



# Thinking about *retiring*?

## A guide to your Defined Contribution Plan distribution options

Retiring means that you'll need to decide what to do with the money you've saved in your Defined Contribution Plan. Making an educated decision begins with understanding your choices. Remember, commencing your retirement benefit from the Defined Benefit Plan, does not mean you need to take money out of your Defined Contribution Plan, unless you have reached the Required Minimum Distribution "RMD" age. Contact the Trust Funds Office for more detail.

### A simple decision may make a big difference to your future<sup>1</sup>

The following are the most common distribution options. Additional ones may be available under your specific plan. Please check with your fund office or plan contact for more information.



**Keep your money in your existing plan**—You may be able to keep your money in your retirement plan with John Hancock. Your fund office can provide plan-specific guidelines.



**Roll over to an individual retirement account (IRA)**—A rollover IRA is set up to keep the money you've moved from a qualified plan invested and to help preserve the tax benefits (potential for tax-deferred growth). You can also make contributions and combine balances from other retirement accounts. Many financial services providers offer rollover IRAs.



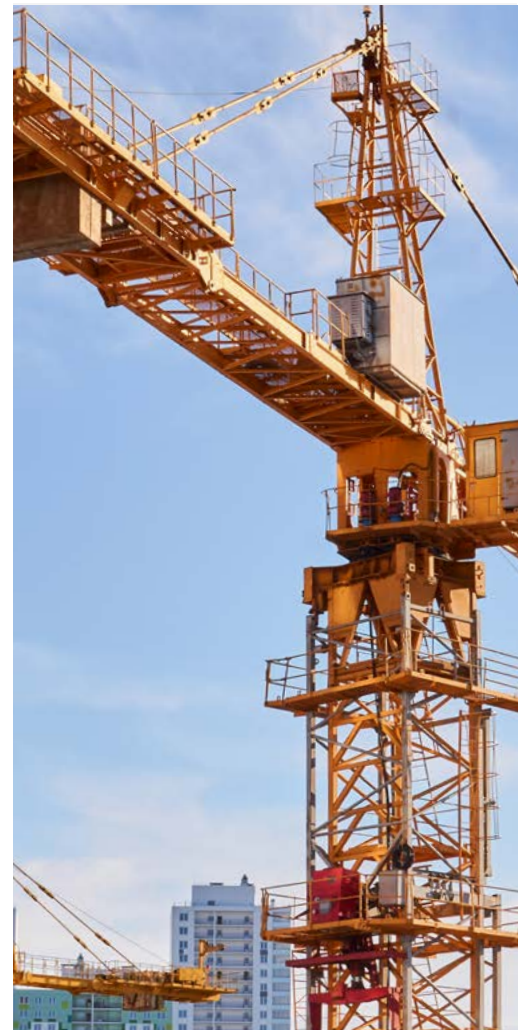
**Purchase an annuity with your account balance**—John Hancock will help you search for your Annuity options at the time of retirement. Please reach out to John Hancock for more detail.



**Take a cash distribution**—You can withdraw the money from your retirement plan and take it in cash. Generally speaking, you'll need to pay taxes and possible penalties on the amount you receive. Installments, a one-time partial distribution, and a lump-sum distribution are available.

<sup>1</sup> There are advantages and disadvantages to all rollover options; you are encouraged to review your options to determine if staying in a retirement plan, rolling over to an IRA, or another option is best for you.

When withdrawing money from your plan, carefully consider the options available to you, including rolling your money over to another qualified account, to avoid potential tax penalties.



Remember to reach out to the Operating Engineers Trust Funds Office (866-400-5200) to make sure you're eligible to take a distribution.

For all financial advice related questions please reach out to one of the Plan's Investment Consultants below:

**David Barnett**  
Managing Director  
Institutional Consultant  
Email: david.m.barnett@ubs.com  
Phone: 631-420-6489

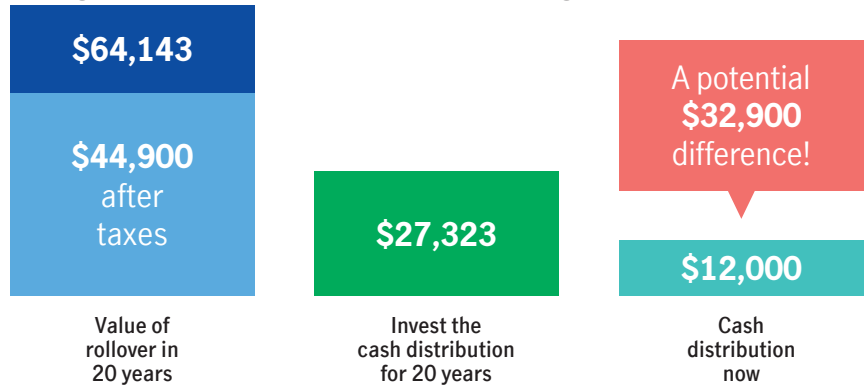
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## Understanding the facts before taking cash

While you can choose to take a cash distribution, it may not be in your best interest. Depending on your age and other factors, taxes and possible penalties may be due. As this example shows, taking a cash distribution of \$20,000 today would only give you \$12,000 after taxes and possible penalties, significantly less than what you could have in 20 years if you rolled the money into an IRA. Even if you invested the cash for 20 years in a taxable account, you likely wouldn't end up with as much as doing a rollover.

### Taking a \$20,000 distribution now vs. rolling over<sup>2</sup>



## Making a choice that makes sense for you

John Hancock's retirement specialists are here to help you make an informed decision that's consistent with your needs, financial goals, and interests. And there's no cost for our services, which include:

- Answering your questions
- Reviewing and explaining your choices
- Assisting with paperwork

No matter which retirement distribution option you choose, you can count on us to assist with any next steps.



<sup>2</sup> This is a hypothetical illustration used for informational purposes only and reflects a 25% federal income-tax rate and a 5% state income-tax rate, plus a 10% IRS early withdrawal penalty on the cash distribution amount. It also assumes a 6% average annual return on the rollover and the reinvested cash distribution. For illustrative purposes only. Not indicative of any particular investment. Past performance does not guarantee future results.

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at 833-38UNION or  
833-388-6466 for any  
plan related questions.