
Employment Termination – Frequently Asked Questions

Q: When can I withdraw or roll over my 401(k) balance after I leave my employer?

A: There is a 30-day waiting period before you can withdraw or roll over the balance in your account so that any outstanding pay is fully accounted for. Read the next question for more details on your options.

Q: What are options for my 401(k) account after my employment has ended?

A: After 30 days from your termination date, you have these options:

- Leave the money in the plan
- Roll the money to another qualified plan
- Take a lump sum (or partial distribution if the plan allows)

Learn more about [rollovers](#) and [withdrawals and distributions](#) via the linked FAQ documents. Unless you are applying for a hardship withdrawal, you can use the online form on the Distributions tab of the Retirement Service CenterSM to request a withdrawal and/or rollover.

- [Instructions for using the online form to request a withdrawal](#)
- [Instructions for using the online form to request a rollover](#)
- [Instructions for using the online form to request a withdrawal and a rollover](#)

If your account has less than \$1,000 in it, your money may be distributed automatically if you are required to take mandatory distribution (review the answer to the last question of this document or the [Withdrawals and Distributions FAQ](#) for more information) or in the plan administrator's discretion.

Q: Are there any fees billed to my account if I take a distribution or rollover my account?

A: All distributions issued by Insperty Retirement Services (including rollovers and any partial distributions) are subject to a \$50 processing fee, which will be deducted from your account balance prior to issuing your distribution.

Q: Can I continue to make contributions?

A: No. The 401(k) plan requires that contributions be made through deferrals from your paycheck. Once paychecks cease to be issued, deferrals cannot be made.

Q: Can I continue to make loan payments?

A: No. If you have an outstanding loan balance when you terminate, the outstanding balance will be treated as a distribution to you unless you pay the balance in full or elect to roll the loan to another employer's qualified plan prior to the loan going into default. Be sure to verify that your new employer's qualified plan will accept a loan rollover. Please refer to the Loan Policy – which can be located by clicking the Loans tab of your 401(k) account screen – for further details.

Note: The outstanding balance may be subject to penalties if treated as a distribution. Call the Insperity Contact Center at 866.715.3552, option 3, for more information.

Q: What should I be aware of if I leave my money in the 401(k) plan?

A: If you decide to leave money in the plan after termination of employment:

- Make sure to keep your address and beneficiary designations up to date.
- Be aware that you can no longer make contributions to your account, but you can change your investment mix at any time.
- You cannot request a new loan after leaving your company, and if you have an existing loan, it must be paid off.

Q: What happens to my 401(k) account if my employer no longer uses Insperity's services?

A: If your employer transfers the 401(k) plan to another plan, the money in your account will be transferred to a new account in that plan. However, if your employer does not terminate or transfer the plan, your account will remain with Insperity. You will continue to have access to all of the investment options available through the plan, but you may not make further contributions and you will be responsible for paying off any outstanding loans. Please refer to the Loan Policy – which can be located by clicking the Loans tab of your 401(k) account screen – for further details.

Q: Must I take mandatory distributions when I reach a certain age?

A: If you are terminated from service when you reach age 70½ (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949), then you must take your first required minimum distribution (RMD) for the year you reach that age and each year thereafter.