



How to keep your
retirement savings working.
After you leave your job.



Own your tomorrow.



What's next for your retirement savings?

Your choices at a glance.*

Your decision about what to do with your retirement savings is important for your financial future.

Option 1

[Leave your savings where they are.](#)

For some people this is a good choice. Find out if it's right for you.

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Option 2

[Move your savings into a new plan.](#)

You may be able to move your funds to your new plan. Learn if that works for you.

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Option 3

[Move your savings into a rollover IRA.](#)

See if the unique benefits an IRA rollover can offer may be right for your situation.

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Option 4

[Cash out your retirement savings.](#)

You may need access to your cash right away. Find out what cashing out could mean for you.

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Making a decision about your retirement savings can seem complicated. That's why Schwab Financial Consultants are available to answer all of your questions. We can help you take action—and keep your retirement goals on track.

*Depending on the terms of your former employer's retirement plan, additional options may be available.

Option 1

Leave your retirement savings in your former employer's plan.

When you change jobs, you may be able to leave your savings in your former plan.



Leaving your savings in your previous employer's plan may have certain advantages. Consider the pros and cons before choosing.

Pros

You're already familiar with your current plan and what it offers.

You'll avoid paying taxes and penalties by keeping your savings invested.

Your savings will continue to enjoy tax-deferred growth potential.

You may be able to move your savings at a later date.

Cons

You may not be allowed to leave your savings in your former employer's plan.

You won't be able to make further contributions.

Your investment choices will be limited to what's available in your former employer's plan.

Your former employer's plan may restrict withdrawals and your ability to exchange investments.

Option 2

Move your retirement savings into a new employer's plan.

Before you move your retirement savings, consider:

Does the new plan offer enough investment options?

Are the investment fees higher?



Rolling over your savings into your new employer's retirement plan may help you manage your funds more easily, but you may not have the investment choices and flexibility you need to meet your retirement goals. Compare before you decide.

Pros

You can consolidate your retirement savings in one place.

Your new plan may offer additional features, including a loan option.

Your savings can continue to work tax-deferred.

You may choose to move your savings now or later, depending on plan terms.

You'll avoid paying taxes and penalties by keeping your savings invested.

Cons

Your new employer may not accept rollovers from your former employer's plan.

Your investment choices will be limited to what's available in your new employer's plan.

Your new employer's plan may restrict withdrawals and your ability to exchange investments.

Option 3

Move your retirement savings into a rollover IRA.

A rollover IRA keeps your savings tax-deferred—and offers you a variety of investment choices to fit your retirement goals.



A rollover IRA is tax-deferred, just like your former employer's retirement plan. However, you may not have access to certain benefits that may only be available in a 401(k) or other qualified plan. The big difference is that you typically have a wider variety of investment choices—mutual funds, equities, exchange-traded funds (ETFs), and more.

Pros

Your savings will remain invested and continue to work tax-deferred.

You may have more investment choices and more access to advisory services and investment guidance.

You'll have flexible distribution options when you retire.

IRA savings (up to \$10,000) may be used penalty-free for a first-time home purchase or for qualified education purposes.

Cons

You may not have access to some of the investment choices in your former employer's plan and loans are not available from an IRA.

An IRA may provide less protection from creditor claims.

Some IRA providers charge service fees.

Lower-cost share classes, typically found with employer-sponsored plans, are not available.

Option 4

Cash out your retirement savings right now.

Cashing out your 401(k) plan savings can have a huge impact on your savings when you retire.

Carefully consider all your options.



If you take just \$5,000 from your retirement savings, you could lose almost 40%. If you keep it in a tax-deferred account earning a hypothetical 5% interest for 30 years, it could become \$21,609.71.*†

If you have immediate financial needs, talk to a Schwab Financial Consultant to find out about other options that may have fewer tax consequences before you cash out all of your retirement savings.

Pros

You'll have immediate access to cash.

Cons

You'll pay taxes and penalties* and could lose a portion of your retirement savings.

You'll lose the power of tax-deferred compounding on any earnings.

After 60 days, you'll be unable to move the money into a rollover IRA or a new employer's retirement plan.

*Assumes a 28% federal tax rate and includes 10% mandatory withholding. Other state and local taxes may apply.

†This scenario is based on hypothetical assumptions and is for illustrative purposes only. It is not meant to represent the performance of any specific product and cannot be used to predict or project investment performance. Charges and expenses that would be associated with an actual investment are not reflected.



If a rollover IRA is right for you, a Schwab Rollover IRA¹ may be a good choice.

Moving your retirement savings into a Schwab Rollover IRA offers you several benefits:

Your next step.

Carefully consider all your options. And if you're not sure which choice is best for you and your goals, speak with a Schwab Financial Consultant at 1-877-476-2351. We can help.

Personal guidance.

Talk with a Schwab Financial Consultant. Discuss your goals, review your current investments and savings, and receive recommendations for what to do next.

A wide range of choices.

You'll be able to choose from a wide range of investments, including mutual funds, equities, ETFs, and more. Plus, you can take advantage of special programs and resources to help manage your financial future.

Online tools.

At Schwab.com you can view your account balances, place trades,² and do research at your convenience.

Convenient services.

In addition to our local branch network, you'll have access to assistance by phone 24 hours a day, seven days a week.

Easy access.

Stay connected to your money with Schwab Mobile apps and Schwab.com, optimized for mobile web. Or you can chat with us online. And with Schwab Mobile Deposit™ you can even deposit checks by taking a picture of them with your iPhone® or Android™ smartphone.^{2,3}

No account-opening or maintenance fees.

There are no fees to open or maintain a Schwab Rollover IRA—so you'll be able to preserve and invest more of your retirement savings. Other fees such as fund expenses, brokerage commissions, and services fees may apply.⁴

Remember, a rollover of retirement plan assets to an IRA is not your only option. Carefully consider all of your available options which may include, but not be limited to, keeping your assets in your former employer's plan, rolling over assets to a new employer's plan, or taking a cash distribution (taxes and possible withdrawal penalties may apply). For additional information on the options that may be available to you, visit schwab.com/rolloveroptions.

¹ The Schwab Rollover IRA is offered by Charles Schwab & Co., Inc., a registered broker-dealer and Member SIPC. You must open an IRA account with a minimum of \$1,000 or set up an automatic deposit program of \$100 per month. Other fees may still apply with respect to your Schwab Rollover IRA, including mutual fund management fees and expenses, brokerage commissions, and other fees as described in the *Charles Schwab Pricing Guide for Individual Investors* ("Pricing Guide").

² System availability and response times are subject to market conditions and mobile connection limitations. Trades received outside normal market hours will be entered the next business day. Requires a wireless signal or mobile connection.

³ Schwab Mobile Deposit™ service is subject to certain eligibility requirements, limitations, and other conditions. Enrollment is not guaranteed and standard hold policies apply. The Schwab Mobile Deposit service is available for Schwab Bank High Yield Investor Checking®, Schwab Bank High Yield Investor Savings®, Schwab One®, Schwab One with High Yield Investor Checking, Schwab One International® and Schwab brokerage accounts with a Schwab.com login.

⁴ See the *Charles Schwab Pricing Guide for Individual Investors* ("the Guide") and any amendments to the Guide for comprehensive details on fees.

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Brokerage Products: Not FDIC-Insured - No Bank Guarantee - May Lose Value

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Withdrawals from an IRA prior to age 59½ may be subject to a 10% federal tax penalty.

Information provided is for general purposes only and is not intended to be a substitute for specific individualized tax or legal advice. Where specific advice is necessary or appropriate, please consult a qualified tax or legal advisor.

