

Everyone deserves a healthier, more secure retirement

Help your employees enjoy a brighter future with distribution counseling services



Tackling the retirement readiness challenge

Many Americans are unprepared for retirement, choosing to spend – instead of save – a portion of their hard-earned money. They're also changing jobs more frequently and making uninformed decisions, all at the cost of their future financial security.



\$93,000

The estimated median amount of total household retirement savings for workers.¹

Approx. 1 in 5

Americans who quit their job during the pandemic cashed out their 401(k).²

12

Average number of jobs held by younger Baby Boomers (1957–1964) from age 18 to 54.³

\$500,000

The median amount Gen Z and Gen X estimate they'll need to feel financially secure in retirement.⁴

4.1

Median number of years workers have been with their current employers.⁵

30%

The amount of early withdrawal penalty and tax withholding an employee may lose when they cash out.⁶

Bottom line:

Each year, 6 million people cash out their defined contribution account totaling approximately \$70 billion.⁷

¹ "A Compendium of Findings About the Retirement Outlook of U.S. Workers," nonprofit Transamerica Center for Retirement Studies, November 2021

² "Planning to Join the Great Resignation? Don't Cash Out Your 401(k), Experts Say," CNBC, March 2022

³ "Number of Jobs, Labor Market Experience, Marital Status, and Health: Results from a National Longitudinal Survey," Bureau of Labor Statistics, August 2021

⁴ "Living in the COVID-19 Pandemic: The Health, Finances, and Retirement Prospects of Four Generations," nonprofit Transamerica Center for Retirement Studies, August 2021

⁵ Bureau of Labor Statistics, September 2020

⁶ "Calculate Penalties on a 401(k) Early Withdrawal," Investopedia, February 2022

⁷ "Auto Portability FAQ," Retirement Clearinghouse, March 2022



Help your employees face the future with confidence

Transamerica's distribution counseling service offers an effective way to help retirement plan participants navigate through plan and life transitions from start to finish, making it easier for them to make informed decisions and stay on course for retirement.

Our retirement advisors provide education and advice* for your employees affected by:

- Job changes
- Retirement
- Restructures
- Loss of retirement plan benefits
- Multiple accounts (consolidation)
- Layoffs
- Mergers

Education is the first step

Transamerica's experienced retirement advisors start each conversation by providing education about the options available.

Participants who have experienced a retirement plan or job transition generally have four options to consider:

- Roll retirement plan assets to an IRA⁸
- Transfer retirement plan assets to a new plan
- Take a cash distribution
- Leave retirement assets in the current plan

Advice tailored to each participant

When a participant wants advice, our retirement advisors will ask specific questions to learn more about the participant's full financial picture. Then, they'll review the advantages and disadvantages of each option before providing a recommendation. Finally, the retirement advisors will help the participant complete any necessary paperwork.

It's common for participants to accumulate multiple retirement accounts over their career. If they have questions regarding their options, including how to combine accounts, our retirement advisors provide the necessary education and advice for your employees every step of the way, making the consolidation process as simple and hassle-free as possible.

* While Transamerica provides complimentary access to a retirement advisor, there are fees associated with certain services and products that a retirement advisor may discuss with a participant.

⁸ Employer-sponsored retirement plans may have features that participants may find beneficial, such as access to institutional funds, fiduciary selected investments, and other ERISA protections not afforded other investors. In deciding whether to do a rollover from a retirement plan, participants should be sure to consider whether the asset transfer changes any features or benefits that may be important to them. They need to review the fees and expenses to see if rolling over into an IRA could help reduce their costs.

Proactive, personalized communication drives positive action

It's not just what you say that matters, but how you say it. Our retirement advisors follow a consistent, multi-faceted approach to communication to provide a positive experience for all participants going through a transition.

Based on their individual situation, affected participants receive a notification outlining their options. Then, depending on the data available, retirement advisors will proactively follow up with personalized emails and phone calls in an attempt to reach participants in a timely manner.

Better still, the proactive communications will be delivered without additional support required of you.

Keeping participants on course

Participants have options to take a cash distribution or leave the money in their prior account, but our advisors discuss all options to help them make an informed decision.

The goal is to ensure that transitioning participants understand how their options can impact their overall financial goals. This insight is designed to help them make educated decisions and stay on course for a successful, more sustainable retirement.

Learn more about the distribution counseling service and how it can reduce your administrative workload and improve your employees' retirement readiness. Contact your Transamerica representative today.



Visit [transamerica.com](https://www.transamerica.com)

Transamerica and its agents and representatives do not provide tax or legal advice. This brochure is for informational purposes and should not be construed as legal or tax advice. For legal or tax advice concerning their situation, participants should consult their attorney or tax professional.

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