Congratulations!  
After a lifetime of work, it’s time to enjoy. But first, you will need to think about how you’ll best use your retirement investment to make your retirement years the culmination of all your dreams and goals.

If you’ve invested in a retirement plan through your employer, you’ve had the opportunity to save, pretax, for retirement. What’s more, you haven’t paid current taxes on any investment earnings. These features – pretax contributions and tax-deferred growth – have provided substantial benefit and opportunity for long-term growth of capital.

As you consider retirement, it’s time to determine how to best use those dollars for their intended purpose – your security and happiness now and in the coming years. You have a long time ahead of you to enjoy retirement, so your planning is only beginning.

Managing your money in retirement

First, you’ll want to figure out where you have money. You’ve probably accumulated funds in a variety of vehicles, your employer’s plan among them. While you’re cataloging your assets, you’ll also want to look at your liabilities to make sure you have the continuing ability to meet your financial obligations after you retire. Once you’ve analyzed your situation, you can determine what to do with your employer’s retirement plan.

Your options

Because the plan allowed you to contribute pretax dollars, and allowed your money to grow tax-deferred, you’ll need to consider the tax consequences of withdrawals. Taking it all out right away (a lump-sum withdrawal) and investing in a non-tax-qualified vehicle – your savings account or mutual funds, for example – may have serious immediate tax consequences.

Even if you’re older than 59½ and not subject to early withdrawal penalties, you’ll still have to pay current taxes on the entire amount. That amount may be substantial enough to bump you into a much higher tax bracket than when you received a regular paycheck!

You have several other options to best utilize your retirement dollars to fit your immediate and long-term goals:

• Roll the money into an Individual Retirement Account (IRA).
• Set up a schedule of systematic withdrawals.
• Guarantee a series of income payments through a fixed annuity. (Guarantees are based on the claims-paying ability of the issuing insurance company.)

Healthier lifestyles and better medical care mean that our life expectancies may continue to increase, making it more critical that we have the financial resources to make these extra years fulfilling and rewarding!
Roll it over

If you don’t want to leave your money in your employer’s plan, but aren’t sure how to best use it or want to put off taking withdrawals, consider a Rollover IRA. This will allow your investment to continue to grow tax-deferred, and you’ll be able to choose from a variety of IRA options. An IRA might also give you a wider variety of investments than were available under your employer’s plan and can also accept rollovers from other employer plans and IRAs.

Set up a systematic withdrawal

A systematic withdrawal from your employer’s plan or an IRA allows you to take a series of periodic withdrawals from your account balance. As you take these withdrawals, you surrender a portion of the shares of your various investment options. The actual amount of each withdrawal depends on the payment method you select.

Guarantee your income

You may have the option within your plan to use all or part of your investment to purchase a fixed income annuity. Like a systematic withdrawal, a fixed income annuity turns these assets into a series of payments. But with annuity payments, you can choose your guarantee – how long the payments will last, guarantee an interest rate for the length of the fixed annuity and select from income-for-life options (protecting you against the risk of outliving your money).

Of course, you don’t have to choose just one option. You can combine them. For example, guarantee an income stream by purchasing a fixed annuity with a portion of your assets while you take systematic withdrawals from what you leave in the plan. Or roll a certain percentage into an IRA to preserve for your heirs, while purchasing a fixed income annuity with the rest for a steady income.

It may be more than you’ll want to manage on your own. The chart below can help you better visualize which options may be right for you. Also, Voya representatives have worksheets, Web and print resources and flexible products and services. We can help you understand your options and find the solution that makes the best sense for your own life. Call us today.

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**Comparison of income options**

<table>
<thead>
<tr>
<th></th>
<th>Lump sum</th>
<th>Systematic withdrawal</th>
<th>Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax efficient?</td>
<td>No – all taxed at once.</td>
<td>Yes, taxed only on withdrawals.</td>
<td>Yes, taxed only on payments</td>
</tr>
<tr>
<td>Continued tax deferral on remaining Account Balance in Plan?</td>
<td>N/A</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Investment flexibility</td>
<td>Yes, the money can be invested in your choice of vehicle.</td>
<td>Yes, subject to plan limitations and the payment arrangement you select.</td>
<td>Yes, subject to plan limitations and the payment arrangement you select.</td>
</tr>
<tr>
<td>Ability to lock in long-term guaranteed rates</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Easy access to balance</td>
<td>N/A</td>
<td>Dependant on plan limitations</td>
<td>Dependant on plan limitations</td>
</tr>
<tr>
<td>Guaranteed income/annuity option</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Taking the money means giving a lot of it back. Say you’ve accumulated a million dollars in your retirement account. Using this year’s highest tax bracket, a lump-sum withdrawal could have you paying current taxes reducing your investment significantly. You might not be, realistically, in that tax bracket, but your withdrawal would bump you there. Staggering – or better managing – your withdrawals may reduce that tax bite substantially over time, as you pay taxes at a lower rate. Voya does not offer legal or tax advice. You should seek the advice of a tax attorney or tax advisor prior to making a tax-related insurance or investment decision.