

RETIREMENT BONUS AND TRANSITION GUIDE



NEARING RETIREMENT

If you are nearing retirement and aren't sure what to do to prepare, this guide outlines important company benefits, retirement considerations, and retirement bonus information to help you transition successfully.

Retirement planning involves more than selecting a retirement date. We encourage you to review benefit elections, financial planning needs, and post-employment considerations well in advance of retirement.

This guide may not address every individual circumstance, so you are encouraged to consult with a financial advisor and/or tax professional regarding personal financial decisions.

RETIREMENT BONUS

ELIGIBILITY

Regular, full-time employees who are:

- At least age 60, and
- Have a minimum of 10 years of service (Arcwood plus prior service with acquisition company) at the time of retirement

are eligible for the Retiree Service-Based Payout.

RETIREMENT NOTICE

Notice of an employee's intention to retire should be provided to their immediate supervisor and HR a minimum of 60 days prior to the retirement date.

Exceptions to the 60-day notice requirement may be made for retirements due to medical reasons or other unforeseen circumstances outside of the employee's control.

AMOUNT OF PAYOUT

Years of Service	Gross Bonus Amount
10-14	\$5,000
15-19	\$7,500
20-24	\$10,000
25+	\$12,500

PAYMENT & TAXATION OF PAYOUT

- The eligible, one-time payment will be issued upon termination.
- The payout is treated as supplemental wages for purposes of tax withholding.
- The gross amount will be reduced by applicable tax withholding and 401(k) employee contribution deferrals



RETIREMENT PREPARATION CHECKLIST

☐ MEDICAL PLAN AND/OR DENTAL / VISION PLAN

Do you plan to elect COBRA?

COBRA can generally be purchased for 18 months and is the same coverage you have as an active employee except the premium you pay includes the company portion.

If you are eligible for Medicare (age 65) when electing COBRA, COBRA will be your secondary coverage. If you become Medicare eligible while on COBRA, you are no longer eligible to continue COBRA coverage even if you have not exhausted your 18 months of coverage.

☐ 401(K) PLAN

Are your 401(K) investment choices in line with your retirement timeline? What is your withdrawal strategy?

Review your retirement account to make sure the allocations are appropriate for the spend-down phase of your life. Carefully review the steps for taking a distribution and consider how much you'll need to make your money last over time.

- Review investment allocations and risk tolerance
- Confirm beneficiary information is current
- Contact Empower regarding distribution options

☐ HEALTH SAVINGS ACCOUNT (HSA)

Do you want to increase your HSA contribution before retiring?

You may want to consider increasing your balance in your HSA account to help with medical expenses in retirement.

Once you are enrolled in Medicare, you are no longer eligible to contribute to an HSA.

☐ LIFE INSURANCE AND CRITICAL ILLNESS

Do you want to keep your basic and/or voluntary life Insurance and critical illness coverages?

Group life insurance and critical illness may include conversion or portability options which allow employees to continue all or part of their insurance coverage when employment ends.

- Review beneficiary designations
- Contact Voya regarding continuation information

☐ EMPLOYEE ASSISTANCE PROGRAM (EAP)

You should begin the emotional transition to retirement prior to stopping work.

Consider utilizing available EAP resources and support services as you prepare for retirement.

☐ PAID TIME OFF (PTO)

Schedule and use your available PTO time.



OTHER ITEMS TO CONSIDER

☐ CREATE A RETIREMENT BUDGET

Assess what your post-retirement expenses will be. Take into account healthcare costs but also things that might go away, like commuting costs.

There are many resources to pull from including Empower and AARP. Underestimating expenses is one of the biggest retirement mistakes people make.

☐ DETERMINE WHEN TO COLLECT SOCIAL SECURITY

You may want to use the Social Security Benefits Calculator on ssa.gov/benefits/calculators or AARP's website www.aarp.org to help you analyze your options and timing.

☐ CONSIDER YOUR HEALTH CARE OPTIONS

Talk to an advisor or individual health care insurance agent to find a supplemental Medicare policy or an individual policy if you and/or your spouse will have a period of time before qualifying for Medicare.

HealthMarkets is a resource to help you understand the many health and related insurance options available so you can make the best choice. Best of all, their service is free. Shop for plans at www.healthmarkets.com or call (888) 982-5467.

☐ CONSULT WITH A FINANCIAL ADVISOR AND/OR TAX PROFESSIONAL

Review your investments, income strategies, legal documents, and tax implications. You will want to do your best to ensure a smooth transition into retirement.

☐ DECIDE IF OR HOW MUCH YOU WANT TO WORK AFTER RETIRING

You may want to start a new part-time career or may need supplemental income.

Be realistic about what you can and want to do in retirement, as well as what opportunities may be available to you. Consider researching opportunities prior to retirement.

☐ MAKE SURE YOUR ESTATE PLANNING IS UP-TO-DATE

Work with an attorney to create or update a will or trust, assign a power of attorney for emergencies, and have an advanced medical directive in place.

☐ IF MARRIED, CONSULT WITH YOUR SPOUSE AND MAKE A PLAN TOGETHER

If you both work, determine whether one will retire first or both will retire at the same time. Consider getting involved in separate activities and planning different goals and routines for retirement.

☐ MAKE A "BUCKET LIST" OF THINGS YOU WOULD LIKE TO DO IN RETIREMENT

Your list may include travel or experiences, but also could include spending time with grandchildren, writing a family history, playing golf regularly, organizing photos, volunteering, and more.

Factor the cost of these activities into your budget.

☐ TAKE CARE OF YOURSELF

Schedule your checkups and preventive exams prior to retiring, including dental and eye exams.

At each appointment, work with your provider on a plan to improve or maintain your health.

CONTACTS

01

401(k) Empower
empowermyretirement.com
(844) 465-4455

02

HSA
empowermyretirement.com
(800) 331-5455

03

Life and Critical Illness Insurance
voya.com
(877) 236-7564

04

TELUS Health EAP
one.telushealth.com
(833) 303-3750 or (919) 341-7440

05

COBRA
hrpro.com
(800) 989-8776

