

Preserving Retirement Assets: Cashouts, Loans, and Withdrawals

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on Retirement Security and Personal Savings
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Lump-Sums in 1995

- 5.6 million taxpayers received a lump sum (full distribution of entire account balance)
- lump sums totaled \$87.2 billion

Lump-Sums Before/After Age 60

Under Age 60

- 4.4 million tax filers
- \$52.7 billion
- median amount: \$2,106

Age 60 and Older

- 1.0 million tax filers
- \$33.2 billion
- median amount: \$4,465

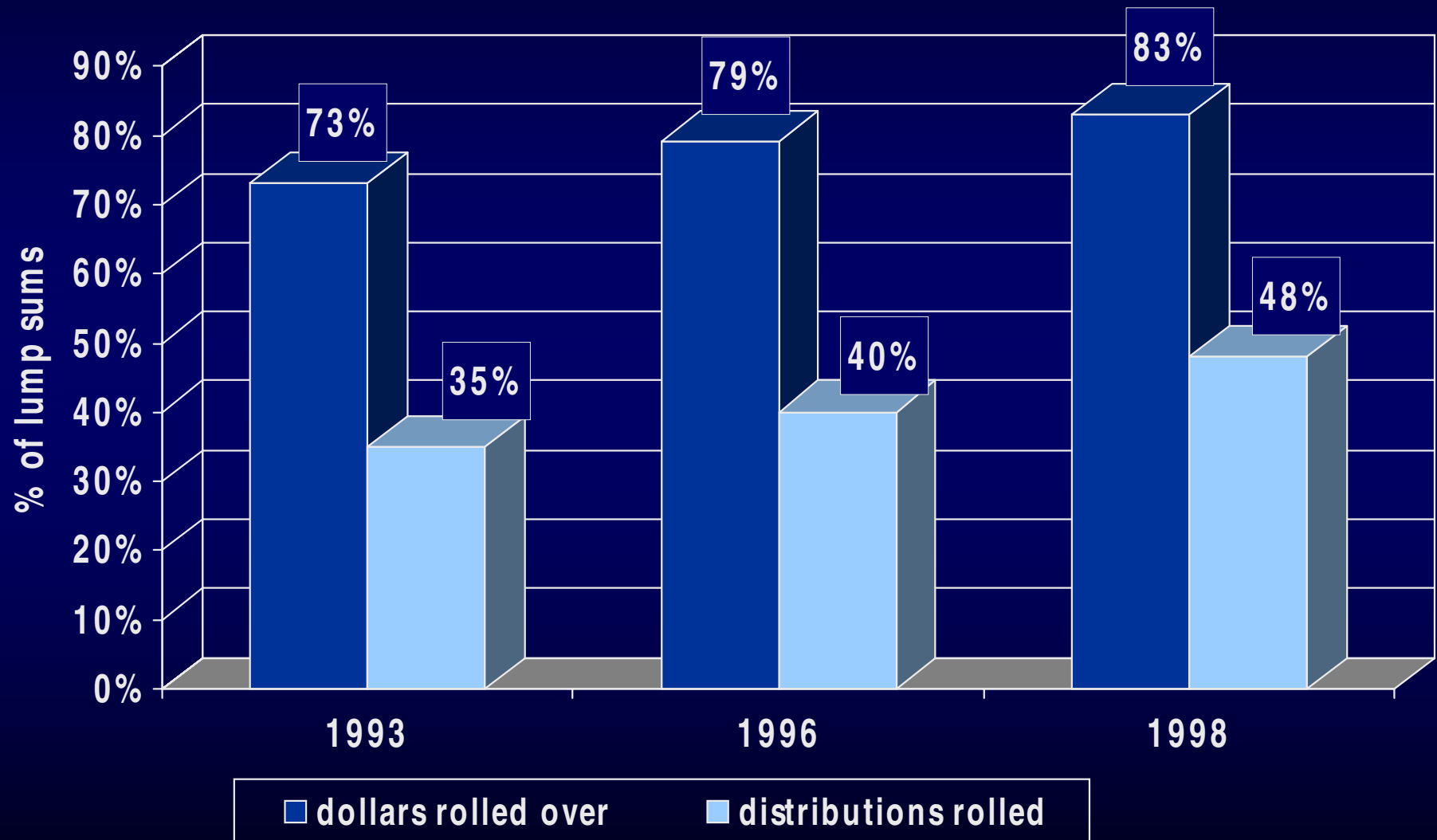
Rollovers, Before Age 60

(by account size)

| | Lump-Sums | % Rolled | % of \$ Rolled | Median Rollover |
|--------------|-----------|----------|----------------|-----------------|
| Total | 4.4m | 34.4% | 74.5% | \$ 6,111 |
| Under \$1k | 1.5m | 12.7 | 18.6 | 514 |
| \$1-5k | 1.5m | 32.4 | 34.8 | 2,445 |
| \$5-20k | 0.8m | 49.6 | 49.4 | 9,047 |
| \$20-100k | 0.4m | 74.2 | 76.2 | 36,626 |
| \$100k + | 0.1m | 93.2 | 91.5 | 191,092 |

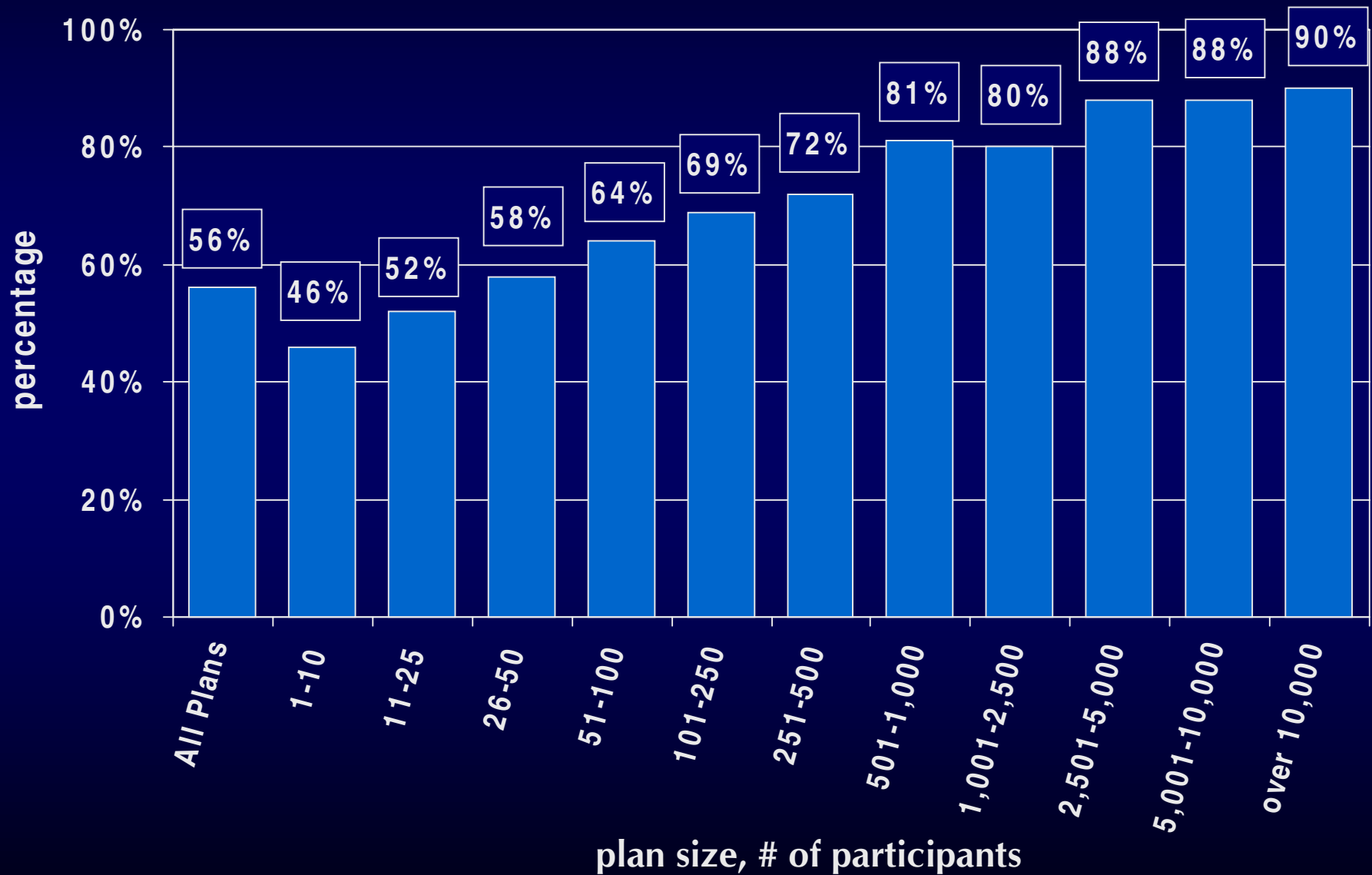
Source: Tabulations of IRS dataset merging a sample of 1040 filings with corresponding information form filings. Tabulations provided by John Sabelhaus and David Weiner.

Job Change Rollover Trends



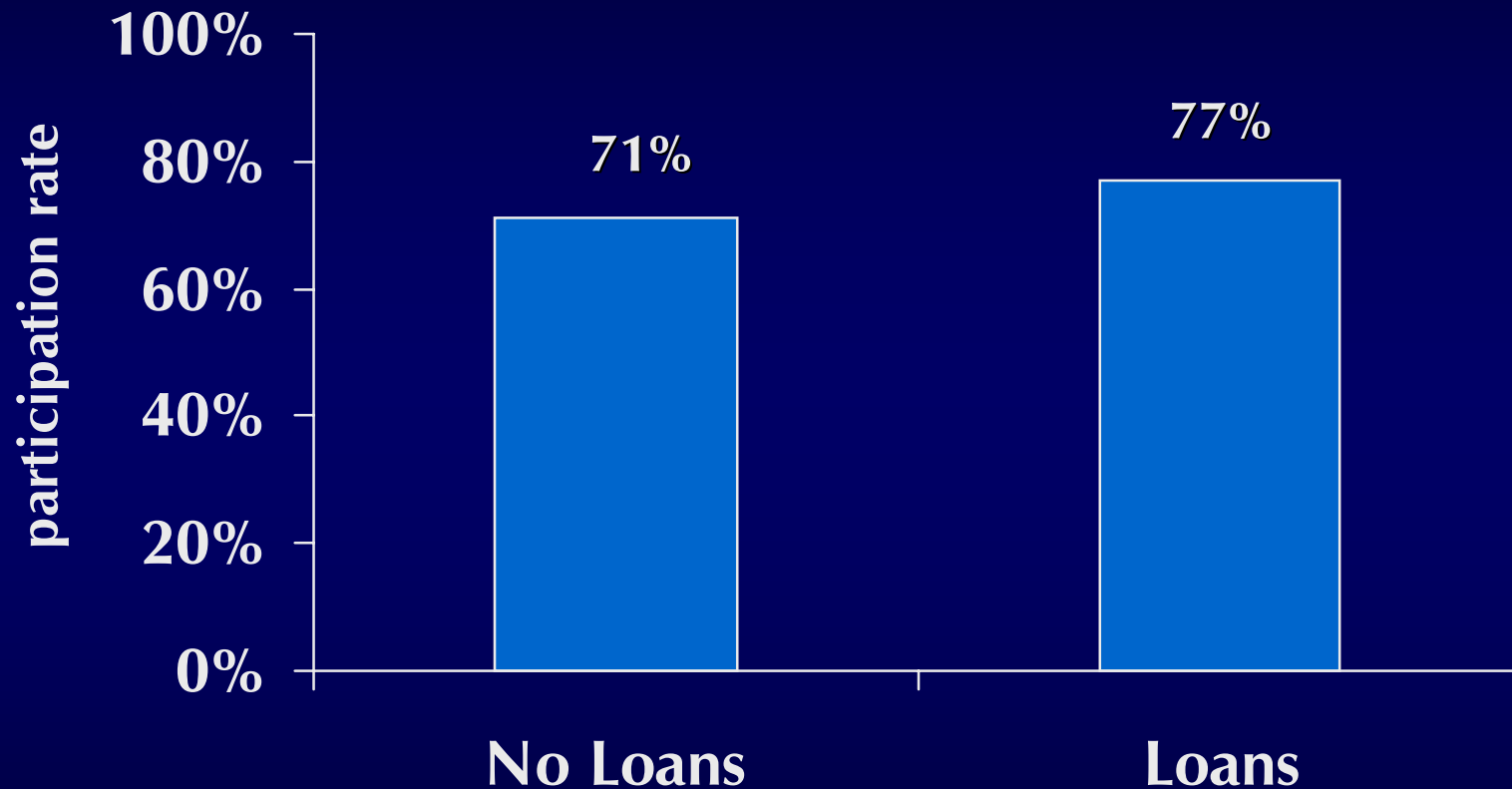
Source: EBRI and Hewitt tabulations of Hewitt data.

Availability of Plan Loans, 1998



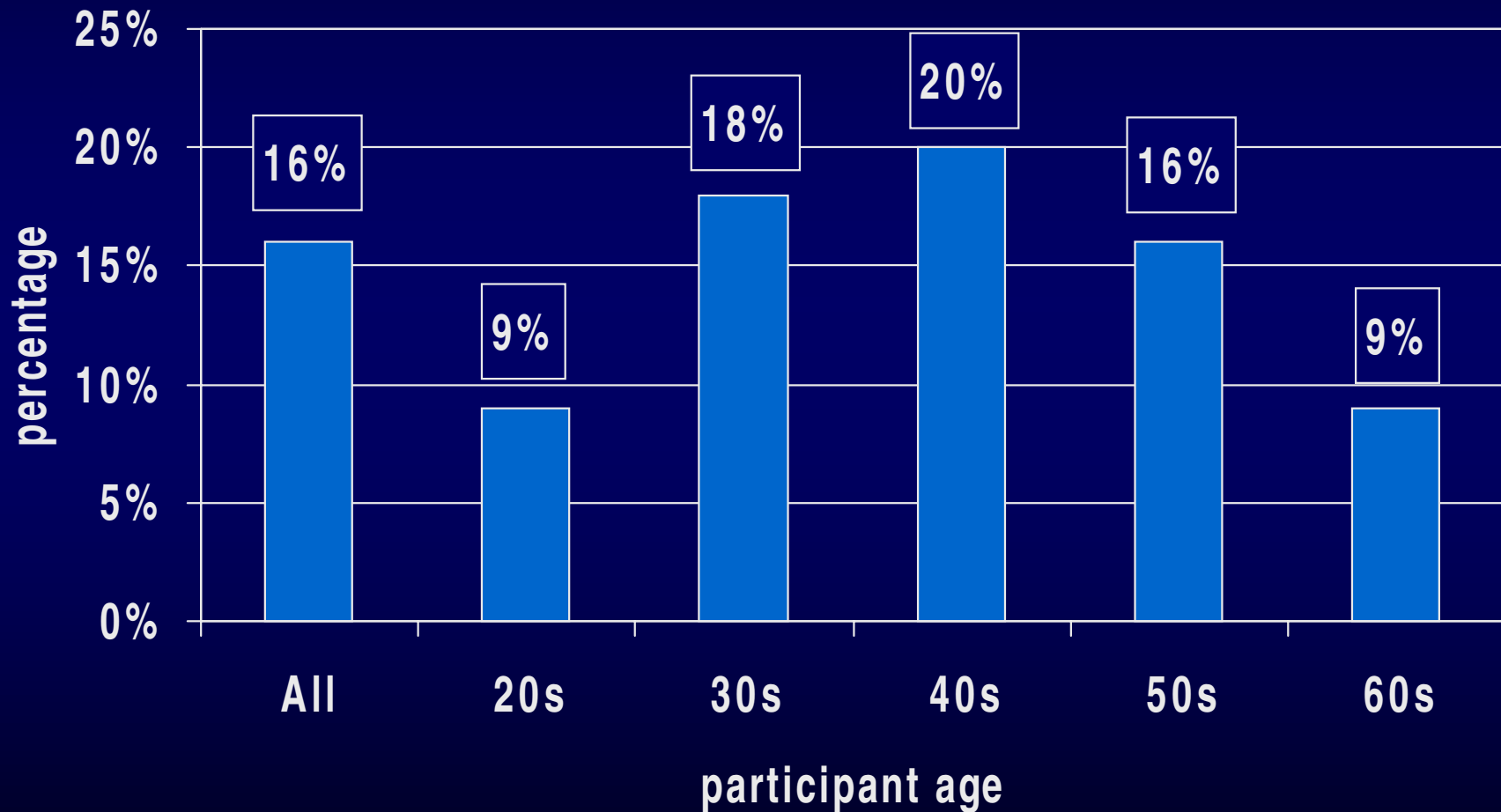
Source: Tabulations of the EBRI/ICI Participant-Directed Retirement Plan Data Project.

Loans and Plan Participation



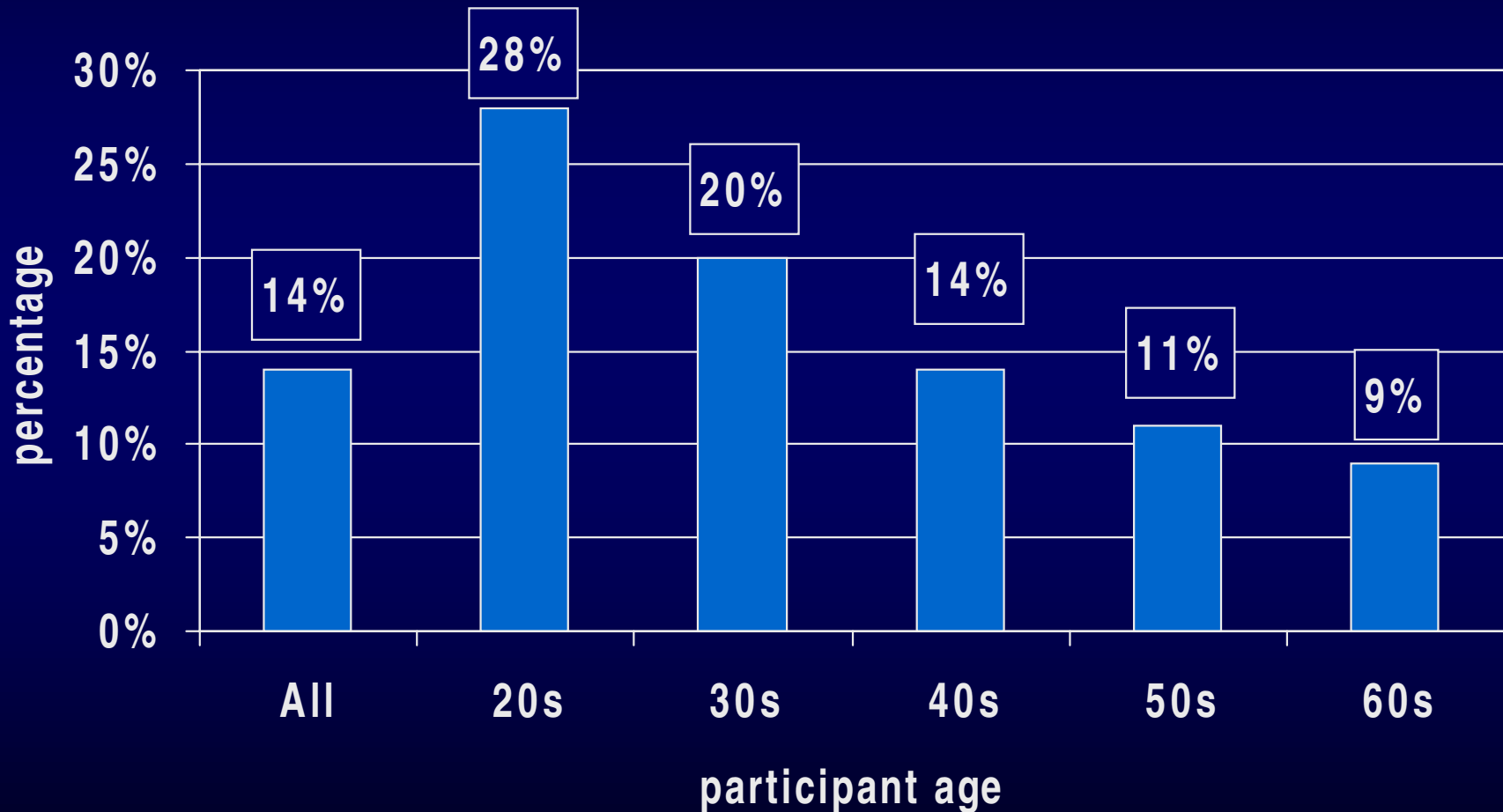
Note: Participation rate for plans with 500 to 2,499 participants, with a 3% effective match that offer withdrawals.

Use of Plan Loans by Eligibles, 1998



Source: Tabulations of the EBRI/ICI Participant-Directed Retirement Plan Data Project.

Outstanding Loan Ratios, 1998

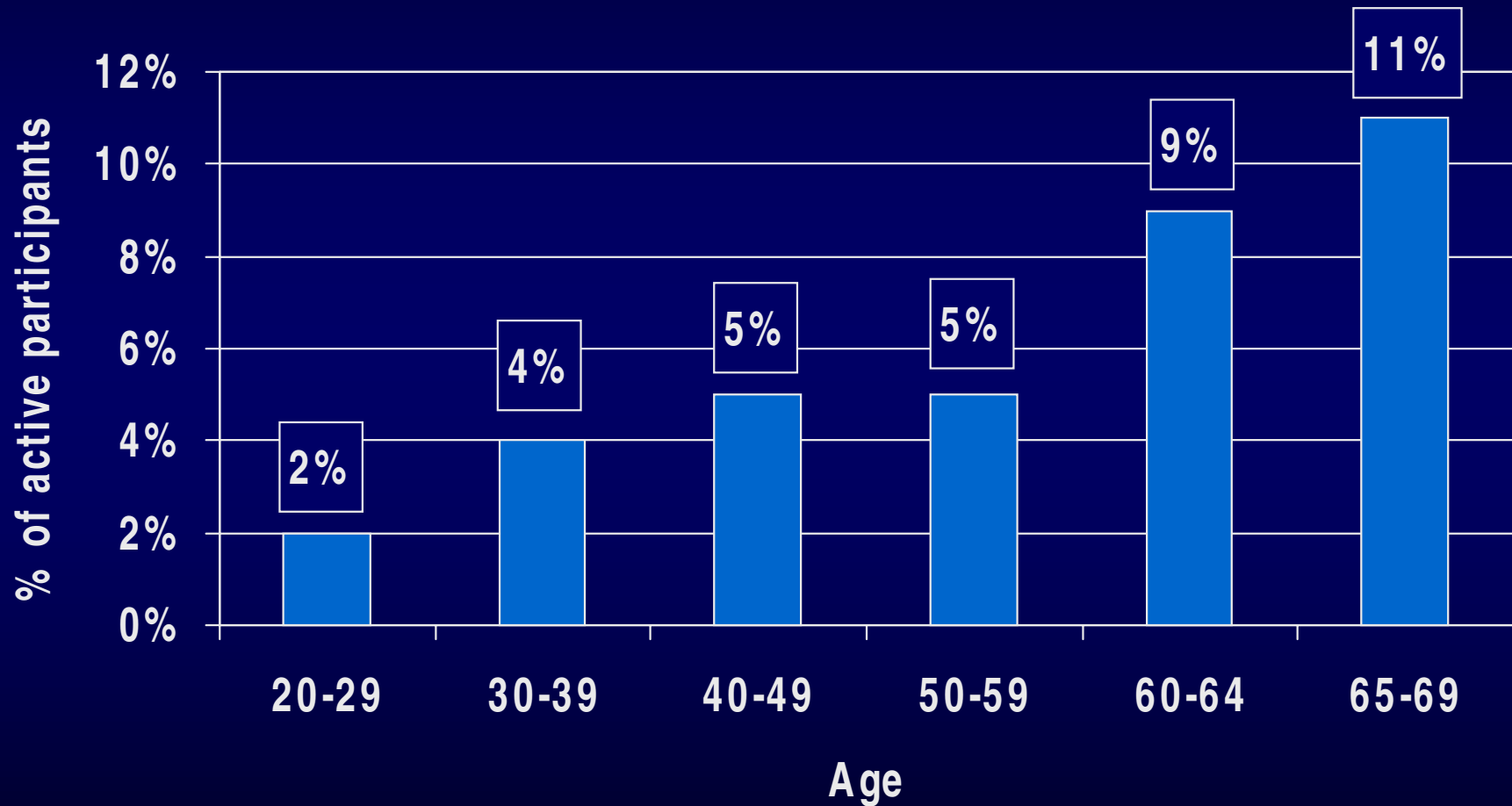


Source: Tabulations of the EBRI/ICI Participant-Directed Retirement Plan Data Project.

In-Service Plan Withdrawals

- **99% percent of DC plans (covering 96% of participants) offer some type of in-service withdrawal option**
- **Relatively few plan participants take in-service withdrawals**

Use of In-Service Withdrawals, 1998



Source: Fidelity Investments, Building Futures: How American Companies Are Helping Their Employees Retire, 1999.