Benefit Information for Exiting Employee

Your elected benefits deductions (partial or full, depending on your termination date and if there are enough wages available) will be taken out of your final regularly scheduled paycheck.

The following information explains your status of benefits as a benefit eligible employee exiting employment carrying Arcwood Environmental Benefits.

Anthem Medical, Delta Dental, and Anthem Vision Coverage

If you are enrolled in one or more of these plans on your last day of employment, your coverage will continue through the end of the month in which your employment ends. You may elect to continue your coverage through COBRA (The Consolidated Omnibus Budget Reconciliation Act).

COBRA gives workers and their families who lose health benefits the right to continue group health benefits for limited periods of time under certain circumstances. Coverage will be suspended until COBRA is elected and payment has been received. Coverage will be reinstated retroactively thereafter if applicable. If you do not receive COBRA information within 14 days, please contact HRPro at (248) 543-2644 Option 3.

Onsite/Nearsite Clinics (St. Vincent Ascension - Indianapolis, Indiana; River Valley Health - East Liverpool, Ohio)

If you are enrolled in the medical plan, your access to the health clinics will continue through the end of the month in which your employment ends. You will be eligible to continue using the clinics if you elect to continue your medical plan coverage through COBRA.

Health Savings Account (HSA)

Contributions to your Empower-OptumBank HSA through payroll deduction will end with your final regularly scheduled paycheck if funds are available. Do not close your HSA until after all contributions from your final paycheck have been deposited. All contributions (either employee or employer contributions) that have already been deposited are portable and are yours to keep.

You can continue to use the funds tax-free for qualified medical expenses and you are not required to close your account. If your account balance is below $3,000, a fee of $3.00 will be deducted from your account each month to cover the monthly administrative fee that Arcwood covered while you were employed. You can expect to receive a fee schedule from Optum within 30 days of their account changing, which will detail their new fees. For questions about managing your account after termination, **contact Optum at (866) 234-8913.**

Limited Purpose Flexible Spending Account (FSA)

If you are participating in a limited purpose flexible spending account, your pre-tax contributions will end on your final scheduled paycheck if funds are available. Eligible health expenses incurred on or before your last day of employment can be submitted for reimbursement within 90 days following date of termination. You will not be reimbursed for any amounts larger than you have contributed. You may elect to continue your limited purpose health care flexible spending account under COBRA on an after-tax basis.

Dependent Care Flexible Spending Account (FSA)

If you are participating in a dependent care flexible spending account, your pre-tax contributions will end on your final scheduled paycheck if funds are available. Eligible dependent care expenses may be submitted for reimbursement 90 days following the end of the plan year until you have spent down your account balance. This plan cannot be continued through COBRA after employment ends.

Long-Term Disability Insurance

Coverage terminates on your last day of active employment and is not eligible for portability.

Voya Life Insurance, AD&D, Critical Illness and Accident Insurance

Coverage terminates on your last day of active employment. You may be eligible to continue coverage, without evidence of insurability, through one of Voya's Portability or Conversion options. You have 90 days from your coverage end date to submit a Portability or Conversion application. This application period may be extended for up to an additional 45 days. Forms received after the application period may not be processed. You will also receive a notice in the mail from Voya explaining your options.

If you are interested in the Portability or Conversion options, please contact the **Voya at (877) 236-7564** to obtain the required election form.

Empower 401(k) Plan

You are 100% vested in your 401(k) account at the time of termination. The plan rules allow you to leave your money in the 401(k) plan if your account balance is over $7,000 or you can request a rollover or cash distribution from Empower directly by calling (844) 465-4455. You can access your 401(k) account by logging into **www.empowermyretirement.com**. You will also receive communication directly from Empower to help you explore your options.

Empower 401(k) Plan Loans

If you have a 401(k) loan at the time of termination, please contact Empower to discuss your repayment options. If you do not setup ACH repayment, the outstanding balance must be repaid by the end of the subsequent calendar quarter following the quarter in which your last payment was made. If the loan is not repaid, it will be defaulted and will result in a taxable event for you, as well as be subject to an additional 10% penalty if you're under age 59 ½. Call Empower at (844) 465-4455 or go to **www.empowermyretirement.com** to obtain your loan payoff instructions.

Paid Time Off (PTO)

You will be paid according to the company's PTO policy.

What do I do with my retirement plan account?

As you approach a job change, you have an important decision to make: What should you do with the money you've saved in Arcwood Environmental Retirement Savings Plan account? Here's a look at the choices that may be available to you:

1. **Leave your money where it is**

   If your vested account balance is greater than $7,000, you can leave your money in Arcwood Environmental Retirement Savings Plan until either of the following occur:

   - Your balance falls below $7,000.
   - You begin taking required minimum distributions (RMDs). As of January 1, 2023, the IRS generally requires you to start taking required minimum distributions (RMDs) at age 73. (If you turned 72 in 2023 and delayed your first-time RMD until April 1, 2024, you must take your 2023 RMD by April 1, 2024, and your 2024 RMD by December 31, 2024.)

   Some of the advantages of leaving your vested account balance in your account include the following:

   - Your contributions and earnings remain tax deferred.
   - You can continue to manage the investments in your account.
   - Your account balance has the potential to continue to grow through investment earnings.

Loan repayment if you leave your money where it is

If you leave your vested account balance in Arcwood Environmental Retirement Savings Plan, you may choose to do either of the following:

- Continue making payments on your outstanding loan balance until it is paid in full
- Repay the loan in full

Both of these options allow you to avoid taxes and potential penalties on a distribution of what you borrowed.

Call Empower at (844) 465-4455 Monday-Friday between 7 a.m. and 9 p.m. CST and Saturdays between 8 a.m. and 4:30 p.m. CST to establish ACH repayment. Or, go to **empowermyretirement.com** to obtain your loan payoff instructions.

IMPORTANT: If you do not elect, and follow through with one of these options, any outstanding loan balance will be considered in default at the end of the subsequent calendar quarter and be treated as a taxable distribution from the plan. This means your loan plus any accrued interest is treated as a plan distribution so that you must pay income tax for the calendar year of the deemed distribution on the loan's outstanding principal balance plus accrued, but unpaid, interest. Additionally, if you are under age 59½, you will be required to pay a 10% IRS penalty tax on this distribution. No income tax will be withheld relating to this deemed distribution. You will receive a Form 1099-R after the end of the year in which the deemed distribution occurs that contains the necessary information for you to file your personal tax return.

2. Roll over your funds into a traditional IRA

You may be able to roll over some or all of your account balance to a traditional IRA — giving you the benefits of continued tax-deferred saving, new investment choices, and flexibility. As with any financial decision, you are encouraged to discuss moving money between accounts, including rollovers, with a financial advisor and consider any costs, risks, investment options, and limitations prior to investing. Initial and/or annual fees may apply.

3. Roll over your funds into a Roth IRA

You may have the option of rolling over your savings into a Roth IRA. By rolling your designated Roth savings into a Roth IRA, your money can potentially grow tax-free. Withdrawals are only tax free if taken with a qualified distribution.

Any pretax savings you roll over into a Roth IRA will be subject to ordinary income tax. For example, let's say you have a pretax savings amount of $20,000. Using a 25% combined federal, state, and local tax rate you would be required to pay $5,000 in taxes, leaving you with a rollover amount of $15,000. If you are under age 59½, you would also be responsible to pay the 10% IRS tax penalty for early withdrawal. This means you would pay a total of $7,000in taxes, leaving you with a rollover amount of $13,000. For more information on possible tax implications, please consult your tax advisor. Initial and/or annual fees may apply.

4. Roll over your funds into your new employer's plan

You may be able to roll over some or all of your account balance to your new employer's plan (if permitted by the plan). This option would allow you to contribute to your new plan and be eligible for employer contributions (if applicable).

5. **Take your assets in cash**

You also have the option of taking a cash distribution, but keep in mind that the money you withdraw may be subject to federal and state taxes and an early withdrawal penalty if you're under the age of 59½. Not to mention, cashing out your account means you'll have to start over with regard to preparing for retirement. See the example below to understand what this option may cost you.

	CASH DISTRIBUTION	ROLLOVER TO IRA/ELIGIBLE PLAN
Retirement account balance	$10,000	$10,000
20% federal income taxes	$2,000	—
5% state and local income taxes	$500	—
10% early withdrawal penalty[1]	$1,000	—
Ending balance	$6,500	$10,000

FOR ILLUSTRATIVE PURPOSES ONLY. This hypothetical example assumes a single tax filer under the age of 59½, a 20% federal income tax bracket, and 5% state and local income taxes. State locality tax withholdings are different and may not apply to a distribution.

Loan repayment if you take a distribution

If you take a partial distribution, any outstanding loan balance will be defaulted and treated as a taxable distribution from the plan. This means your loan plus any accrued interest is treated as a plan distribution so that you must pay income tax for the calendar year of the deemed distribution on the loan's outstanding principal balance plus accrued, but unpaid, interest. Additionally, if you are under age 59½, you will be required to pay a 10% IRS penalty tax on this distribution. No income tax will be withheld relating to this deemed distribution. You will receive a Form 1099-R after the end of the year in which the deemed distribution occurs that contains the necessary information for you to file your personal tax return.

If you take a full distribution, the loan will be offset at the time the distribution is processed. This means your distribution will be reduced by the amount of the outstanding loan balance, assuming there are sufficient funds to pay off the outstanding loan amount.

For more information, contact Empower at (844) 465-4455 Monday-Friday between 7 a.m. and 9 p.m. CST and Saturdays between 8 a.m. and 4:30 p.m. CST or visit empowermyretirement.com.

[1] Withdrawals are subject to ordinary income tax. A 10% early withdrawal penalty may apply to withdrawals made prior to you reaching age 59½. The 10% early withdrawal penalty does not apply to eligible governmental 457(b) plan withdrawals.