain situations
- May provide loan provisions

**Things to consider**

- Potentially limited investment options
- No consolidation of retirement assets
- You may have to contact your former employer for any questions or help
- Generally, no professional investment assistance provided by plan
- Generally, RMDs begin at age 70½; plan may permit nonowner employees to delay RMDs until after 70½ if they continue active employment

### Option 4
Cash out

**Benefits for you**

- Easy access to assets

**Things to consider**

- In most cases, the entire amount is federally taxed as ordinary income
- Loss of tax-deferred growth potential
- 10% early withdrawal penalty if you're under 59½
- State and local taxes may be due
- 20% mandatory up-front federal income tax withholding

## Explore High-Conviction Investing with Invesco

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

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