



Keep your money clocked in long after you clock out



As a member of your IBEW Local within the 8th District, you are entitled to many great benefits — including the **Eighth District Electrical Pension Fund Annuity Plan**.

The plan is designed to offer easy-to-understand, smart savings options that enable you to be as involved or as hands-off as you like. A variety of additional benefits and services make account management and planning simple, no matter how experienced you are with saving and investing.

Plan for the road ahead by keeping your money working for you — long after your last day on the job site.

Myth busting: Fact vs. fiction

When it comes to retirement planning, there's plenty of information out there. But you know what they say: Just because it is online does not mean it is true. Here is the scoop on some common misconceptions.

Myth: I need to move my retirement savings when I retire.

Fact: You can keep your money in the plan. In fact, the Eighth District Electrical Pension Fund Annuity Plan can follow you throughout your life! This offers an easy way to help build your nest egg, regardless of your employment status. When you retire, your account can retain its potential to grow. You will maintain access to your account, the available funds, education counselors, knowledgeable participant service representatives and more.

Myth: Withdrawing my money is the easiest way to keep it in hand.

Fact: Withdrawing your money gives you access to your savings, but there are also tax implications — including an IRS requirement that 20% of your withdrawal be withheld for taxes. What's more, depending on your tax bracket, you may owe additional federal and local taxes. And, if you're under age 59½, a 10% early withdrawal penalty may apply too.

Myth: If I withdraw, I must withdraw in full.

Fact: You can withdraw in full, in partial amounts or in flexible payments. Remember, withdrawals have tax implications, and they could jeopardize your retirement savings progress. Even so, how much you withdraw and when you withdraw is up to you.

Log in through
poweryourretirement.com
to learn about the tools and
resources available to you

Plan benefits

You can take advantage of numerous plan benefits while you are employed and when you move on or retire. Among them:

Account assistance

Wondering about investing terms, how to grow your account or how to make changes? Your retirement plan is administered by Empower, whose representatives take the time to answer *all* your questions. Simply call **877-778-2100** weekdays from 6 a.m. to 7 p.m. Mountain time or visit poweryourretirement.com and click on *Log in* on the right-hand side of the page for more information.

Easy account management

Investing can be complicated — but it does not have to be. The plan provides quick access to online and phone account management, along with professionals who will provide assistance and answer your questions.

Low account and investment fees

You benefit from pricing scale, which could save you money versus the costs you could face with an individual retirement account (IRA).

Flexible distribution options

Many plans restrict your choices, but your retirement plan gives you flexibility to decide what to do with your savings when you retire or when there are changes in the status of your employment. Roll your money over to a new account, withdraw it or keep it invested for the future — the choice is yours.

Changing your employment status or retiring? Know your options.

Because you have participated in the plan, you have money working for your future. What to do with that money when your employment status changes or you retire is just one of many decisions you will need to make — and it is an important one.

You can choose among these options:

- **Keep your money invested through your retirement plan.**
- **Take flexible cash distributions when you need the money or as monthly payouts.**
- **Roll your savings over to an IRA.**
- **Roll your savings over to a new employer's retirement plan (if applicable).**
- **Take a single “lump-sum” cash distribution.**

Read on for details you should know — and questions you should ask — about each option.

Keep saving through the Eighth District Electrical Pension Fund Annuity Plan

If you leave your job but choose to stay with the plan,* you do not need to do anything — your savings will still be available to you. Highlights include:

- Your account can maintain its potential to grow tax deferred.
- Access to professional help, tools and resources.
- Low account and investment fees.
- A range of investment choices selected and monitored by the plan's Board of Trustees.

*You must maintain a \$1,000 minimum balance to remain in the plan.

Participants who leave their money in the plan will need to take required minimum distributions from their plan account the year they reach age 72. These distributions will have 10% deducted for federal taxes unless the participant requests additional tax withholding on their Request for Disbursement form.

Questions to ask:

1. Are my savings on target for the retirement lifestyle I want?
2. Should I change my investment selections?

Take flexible cash distributions

Withdraw either a partial account balance or a specific amount in installments. You can always change the amount and/or frequency of your withdrawals.

- By withdrawing only a portion of your balance, your remaining funds can maintain their potential to grow tax deferred.
- You can take partial withdrawals as you need the money, and installment payments give you the predictability of regular income — with the flexibility to change your payments.
- You potentially pay lower taxes as you are taxed on the amount you withdraw (not your entire account balance).

Note: Fees may apply for partial withdrawals. Withdrawals taken before age 59½ may be subject to a 10% IRS penalty.

Questions to ask:

1. What fees, if any, will apply to my withdrawals?
2. What makes most sense for me: individual withdrawals or installments?
3. Should I change my investment selections?

Roll over to an IRA

IRAs have long been a popular way to help grow retirement savings. There are various types of IRAs, with many investment options to choose from.

- There are no tax consequences for a direct rollover (unless you have a loan against your account that you do not pay off in full before rolling over your money).*
- Your savings can maintain their potential to grow tax deferred.
- You may have access to more investment choices than you have through your plan.
- IRAs typically have higher investment fees than you pay through your plan.
- Some providers charge annual custodial fees to handle your account.

Questions to ask:

1. Are there custodial fees with my IRAs (and how much are they)?
2. How involved will I need to be with my investments if I roll my balance to an IRA?
3. What investment fees apply, and how are they assessed?

Roll your assets into a new employer's retirement plan

If you start work for an employer who does not contribute to the Eighth District Electrical Pension Fund Annuity Plan, and the employer offers a plan that allows it, you might “roll in” (transfer) your existing investment balances to your new employer's plan.

- You will face no tax consequences if you make a “direct” rollover to the new plan or an “indirect” (within 60 days) rollover to the new plan (unless you have a loan against your account that you do not pay off in full before rolling over your money).
- If you stay employed past age 72, you can avoid taking federally required minimum distributions (RMDs) from your new employer's plan account.
- Your savings become subject to the new employer's plan and investment rules (which may differ from those in the Eighth District Electrical Pension Fund Annuity Plan).

Questions to ask:

1. Are there any fees associated with the rollover?
2. What restrictions will apply to the money I roll into the new plan?
3. What investment options are available?
4. What if the transfer takes longer or happens after 60 days?

Take a lump-sum cash distribution

You can withdraw your savings at any time after you satisfy the plan's eligibility requirements — but doing so has financial and tax implications. When you withdraw from your account, the money is taxable as regular income and could affect your tax bracket for the year you make the withdrawal.

You will have immediate access to your savings, but:

- Your withdrawal will be taxable as regular income — and could put you in a higher tax bracket.
- You will get a check for only 80% of your withdrawal amount. (Federal rules require that 20% be withheld for taxes.) Additional federal and state taxes may apply.
- If you're under age 59½, you may face a 10% IRS penalty for early withdrawal.
- Your savings will stop growing unless you reinvest them.

Questions to ask:

1. Will I face any penalties for withdrawing?
2. What happens to the 20% withheld upon withdrawal?
3. Will I owe additional federal and state income taxes?
4. How long will it take to access my savings?
5. How will I receive my funds?

If you have questions, Empower has answers. Call us toll-free at **778-2100**.

Your options at a glance

Here is a quick comparison of your choices. If you have questions or want to discuss your options, please speak to your plan administrator or call **778-2100**.

	Stay with the plan	Take a cash distribution	Take a partial withdrawal or installments	Roll over to an IRA	Roll over to new employer's plan
Tax-deferred growth potential	Yes	No	Yes, for the portion that remains in your account	Yes	Yes
Taxes	No tax implications	Federal and, if applicable, state income tax will apply to the withdrawal amount. A 10% early withdrawal penalty may apply if under age 59½.†	Federal and, if applicable, state income tax will apply to the withdrawal amount. A 10% early withdrawal penalty may apply if under age 59½.†	No tax implications	No tax implications
Fees	Regular account and investment fees apply	Distribution fee may apply	Distribution fee may apply	Account and investment fees vary by IRA	Account and investment fees vary by plan
Action required	None	Call Empower: 778-2100	Call Empower: 778-2100	Call Empower: 778-2100	Call Empower: 778-2100

† Distributions will have 20% withheld in federal income taxes unless the participant requests additional tax withholding on their Request for Disbursement form.



Prepare yourself for the many years ahead

To learn more about the Eighth District Electrical Pension Fund Annuity Plan and your account options, visit poweryourretirement.com and click on *Log in* on the right-hand side of the page to access your account or call **778-2100**.



This material is for informational purposes only and is not intended to provide investment, legal or tax recommendations or advice.

Any outstanding loan balance not paid back at termination becomes taxable in the year of default. Under the Tax Cuts and Jobs Act of 2018 for defaults related to termination of employment after 2017, the individual has until the due date of that year's return (including extensions) to roll over this amount to an IRA or a qualified employer plan.

Withdrawals may be subject to income tax and a 10% early withdrawal penalty if taken before age 59½. Earnings on Roth contributions will be taxed unless withdrawals are a qualified distribution as defined by the IRS.

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