



Lump Sum or Monthly Pension: Which to Take?

MANAGING RETIREMENT DECISIONS SERIES



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Disclaimer

This Decision Brief does not provide advice for specific individual situations and should not be construed as doing so. It is an information tool for general guidance. Individuals needing advice should seek the services of a qualified professional. Keep in mind that tax codes change, taxation of products and strategies vary, and personal tax needs and issues are unique. Consideration of tax issues is beyond the scope of this work.

Other Types of Lump Sum Options

The most common type of lump sum option is the one made to *workers who are entering retirement*.

Some pension plans offer lump sum options to former employees with *vested pension benefits not yet in pay status*.

Although this Decision Brief focuses only on lump sum options made available to workers entering retirement, many concepts addressed here may help those facing other types of lump sum decisions too.

If you are about to retire, your company pension plan might include a “lump sum” as an option you could take in lieu of the monthly “pension annuity” you would otherwise receive from the plan.

If you choose to elect the lump sum option, you will generally receive all the retirement money you are due from your pension at one time—in a “lump sum”—instead of a monthly pension check for the rest of your or your spouse’s lifetime.

The very thought of having all those dollars available in your personal bank or brokerage account might be very enticing. However, there are many factors to consider before deciding whether or not to elect the lump sum option. This Decision Brief from the [Society of Actuaries \(SOA\)](#) looks at several of those factors.

Know this: The choice you will make is not as simple as choosing between Movie A or Movie B, where you can easily change your mind, sometimes even after the movie you selected first has started. Instead, if you choose the lump sum option, the decision is typically irrevocable. If you like the outcome, that’s great. But if not, your finances could be negatively affected throughout all your retirement years.

This Decision Brief does not advocate for either choice, but it does urge you to make a careful analysis *before* deciding. This is critical for two reasons:

- If you take the monthly pension annuity, you will generally not be able to take a lump sum later.
- If you take the lump sum, you will permanently forfeit the pension plan’s monthly income stream.

Your decision is so important that you may want to obtain guidance from a financial professional or advisor who specializes in retirement planning and/or tax issues. To learn more about this, see the SOA’s Decision Brief on [Finding Trustworthy Financial Advice for Retirement and Avoiding Pitfalls](#). To learn about other retirement issues, see the SOA’s entire Decision Brief series on [Managing Retirement Decisions](#).

Important: No single retirement benefit choice is right for everyone. Retirees differ greatly in household situations and family, tax matters, retirement income needs, health considerations and many other factors, so focus on what fits your own situation.

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The Lump Sum Option

Here are some basic features of lump sum options. In general, the pension plan may offer you, the retiring employee, the option to receive only one payment (the “lump sum”). This would be instead of receiving a series of smaller monthly income payments that continue for life (a “pension annuity”).

These payments would come from the pension plan in which you have participated during your working years. (These plans are technically called “defined benefit pension plans,” but most people shorten the plan name to “pension plan” or “DB plan.”)

The lump sum is calculated using your monthly pension amount, your age and actuarial factors based on mortality tables and interest rates specified in the plan. The actuarial factors can change periodically based on the law and Internal Revenue Service regulations.

If you are married, your spouse will have to provide written, notarized consent for you to elect the lump sum option.

Reminder: If you take the lump sum option, you will have to give up the monthly pension annuity payment for the rest of your life. That is why it is critical that you make the best decision for your situation that you can.

Other Considerations

Here are some complexities that can impact your decision about whether to take the lump sum or not. Some are trade-offs, and others may seem like drawbacks to you but positives to someone else such as your spouse.

Plan benefits. In some cases, the lump sum value offered to you may not include the value of all the benefits provided by the plan. For example, the value of cost-of-living increases may be excluded from the lump sum, as might early retirement subsidies or supplements from your employer.

Inheritance value. The lump sum may enable you to leave behind an inheritance, assuming that you do not spend down the full lump sum amount during your retirement years. For some people, that is a key priority. However, you will need to weigh that against another priority, which is ensuring that you will receive guaranteed income for your entire lifetime, which the pension annuity will provide.

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Do the Numbers

To compare the monthly annuity income from your pension plan versus the income from a retail annuity purchased with your lump sum, try checking out annuity quotes from the many calculators that are available online. Look at monthly income, expense charges and features. Check with local advisors too.

Note: Online annuity quotes are current: They can and do change in response to market conditions.

Time to recover from market downturns. If you experience losses soon after investing the lump sum, your account value may not have enough time to recover from the loss before you die (assuming market conditions improve). Or, the account value may take a very long time to recover. Either way, you risk running out of money before you die.

Access to other employee benefit. If you take a lump sum, you might lose access to a retiree medical plan that your employer may provide. This loss may impact you and your spouse for the rest of your lives.

Guaranteed income for life. If you want to receive guaranteed monthly income for life, your plan's pension annuity will provide that. Alternatively, you can take the lump sum option and use the money to buy a retail income annuity, which is an annuity that insurance companies and agents sell to individuals in the open market. Retail annuities pay a guaranteed monthly income for life, as do pension annuities, but the income amount, features and costs may, or may not, be comparable to those in the pension annuity. Researching what is available will therefore be time well spent. If you don't like doing this research yourself, a professional advisor might provide meaningful assistance.

Some things to know if you elect lifetime income from the plan itself:

- The income will be limited to a form of income that the plan allows, such as "single life" or "joint and survivor" (for couples).
- The plan may require you to make an all-or-nothing decision, rather than taking one portion as a lump sum and the other as pension annuity.
- The plan may have various other specifications about which you need to be aware.

Some things to know if you buy a retail annuity from an insurance company:

- You will have flexibility about when to start payments, buying in stages and forms of payment that you can choose.
- You may pay more than the lump sum amount to get the same monthly benefit level from a retail annuity as from your original pension annuity benefit, especially for women.

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Looking at the Big Picture

As you weigh your options, consider both sides of everything. This can get a bit confusing, but once you are done, you will be able to make a more informed decision. Here are some big picture pointers:

- **Investment skill.** You can invest your lump sum yourself, hire an advisor or rely on family or friends. If you want someone to help, choose a well-qualified and trustworthy person, because this will help reduce your exposure to fraud, which may increase if your financial abilities diminish with age.
- **Money management.** Managing a large lump sum can be difficult, especially during volatile markets. Some people try to curtail losses by cashing out when investment markets are down, but that locks in the loss, and you may not have enough time to recover later on. On the other hand, the pension annuity provides more stability because its monthly payments stay the same even in “down” markets. However, the monthly payments also stay the same in “up” markets, unless the annuity includes a cost-of-living increase feature.
- **Income or inheritance.** If your primary goal is to receive a steady monthly income for life, you might consider the pension annuity (or a retail annuity purchased separately). But if your primary goal is to leave assets to heirs or charity, the lump sum option might be more appropriate. If you would like to do both, see if your pension plan will allow you to divide the assets into one-part lump sum and one-part annuity.
- **Health status.** If you believe you will live to an advanced age, the pension annuity may be a better choice since it ensures a lifetime income—which you can spend on long-term care services if needed. (See the SOA Decision Brief on [Taking the Long-Term Care Journey](#).)
- **Other sources of income.** Many people do work during retirement, but this becomes less feasible at older ages. Others expect to receive other sources of income, but this often does not continue at the oldest ages.
- **Inflation.** Social Security benefits are indexed to inflation, but that’s not always the case with pension annuities. By comparison, with the lump sum, you can invest the money, so it has the potential to keep up with inflation, provided you know (or can learn) how to invest appropriately. Such investing may require accepting a lower initial income to allow for future cost-of-living increases.
- **Money when you need it.** The lump sum can be invested to allow you to have access to the money, for instance, for use in case of emergency. This access is called “liquidity.” If you have no other liquid resources, or only a very small amount in liquid resources, you may want to consider investing a lump sum in a liquid asset such as a savings account. However, the tradeoff will be that the yield on the liquid money is often considerably lower than on money invested for the longer term.
- **Withdrawals.** If you make large withdrawals from your liquid money early in retirement, this could seriously curtail finances later in life, even to the point of running out of money. One option is to determine a *safe* withdrawal amount. Another is to use a portion of the lump sum to purchase a lifetime income stream, which is illiquid but which will pay you a monthly check until you die.

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What It's Worth

The lump sum seems like a lot of money. However, when divided over a possible 30 years of retirement, it may provide only a small monthly amount.

Example: If you invest \$210,000 in fixed income investments earning 2.5% a year, you could withdraw only about \$800 a month over 30 years, or \$1,100 a month for about 20 years.

The Story of John and Mary

Let's take a look at how John and Mary, both age 65, might approach this very important decision. Both are at the doorstep of retirement.

Their task: To decide on an option available in John's pension plan. Either he can elect to receive a guaranteed pension annuity of \$1,100 a month that keeps on paying until both spouses have died (a so-called "100 Percent Joint & Survivor" or "Last to Die" annuity), or he can elect to take a one-time lump sum payment of \$210,000.

John also has a 401(k) retirement savings plan. Mary does not have a pension plan but does have a 401(k) plan.

We will look at this couple's decision-making process by presenting several "issues" they confronted. These are situations that many people encounter when making the lump sum or pension annuity decision. The first issue is the most obvious one of all: How to start.

Issue: How to Start the Decision Process

John and Mary started by estimating their regular monthly expenses in retirement and their anticipated income. To simplify things, we've divided their worksheets into "scenarios," which we've numbered for easy reference.

Scenario 1: What if We Elect the Annuity?

On the expense side, the couple determined they will spend in the neighborhood of \$3,800 per month for food and groceries, home and automobile maintenance and insurance, personal care, health care and health insurance, and property and income taxes. This sum excludes a mortgage, because they own their own home, and other personal debt, since they have none.

Then they estimated their guaranteed monthly income. They did this in two ways: one, assuming they will elect the pension annuity and, the other, assuming they will elect the lump sum and put it in investments that do not guarantee a monthly income. They ignored their 401(k)'s and other assets, which they assumed also would not be set up to guarantee a monthly income. But they did include Social Security because it also provides a guaranteed monthly income. Here is the result:

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Scenario 1: Elect the Pension Annuity or Lump Sum

If electing the pension annuity		If electing the lump sum	
Income from:	Monthly amount	Income from:	Monthly amount
John's pension	\$1,100	John's pension	\$ 0
John's Social Security	\$1,700	John's Social Security	\$1,700
Mary's Social Security	\$1,300	Mary's Social Security	\$1,300
Total monthly income	\$4,100	Total monthly income	\$3,000

Note: This example does not reflect the effect of inflation or taxation. These would be good topics for the couple to discuss with a financial advisor and tax professional.

Reality Check: This first calculation shows that John and Mary would have enough guaranteed monthly income to cover their \$3,800 in basic living expenses if they elect the pension annuity, but not if they elect the lump sum as described above.

Scenario 2: What if We Elect the Lump Sum?

John and Mary decided to look at the lump sum option in a different way, by factoring their other financial assets into the equation too. Here is their calculation:

Scenario 2: Lump Sum with Other Assets

Financial assets	Amount
John's pension (lump sum)	\$210,000
John's 401(k) balance	\$ 30,000
Mary's 401(k) balance	\$ 40,000
IRAs and savings	\$ 5,000
Total other financial assets	\$285,000

Reality Check: John and Mary took the above information to their financial advisor, who reviewed it and concluded that the couple could expect to withdraw about \$900 per month from their financial assets. When the couple added the \$900 to the \$3,000 in guaranteed monthly income from Scenario 1, they immediately saw that the resulting \$3,900 a month would be enough to cover their regular monthly expenses of \$3,800. However, they also had concerns:

- They would have no annuity-like guarantee ensuring they could withdraw \$900 per month for life from their total assets.
- Their investments may underperform, or they might need to pay for extraordinary expenses, thus depleting their total assets too early.

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Scenario 3: What if John Dies?

John and Mary wanted to explore what would happen if John died first. Since that would leave Mary to manage on her own, she started the analysis by estimating her monthly expenses. She estimated the amount at \$2,800, which is almost three-quarters of their current monthly expenses. She realized that some expenses (like home maintenance and property insurance) won't decrease in the event of John's death.

Next, she looked at how she would manage if John dies after Mary reaches "full retirement age," which is the age when she can start receiving full or unreduced retirement benefits from Social Security. She learned that the Social Security benefits she would receive would drop from \$3,000 to \$1,700 a month. This is the survivor's benefit for Mary; it would be equal to her then-late husband's benefit. She would receive the survivor's benefit because it is larger than her own benefit (\$1,300).

Finally, Mary looked at how she would fare if the couple chose the second-to-die annuity option mentioned earlier. In this case, Mary would continue receiving John's pension amount of \$1,100 a month until Mary's own death. Here's the calculation:

Scenario 3: John Dies

If John had elected the second-to-die pension annuity		If John had elected the lump sum	
Income from:	Monthly amount	Income from:	Monthly amount
John's pension	\$1,100	John's pension	\$ 0
Mary's Social Security	\$1,700	Mary's Social Security	\$1,700
Total monthly income	\$2,800	Total monthly income	\$1,700

Reality Check: John and Mary identified the key factors that jumped out at them:

- If they elected the pension annuity, Mary's monthly income would be exactly sufficient to cover her \$2,800 in monthly expenses.
- If they elected the lump sum, Mary would need to withdraw significantly from her other assets to provide for the additional \$1,100 of income she would need to cover her expenses.
- If Mary had already used some of the lump sum assets to pay for John's care before death, Mary might end up with even less money available to provide her income as a widow.

After much discussion, John and Mary decided they want more certainty in their retirement years. They want to know that their income is guaranteed to continue

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for the rest of their lives and that it will be sufficient to cover their regular expenses. For those reasons, they considered the pension annuity as a good possibility for them. But they had several other issues to consider first, including the following.

Issue: Working Part-Time during Retirement

More and more people talk about how they will manage their income by working part-time during retirement. Not all who want to do so are able to find work, but some do. When that is a realistic possibility, it can affect the decision about whether to take a lump sum option or the pension annuity.

John and Mary decided to look at that. Mary, now 65, said she believes she can earn \$800 a month by working part-time for the next 10 years. Even though she would be an older worker, Mary is optimistic about finding such work because she is in good health. In addition, she wants to keep working.

The couple ran the numbers. They saw two outcomes for the 10-year period under consideration. First, if electing the pension annuity, they would expect to have \$4,100 a month in guaranteed income plus \$800 a month from Mary's work until age 75. This would give them \$4,900 a month—more than enough to cover their expected regular expenses of \$3,800 a month.

Second, if electing the lump sum option shown in Scenario 1, they would have \$3,000 a month in guaranteed income plus Mary's work income of \$800 a month. This would give them just enough to cover regular expenses of \$3,800 a month, without touching other assets. Then, if they add the \$900 a month that the advisor estimated they could take from the lump sum they invested, they would have \$4,700 a month coming in.

Reality Check: The couple saw the following factors:

- Both outcomes could mean the couple would have more than enough income to meet expenses if Mary works as projected between ages 65 and 75.
- However, they had questions too. What happens when Mary stops working? Which option would put them in the best position for the next phase of life? What would happen if Mary must stop working because of a job market contraction or an illness or disability, or if she decides that she no longer wants to keep working when she's older?

At this point, John and Mary saw advantages to both approaches, so they decided to keep both options on the table for more discussion.

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Issue: Providing for Long-Term Care

About seven out of 10 adults over age 65 will require long-term care services and support sometime during their life, according to the [Genworth 2015 Cost of Care Survey](#). The average annual cost for private-pay assisted living care in 2015 was \$43,200, and the annual cost for care in a nursing home was almost twice as much, the survey found. Medicare does not cover these expenses.

John and Mary started thinking about that. They did not buy long-term care insurance. This means they would need to pay for these costs out of pocket if either of them ever needs such care. So they went back to their calculators.

Reality Check: They reviewed the following realities:

- If they take the lump sum, they will be drawing from their other financial assets to produce income of \$3,900 a month to pay for their regular expenses of \$3,800 a month, as per Scenario 2.
- In that case, they would have little in additional financial assets (only \$100 a month) from this account to cover unexpected long-term care needs.
- If they elect the pension annuity, however, they could pay their regular expenses with their monthly pension and Social Security income and still have \$75,000 in other assets (their 401(k) and IRA balances) available to pay long-term care expenses, if needed.
- They can also use some of their nonfinancial assets, such as the equity in their house, for additional income.

At this point, John and Mary started feeling that the pension annuity might be the best choice for them, because they agreed it is important to include long-term care expenses in their planning. This reminded them that they need to address another care-related issue as well.

Issue: Assisting Dependent Family Members

John and Mary realized they might need to share in the costs of providing care for a dependent parent. Based on the parent's current age and medical condition, their share of the costs could be \$500 a month over the next five years.

That's \$6,000 a year, or \$30,000 for the five-year period. They had forgotten to include this in their calculations.

Reality Check: Whether they elect the pension annuity or the lump sum from

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John's pension plan, John and Mary saw the following financial projections:

- Their monthly expenses in the next five years would, under those circumstances, be \$4,300, not the \$3,800 originally estimated.
- The \$4,100 in guaranteed monthly income they calculated in Scenario 1, if John takes the pension annuity, would not be sufficient to cover all their monthly expenses in this situation. Neither would the \$3,900 a month they would receive in Scenario 2, assuming the couple receives \$3,000 a month in guaranteed income plus \$900 a month in withdrawals from the lump sum option that their financial advisor suggested.

Even if the parent is in good health right now, they reasoned, this could change. That possibility led them to lean toward taking the lump sum, with some or all of it put into liquid investments. In that way they would have access to money should the parent need care and not be able to pay the entire cost. They would also be able to purchase an annuity at a later date.

However, John and Mary had some concerns about this approach too. In particular, they saw that they might not have sufficient financial assets left to pay for their own retirement expenses, especially if one or both need long-term care later. They acknowledged that they may need to reduce their standard of living and perhaps downsize their housing during their retirement years in order to manage.

They decided to run this and their other findings by their financial advisor to see if there are other factors to consider and other solutions that might help.

A Few Words of Caution

- If you roll your lump sum into an IRA, the IRA's mutual funds may not offer the lower-cost "institutional pricing" you often hear about.
- If you use some or all of the lump sum to buy a retail annuity, remember to comparison shop, because annuity prices, features and even sellers vary quite a bit.

More Points to Keep in Mind

What John and Mary learned from their advisor, and what they finally decided, reflected not only their personal preferences and calculations but also their total financial situation. We do not reveal their final decision here because it is unique only to them, their previous retirement planning and their new retirement expectations.

You will find your own unique decision, which is based on your own situation and your own analysis of what will work for you. As you wrap things up, here are a few more things to think about.

Investment choices matter. If you take the lump sum and invest it in "safe" interest-bearing vehicles when interest rates are low, the gain on the investment

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after expenses may be minimal. If you invest the funds in stocks, your account is likely to grow in rising markets but fall in declining markets, creating volatility.

Try a combined solution. If your employer provides both a pension and a 401(k) plan, you can use the pension annuity for the monthly income and the 401(k) for the lump sum. If you don't have a 401(k), ask if your pension plan would allow you to take a "partial lump sum" and take the remaining money as a (reduced) pension annuity. Or, if you are offered the lump sum in full, consider rolling it over into an IRA, and then buying an annuity in the retail market with part of the IRA money.

The NOLHGA Strategy

To learn about your state's guaranty fund, visit the National Organization of Life and Health Insurance Guaranty Associations website at www.nolhga.com.

Ask about guarantees. The [Pension Benefit Guaranty Corporation \(PBGC\)](#), a public insurer of pension plans in the United States, guarantees pension benefits up to a certain amount if a company's pension plan insured by the PBGC terminates with insufficient funds. If you take a lump sum distribution, you will lose this valuable protection. Then again, if you use the lump sum to buy a retail annuity, the "guaranty fund" in your state may provide protection in the event of insurance company bankruptcy. For even more protection, consider dividing your retail annuity funds among several annuity companies.

Coordinate with Social Security. Taking the lump sum may help you delay claiming your Social Security benefit at the earliest possible age (62) or even at your full retirement age (66 to 67). Postponement will enable you to receive a higher lifetime income benefit when you do start Social Security later. For instance, for each year that you postpone claiming Social Security after reaching your full retirement age, your monthly benefit increases by 8% up to age 70. For couples, one spouse may decide to claim theirs early while the other waits until age 70. To learn more about claiming Social Security benefits, read the SOA's Decision Brief on [Deciding When to Claim Social Security](#).

Protection in times of personal financial difficulty. Amounts paid as pension annuities continue during and after any personal financial difficulty and bankruptcy. That's because, under bankruptcy laws, future pension payments from tax-qualified plans are not subject to creditor claims. But you may be required to use any amounts already paid out as lump sums to help resolve the financial difficulties and satisfy debts.

Protection from financial scams and fraud. When you take your pension as guaranteed monthly income, you minimize the potential losses resulting from a scam or fraud, since the money is professionally managed. Any losses due to scams or fraud would mostly be limited to your monthly pension payments. If you take a lump sum, however, you could lose the total amount to scams and fraud,

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especially if the funds are invested in highly liquid products that could be an easy target of fraudsters.

Professional tax advice. For some people, tax issues can be complex. If that is your case, consider hiring an income tax professional to help with your lump sum decision. This professional will be able to assess your financial and personal situation and evaluate possible tax consequences of the pension annuity or lump sum payment. Yes, you will need to pay for this service, but in view of what might be at stake, it could be a smart move for you. Likewise, if Medicaid or other needs-based public assistance programs may be a consideration, you may wish to seek professional input on how to proceed.

Time Well Spent

Below you will find a chart that reviews some of the key points we have discussed here. Since the lump sum versus pension annuity decision can be extremely important to your retirement security, taking the time to explore these and other points raised in this Decision Brief will be time well spent.

More Insights and Information

- [Pension Lump-Sum Payouts and Your Retirement Security](#)—a guide for employees from the Consumer Financial Protection Bureau (CFPB)
- [Financial Smarts: Lump Sum Option](#)—a fact sheet from the Actuarial Foundation
- [Lump Sum Pension Payment](#)— fact sheet from the Women’s Institute for a Secure Retirement (WISER)
- [Participants Need Better Information When Offered Lump Sums That Replace Their Lifetime Benefits](#)—a report by the Government Accountability Office (GAO)
- [The Pension Benefit Guaranty Corporation \(PBGC\)](#)—an agency of the U.S. government

Summary of Advantages of the Lump Sum Decision

Electing a Pension Annuity	Electing a Lump Sum
<p>Advantages</p> <ul style="list-style-type: none">• The annuity provides a predictable stream of income, perhaps coordinating with the predictability of Social Security.• The monthly income keeps paying for the rest of your life (or the life of you and your spouse if you elect the joint-and-survivor option).• The annuity's guaranteed monthly payment simplifies finances, which becomes very important if you start struggling with money management as you age.• The monthly income, especially if it has cost-of-living increases or subsidized benefits, may provide more income in the long term than would a retail annuity purchased with the lump sum.• You won't be responsible for investing the money, won't need to worry about losing your ability to invest as you age and won't be subject to higher risk of loss of income due to fraud or cognitive decline.	<p>Advantages</p> <ul style="list-style-type: none">• The lump sum provides flexibility to choose when and how much to spend, including for unexpected expenses, and whether to invest the money for growth, inflation protection or other goals.• You can live on the lump sum funds while deferring Social Security to a later age when the benefit will be larger, or defer the decision of whether to purchase a retail income annuity.• You can bequeath unspent funds to others.• This may be a good choice if you are in poor health or expect to die early, because your heirs will get a larger sum than if you elected the pension annuity.• You can wait until you are older to purchase an income annuity; choose an annuity not available in the plan such as one with a built-in death benefit; and/or or buy an annuity with only part of the lump sum amount.

Summary of Disadvantages of the Lump Sum Decision

Electing a Pension Annuity	Electing a Lump Sum
<p>Disadvantages</p> <ul style="list-style-type: none">• The total benefits may be smaller if you die at a younger age since monthly payments may stop at your death (if you do not elect survivor protection).• The value of your pension beyond the fixed payments is not available on demand if you need it for extraordinary expenses.• Higher spending later generally will not be possible if the monthly payout has no cost-of-living increase option (most do not).• If you leave your employer before your monthly pension income begins, you will need to keep your contact information up to date with the former employer and keep track of the employer's contact information too.• The amount of your annuity could be reduced if the plan is terminated and has benefits in excess of the amounts insured by the PBGC.	<p>Disadvantages</p> <ul style="list-style-type: none">• If you withdraw too much, the lump sum assets may become so depleted that you will be unable to withdraw the amount you need in your later retirement years.• Scams, poor investment returns, bankruptcy or extraordinary expenses can also deplete the money you have left in your lump sum account to help fund your retirement expenses.• You will need to manage the funds or perhaps hire someone to do it for you, with no guarantee of success.• You could lose cost-of-living increases or other benefits in the annuity (varies by pension plan).• You and your spouse will have no guarantee of monthly income beyond Social Security (unless you later buy a retail annuity) and so could run out of money before your death.



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