

How to Roll Over a 401(k) - Transcript

Tom Mullooly: In episode 132, we're going to talk about something that we kind of take for granted over here at Mullooly Asset, but may be complicated for you. So stick around.

Welcome to the Mullooly Asset Show. I'm your host Tom Mullooly, and this is episode number 132. Thanks for tuning in.

I want to talk today about something that is a little mechanical, and something that we kind of take for granted here around the office, but for you it's something that you may do maybe one time in your entire life, and that's rolling over money from an old company plan like a 401k plan or a 403b teacher annuity, or a 457 deferred comp plan, something like that. You may do that once in your career or maybe twice, but we do it every day.

That was highlighted by none other than Jonathan Clements who has written for Forbes and has written for the Wall Street Journal, and has published nine books on investments, and was interviewed recently on Tim's podcast. We'll link to that in the show notes. He actually tweeted out this afternoon that he's been on the phone with Fidelity all afternoon. He's trying to help his wife roll over an old retirement plan from work from Fidelity Investments to Fidelity Advisors, or vice versa. But, these are things that are, these are just spider webs, rabbit holes of things that people can get lost in for hours at a time. We do this almost on a daily basis.

What we tell our clients is when you've decided that you want to roll your money over from your retirement plan into an IRA, if you're local, come into the office.

We'll sit down right here in the conference room and we'll just call whoever the plan administrator is, Fidelity, Vanguard, whoever, just calling them on a speaker phone.

If you're at home, even easier, we'll do a conference call. When we do get on the phone with the plan administrator and the client, the plan administrator at the call center is going to ask a couple of things. They're going to ask you for some identifying information, Social Security number, date of birth, things like that.

They're going to ask you do we have permission to discuss your account with whoever it is from Mullooly Asset Management on the phone.

So from there, we take it. So a couple of things are going to happen when it's time to roll over that money. Either a check will go directly from your plan into your new retirement account that we would manage at Mullooly Asset Management, or even better, the plan administrator can have a check sent directly to your home usually within a couple of days. It's not made out to you, so you don't want to endorse it, but it's usually made out to, for example, TD Ameritrade as IRA custodian for your name. So it goes to your address. It's not made out to you. It's made out to your new IRA custodian.

So, here's a guy, Jonathan Clements, who's written nine books on investing, had to spend the entire afternoon on the phone with Fidelity just to move it from one side of Fidelity to the other

side of Fidelity. This is stuff we can help you with. If you've got questions about this sort of stuff, get in touch with us.

Thanks for watching episode 132. See you next time.