



The Path to Your Retirement ...

To help you prepare for the months leading up to retirement

This guide will provide you with important information to consider in the months leading up to your retirement. Your FedEx benefits as well as a variety of other components are vital to your retirement planning and preparation. The most current version of the guide is always available on plantoday.fedex.com.

Applicable for employees of the following company:
FedEx Freight, Inc.

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Approximately 12–18 Months Before Retirement

Review your total projected household income in retirement to determine the income you will have available. Then, prepare a post-retirement budget to determine if you will have a gap. Developing a budget will help you determine any necessary post-retirement spending adjustments, especially as you consider financial issues such as health care costs and long-term care insurance.

Determine what health plan options are available for you. Your decision to retire on a specific date may be influenced by your options related to the continuation of your health benefit programs. Once you retire, you will have the opportunity to continue certain benefits under COBRA continuation of coverage. The cost of COBRA coverage is significantly higher than the premium you pay for coverage as an active employee. This premium cost should be considered when planning your retirement.

COBRA may be continued for a period of up to 18 months in most cases. At the end of your maximum COBRA period, you may qualify for additional plan options through National Health Access (NHA). Plan options with NHA will differ from COBRA options and can be continued beyond the 18 month period of COBRA; some restrictions may apply. You should also consider any other plan options for which you may qualify such as Medicare or access to other plans such as those provided through a spouse's plan.

For questions related to COBRA premiums and options, contact the FedEx Benefits Center at 1.800.888.5622, Monday through Friday, 7 a.m.–7 p.m., Central time. Plan options and premiums related to National Health Access (NHA) can be reviewed at www.nationalhealthaccess.com.

Estimate your health care and other extraordinary costs after retirement which may impact your decision to retire on a specific date. You should expect the monthly cost of any health coverage after retirement to be considerably higher than the monthly cost of your health coverage as an active employee. A web search is one way you can get online quotes for personal health coverage from various health insurance providers. You may also refer to the above information related to options specific to COBRA and National Health Access.



Review sources of income to determine what might be available to your spouse/beneficiary if you die first in retirement, taking into account any life insurance benefits you may have in effect. Consider the option of electing a form of payment in the Pension Plan that will provide benefits for your spouse/beneficiary in the event of your death. Another consideration is whether your spouse will have his or her own personal retirement benefits.

Review your beneficiary designations periodically and update as needed. Keep in mind potential FedEx benefit plans and programs such as your 401(k) Plan, your Portable Pension Account in the Pension Plan, savings accounts at the FedEx Credit Association, any company-provided or optional life insurance, as well as policies or other benefits you may have outside of FedEx.

Review your Retirement Savings Plan – 401(k) investment fund selections at least annually to determine if you should either rebalance or reallocate your portfolio. These strategies will help you manage risks through a personal asset mix of stocks, bonds and/or short-term reserves. Additionally, as you approach retirement, you may want to protect your assets from the volatility of stocks. You can find investment related information at vanguard.com/retirementplans or call Vanguard at 1.800.523.1188, if you have questions.

Estimate your projected benefits in the Pension Plan. Access retirement.fedex.com or call the FedEx Retirement Service Center at 1.855.604.6221.

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Take advantage of Catch-up contributions in the 401(k) Plan, if you are eligible, beginning as early as the calendar year you reach age 50.

Consider how you will handle financial emergencies during retirement. Make an effort now to eliminate debt and pay off obligations for large purchases. Also, consider such things as replacing major appliances, heating and air conditioning systems and any other home and auto related items.

Develop good health habits now. Research shows that many diseases can be avoided through proper diet and exercise. Make healthy food choices and find an activity that you enjoy and make it a habit.

Approximately 9–12 Months Before Retirement

Consider your need for individual disability or life insurance coverage, since any company-provided disability and life insurance benefits will end when you retire from FedEx. You may be eligible to continue your life insurance coverage through the portability/conversion option under the Group Life Plan. To obtain more information regarding these options, contact the FedEx Benefits Center at 1.800.888.5622.

Benefits under the Short and Long Term disability plans are not eligible for continuation and will end upon your retirement.

Consider your need for long-term care insurance, especially since Medicare does not cover long-term care. Basic information on long-term care insurance is available from the U.S. Department of Health and Human Services at: www.longtermcare.gov.

Gather and inventory your important papers such as birth certificates, marriage certificate, copy of your will, insurance policies, Social Security card, tax data, deeds, titles, beneficiary forms, statements from investments and pension plans. Let your family members and beneficiaries know where to access these critical documents (e.g., home safe, bank safe deposit box, other offsite location). Note: The court needs your original will for probate. Generally, the best place to store the original will is with the lawyer who prepared it (if you have one).

Review your estate planning. Before you pass over this subject as too hard or because you think a will may have you completely covered, think again. Your estate consists of all types of assets, including your home, checking and savings accounts, stock, retirement accounts, collectibles, property, personal belongings, cars, etc. So, estate planning really is for everyone—not just financial moguls. A comprehensive estate plan will take care of what happens to your assets upon your death as well as if you become incapacitated.

Here are a few things to keep in mind about a will: If you have minor children, you need a will to document their guardianship. Generally, a will only controls assets that are

titled in your name and it won't apply to 'contract-controlled' assets such as life insurance, your 401(k) Plan benefits or vested benefits in the Portable Pension Account; other assets in your will must go through probate upon your death. Probate is a legal (public) court process that can be expensive and lengthy (possibly taking up to two years) for your family and heirs.

How do you get started on estate planning? It's usually best to select a trained professional to guide you. Some of the questions to be addressed are: How much do you own? How should your assets be divided upon your death? Who can manage your financial and medical decisions if you are unable to do so? Do you presently have minor or dependent children?

There are various estate planning methods you should discuss with a professional once you've thought about your objectives. For your financial assets, you may want to consider a will, a pour-over will, durable power of attorney and/or a living trust. For your health and medical decisions, consider a living will or an advance directive for health care. The professional can explain all available options to you, as well as specific tax laws and probate laws in your state. With their expertise, an estate plan can be established that will best accomplish your personal objectives.

While it will cost you some on the front end to have the appropriate documents prepared, you'll most likely save your family and heirs an expensive and lengthy court process upon your death. And, peace of mind . . . is priceless.

Consider how large purchases will be financed during retirement, such as a car, appliances, home maintenance or renovations, etc.

If you plan to move to another area, have you adequately researched the new location? Consider things such as: the cost of living, health care facilities and cultural opportunities. The area's local Chamber of Commerce can be a great resource. And, before you make a move, consider an extended stay in the area to determine if it's right for you and your family.



Approximately 6–9 Months Before Retirement

Take advantage of pre-retirement education materials that address topics such as lifestyle changes, developing a hobby, staying healthy and volunteer opportunities. LifeCare's website includes a wealth of information related to these topics and more. You may start by reviewing information under the sections titled "Finance," "Legal," and "Health and Wellness."

Log on to <http://worklifebalance.lifecare.com>. Not registered yet? Follow the "New Users Sign Up" link and enter your registration code and Member ID. Your registration code is **fedex** and your Member ID is your FedEx Freight employee ID with leading zeroes up to 10 digits, e.g., 0001234567. For log on assistance, contact the Help Desk at 1.888.604.9565. To receive information about the WorkLife Balance Program through LifeCare, call 1.877.543.3339, 24 hours a day, 7 days a week.

Note: LifeCare benefits are available only to active employees.

If you will be eligible for Medicare (usually age 65) at retirement, you should apply for Part B of Medicare when the employer-sponsored insurance coverage ends. Only Part A is automatic. Notify the Social Security Administration when you reach age 65 by contacting your local Social Security office; call 1.800.772.1213 or go to their website at www.ssa.gov.

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Educate yourself on the need for a Medigap, Medicare Advantage or Medicare Part D policy, which supplements Medicare once Medicare begins. Basic information on Medicare options can be found at: www.medicare.gov.

Approximately 3–6 Months Before Retirement

Consider the selection of your actual retirement date.

Under the Pension Plan, eligible employees accrue a year of service once they have been credited with at least 1,000 hours of service during the plan year (June 1–May 31). For example, if your retirement date is October 31, you may not accrue a year of service for the plan year. Please give careful consideration to your credited hours before selecting your date of retirement.

Also, please note that benefits from the Pension Plan are paid the first of the month coincident with or following your retirement date, assuming you have made your pension plan choices, as well as confirmed and authorized your choices. For example, if your date of retirement is November 2 or November 30, you will have the same benefit

commencement date of December 1. A retirement date of November 1 could have a benefit commencement date of November 1.

Important: generally, your *first* monthly benefit will be processed about one to two months after your retirement date. Any delays with the submission of required forms or the processing of your retirement date in the FedEx Human Resources Information System may delay when your first payment can be made.

Decide when you want to start receiving your Social Security benefits. It is important to understand that your full Social Security retirement age is older than 65 if you were born after 1937. For people born in 1938 or later, the full Social Security retirement age increases gradually until it reaches age 67 for people born after 1959. For example, if you were born in 1955, your full Social Security retirement age is 66 and two months. However, no matter what your full Social Security retirement age is, your benefits can begin as early as age 62 or as late as age 70. If you begin receiving benefits prior to your full Social Security retirement age, your benefits will be reduced for the longer period over which benefits are



expected to be paid. Your decision to start your Social Security benefits should be based on your specific circumstances.

You should review the SSA Publication No. 05-10147 titled 'When to Start Receiving Retirement Benefits' to learn how your decision will impact you and your family. You can access the publication via www.ssa.gov by selecting 'Forms and Publications / Retirement Benefits.' Additionally, at www.ssa.gov you can access a chart that shows how much your benefit would be reduced from your full retirement age to age 62 by selecting: Retirement / Plan For Retirement / Find your full retirement age.

Apply for your Social Security benefits at least three months in advance of when you want your benefit to start. To do so, you must file a separate application with the Social Security Administration. For information on Social Security benefits, contact your local Social Security office, call 1.800.772.1213 or go to their website at www.ssa.gov.

Run an estimate of your Pension Plan benefit to get the most up-to-date information on your accrued benefits. Log on to the internet at any time at retirement.fedex.com, or you can call the FedEx Retirement Service Center (RSC) at 1.855.604.6221 for assistance.

Start thinking about what you want to do with your Retirement Savings Plan – 401(k) account. You may want to leave it invested in the Plan, roll it over to an individual retirement account (IRA) or withdraw it. A distribution must be made by the time you reach age 70. You do not have to take a distribution from your 401(k) Plan at the time you retire if you are under age 70. Also, keep in mind any other retirement savings accounts you may have outside of FedEx.

Approximately 1–3 Months Before Retirement

You may choose to defer your benefits from the FedEx Pension Plan. Based on your individual circumstances, you may decide to defer the commencement of your Pension Plan benefits to a later date. Contact the FedEx Retirement Service Center (RSC) with any questions you may have about your benefit commencement options.



Request a retirement kit, if you have a vested Pension Plan benefit. You should log on to retirement.fedex.com or call the FedEx Retirement Service Center (RSC) at 1.855.604.6221 **at least 30 days but no more than 90 days** prior to your benefit commencement date to begin the retirement process.

You will receive a retirement kit which will include your Pension Plan benefit calculation, explanation of available forms of payment, and next steps in order to start receiving your benefits.

Please complete your retirement process as early as possible in order to allow enough time to fulfill all requirements.

Health care options and costs should be a major focus as you approach your actual retirement date.

Review the "What To Do When / Benefits After Retirement" section of the most current *Your Retirement Benefits (YRB)* book for additional details on your Pension Plan and RSP benefits. The *YRB* is available to you on retirement.fedex.com, the FedEx Benefits Online website at fedex.ehr.com in *My FedEx Benefits*, under *Your Benefits Books – Summary Plan Description (SPD)* or on the FedEx intranet at **Keyword: YRB**.

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Verify your home mailing address in the FedEx Freight Human Resources Information System. If you need assistance, your manager or Human Resources Advisor can help you.

If you plan to work after retirement, stay informed about the Social Security earnings limits and the benefit offset that occurs after exceeding those limits. Go to www.ssa.gov and search on 'getting benefits while working.'

Less Than 30 Days Before Retirement

Notify your manager *in writing* of your intent to retire, prior to your retirement date. You or your manager should also complete the Retirement Notification Form. Prior to your last day of work, your manager must submit a completed Personnel Change Request (PCR) to the FedEx Freight Human Resources department at the Harrison General Office. The PCR prompts your final paycheck and the payout of any remaining vacation or personal/sick time balances, if applicable.

If the PCR is not submitted in a timely manner, your initial pension plan benefit payment may be delayed as well as your receipt of any information from FedEx regarding your health care options.

Submit all required Pension Plan forms to the FedEx Retirement Service Center (RSC). Your retirement kit will provide instructions on how to make your Pension Plan choices. Ensure you respond before the deadline shown in your kit. After you make your choices, you must confirm and authorize your choices with the FedEx Retirement Service Center.

Keep copies of all completed forms as well as your original retirement kit.

A retiree verification letter will be issued upon request to eligible employees verifying their retirement status with the company. Contact Human Resources for additional information.

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In order to receive your benefits from the Pension Plan and/or the RSP, you cannot be an active employee at any domestic or international FedEx company.

After Retirement

Review the COBRA packet and make your election by the stated deadline(s). It is very important to understand the deadlines if electing COBRA. If deadlines are not met, you will lose your option to continue coverage under COBRA. Review your material and know your rights.

Consider your Retirement Savings Plan – 401(k) distribution options once you are no longer employed by any FedEx company. You may receive a one-time distribution of your entire account balance. Vanguard will send information to apply for your benefits no earlier than 45 days following your termination or retirement date as reflected in the FedEx Human Resources Information System. Or, if your RSP balance totals more than \$1,000, you may defer receiving your benefits up to age 70.

The FedEx Retiree Club invites you to join. As a member of our Club, you can stay connected with the people you have worked with over the years as well as build new friendships. Participation is what you make it! Stay in touch with current club activities via our world-class newsletter and website. Or get more involved by participating in monthly luncheons, vendor and benefit fairs and other ongoing club activities. If you choose, you can make a positive difference by engaging in any of the many volunteer opportunities offered.

Membership is open to anyone who retired from a FedEx Company (worldwide). We also welcome active or former employees who have five years permanent continuous service and are participating in a FedEx retirement plan.

For more information, please go to our website at www.ferc1.org.

If you are rehired by any FedEx company after you begin receiving your pension benefits, your benefits will be suspended if you are credited with seventy (70) or more hours during the month. If you are considering reemployment in a FedEx company after retirement, you should contact the FedEx Retirement Service Center or refer to the *Your Retirement Benefits (YRB)* book for more information.

You may be eligible for a Retiree Reduced-rate Shipping account. To be eligible for this benefit, at the time of leaving the Company, the employee must be at least age 55, have at least five years of permanent continuous service, voluntarily resigned and have a rehire status of yes or conditional.

To apply for your Retiree Reduced-rate Shipping privilege, you must complete the request form titled, 'FedEx Retiree Discount Shipping Privilege Request Form.' The form is available on the FedEx Benefits Online internet site at fedex.ehr.com. Simply navigate to *My FedEx Benefits / Forms* in order to download a copy of the form. Mail or fax the completed request form to the address or fax number indicated *after* your retirement date has been entered in the FedEx Human Resources Information System. You can also email the form to:

EmployeeDiscountShipping@corp.ds.fedex.com.



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Using **fedex.com** to prepare retiree shipments is the preferred method of obtaining the Retiree Reduced-rate Shipping discount. You may take packages directly to the shipping location to obtain the discount as well. You must have a valid FedEx retiree letter at the time of the shipment.

It is the retiree's responsibility to ensure retiree account number information is kept current. This includes updating credit card information at the beginning of the month in which your credit card will expire. Retirees should also update account information if you change home address, telephone number or email address. To update your account information, log on to **fedex.com** and use Manage My Account. You may also contact Revenue Services at 1.800.622.1147 regarding account updates.

Retiree Reduced-rate shipments are subject to all restrictions and guidelines found on the Employee Discount shipping website at **fedex.com** and use Manage My Account.

FedEx Employees Credit Association membership is available to all FedEx employees, FedEx retirees, immediate family and household members. Simply open a Savings Account and establish your membership by purchasing your \$25 par value share of membership to start enjoying the many products and services we offer. The \$25 par value will remain in your Savings Account the entire time you are a member, and will be available to you if you decide to discontinue your membership in the future.

In addition to FedEx employees and FedEx retirees, the following immediate family and household members are eligible for membership:

- **Spouse, Children, Parents, Siblings, Grandparents, Grandchildren, Household members**

Regardless of your employment status with FedEx – *Once a member, always a member.* As long as your share account maintains the minimum balance and your account remains in good standing per the terms of the membership agreement, then you're a member for life.

Go to the website **www.fecca.com** for additional information. Member services can be contacted Monday through Friday from 7:30 a.m. to 5:30 p.m. Central time, or toll free at 1.800.228.8513. In the Memphis area, call 1.901.344.2500. (Note: Memphis area calls to the 800 number will result in a busy signal.)

If you move to another state, you may need to update your will under that state's laws. Additionally, you should contact Vanguard and the FedEx Retirement Service Center to report your change of mailing address.

If you participated in the Employee Stock Purchase Plan (ESPP), contact Computershare at 1.800.326.6150 to discuss your options in the plan.



Resources available for you

If You Need To:	Via the Web or email at:	Via the Phone:
<ul style="list-style-type: none"> Take advantage 24/7 of your gateway to retirement education. Get retirement planning information. 	plantoday.fedex.com	
<ul style="list-style-type: none"> Project your retirement income. Choose or update your PPA beneficiary. View Plan information. Begin your pension payment. 	retirement.fedex.com (Your user ID and password are required.)	FedEx Retirement Service Center (RSC) 1.855.604.6221, 8 a.m.–6 p.m., Central time, Monday–Friday.
<ul style="list-style-type: none"> Review information in the Your Retirement Benefits book. 	retirement.fedex.com , FedEx Benefits Online at fedex.ehr.com or on the intranet at Keyword: YRB .	
<ul style="list-style-type: none"> Access your RSP personal account. Change your investment options. Designate your beneficiary(ies). Request a distribution packet. 	vanguard.com/retirementplans (Your user name and password are required.)	Vanguard 1.800.523.1188. VOICE® Network 24 hours a day, or speak to a Vanguard associate 7:30 a.m.–8:00 p.m., Central time, Monday–Friday. Spanish speaking: 1.800.828.4487. Hearing impaired: 1.800.523.8004.
<ul style="list-style-type: none"> Review information in the Your Employee Benefits book. 	FedEx Benefits Online at fedex.ehr.com	FedEx Benefits Center 1.800.888.5622, 7 a.m.–7 p.m., Central time, Monday–Friday.
<ul style="list-style-type: none"> Obtain information on Social Security benefits. Calculate your Social Security benefits. 	www.ssa.gov and www.socialsecurity.gov/estimator	Social Security Administration 1.800.772.1213.
<ul style="list-style-type: none"> Access your personal account in the Employee Stock Purchase Plan (ESPP). 	www.computershare.com/employee/us You will need your SSN and PIN to access your personal account.	Computershare Interactive Voice Response System 1.800.326.6150. 8 a.m.–7 p.m., Eastern time, Monday–Friday.
<ul style="list-style-type: none"> Review pre-retirement education materials. Speak with a representative on any work/life balance concerns. 	http://worklifebalance.lifecare.com	LifeCare 1.877.543.3339. 24/7 assistance TDD/TTY service: call 1.800.873.1322. Note: Available to active employees.
<ul style="list-style-type: none"> Get information about the FedEx Employees Credit Association and the services offered. 	www.fecca.com	1.800.228.8513 or in the Memphis area call 1.901.344.2500.
<ul style="list-style-type: none"> Get information on the FedEx Retiree Club. 	www.ferc1.org	

This guide applies to eligible employees participating in the following plans:

FedEx Freight Pension Plan (Pension Plan)

FedEx Corporation Retirement Savings Plan (093111)*

FedEx Corporation Retirement Savings Plan for Puerto Rico (093851)*

*Collectively referred to herein as RSP.

This guide applies to employees of the following operating company:

FedEx Freight, Inc.



FedEx Retirement Service Center
P.O. Box 1495
Lincolnshire, IL 60069-1495

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Plan Today, for tomorrow.

A decorative wavy line in a light blue color, positioned below the text "Plan Today, for tomorrow.".

The Path to Your Retirement guide

To help you prepare for the months leading up to retirement.

This guide is also available from the Home Page of **plantoday.fedex.com**.
Make sure to check the website periodically for updates to the guide.