MissionSquare
RETIREMENT

Turn Your 457 Plan Savings Into Income
Top 5 Questions

When you leave your employer, you have important decisions to make about your retirement assets, including the money in your 457 plan with MissionSquare Retirement.

1. Do I have to do anything immediately?

No. In fact, you should take your time to review your options.

- You can leave your account with MissionSquare and get continued access to all services.

- Your account will continue to perform based on your investments and not be subject to taxes.

- You can't make any new contributions to the plan once you've separated from service.

Before you officially separate from service, one action you should consider is contributing any eligible sick and vacation pay to your plan. Information about current contribution limits, including Age 50 Catch-Up and Pre-Retirement Catch-Up limits, is available at **www.icmarc.org/contributionlimits**.

2. How do I take money out?

You have options, including receiving:

- Partial payments as needed

- Your entire account balance in a single payment

- Installment payments — such as monthly or quarterly — until your account is fully distributed. You can stop, restart, or change this payment stream as your needs change.

- Guaranteed payments*

* Subject to the insurer's claims-paying ability. Other restrictions apply.

** The 10% penalty tax does not apply to 457 plan contributions and associated earnings.

To request a distribution:

- If available in your plan, log into your account at **www.missionsq.org**.

- Call (800) 669-7400 to request the appropriate form.

- You can also typically move money between retirement accounts by requesting a roll-in, including from an outside account, to your 457 plan. You should compare the investment options, fees, and services of each account. You should also consider tax rules; although 457 plan withdrawals are not subject to the 10% penalty tax that can apply before age 59½, if you transfer 457 plan assets to another type of plan, including an IRA, you lose that automatic exception.**

Visit **www.icmarc.org/simplify** to learn more.

3. How are my distributions taxed?

Distributions, other than qualifying Roth assets, are taxable as ordinary income in the year you receive them.

For most distributions, we're required to withhold 20% for federal taxes, and state tax withholding may apply also. That's likely not the amount you'll ultimately owe — based on your tax situation, you may owe more or get some back when you file your return.

To learn more about taxes and your MissionSquare account — **www.icmarc.org/taxplanning**.

4. How much should I withdraw, and how long will my money last?

It can be a balancing act between taking enough to maintain your standard of living while preserving enough for your future, since retirement can last a long time. To help you decide:

- Use our Retirement Withdrawal calculator – **www.icmarc.org/retireeplanner**.

- Get specific distribution advice – **www.icmarc.org/guidedpathways**.

- Leaving your employer but not yet retiring? Learn more about early distribution pitfalls and alternatives by contacting your MissionSquare Retirement representative.

5. When are distributions required/how do RMDs work?

Beginning in the year you reach age 72, you must generally take withdrawals known as required minimum distributions (RMDs) from your retirement accounts or be subject to a 50% penalty tax.

- To learn more – **www.icmarc.org/rmd**.

- To calculate your current RMD or estimate future RMDs – **www.icmarc.org/rmdcalc**.

Making Your Decision

- Your MissionSquare Retirement Plans Specialist and CERTIFIED FINANCIAL PLANNER™ professional can help you sort through your options.

- MissionSquare can also help you create a personalized financial plan – **www.icmarc.org/financialplans**.

- For tips and tools to help you save, invest, and retire, visit MissionSquare's Financial Wellness Center right from your account for 100+ interactive, fun, short videos, charts, calculators, articles, and tutorials – **www.missionsq.org**.

To learn more, contact your MissionSquare Retirement representative.