

Questions You May Have

Will I receive my pension benefit sooner if I start the process more than 90 days prior to my planned retirement date?

You are not able to request your benefit more than 90 days prior to your planned retirement date.

If the receipt of my pension benefit is tied to my last day of work, why do I have to start the process 90 days prior to my retirement date?

The final step in the approval process for your pension benefit is notification by Eaton to Fidelity that you indeed have retired. This cannot happen sooner than the week after your last day worked. Fidelity will be able to calculate your final pension benefit once all final payroll information is received. Depending on your payroll cycle, this generally takes two to three weeks following your last day worked.

However, all of the paperwork Fidelity needs for your pension benefit to be processed must be accurately and totally completed and entered into Fidelity's systems for the calculation to begin. The 90-day lead time period allows you to collect and submit all necessary information to Fidelity.

What happens if I start the process less than 90 days prior to my last day worked?

The receipt of your pension benefit could be delayed by the amount of time you delay initiating the process. From your initial phone call to the Eaton Service Center at Fidelity 90 days prior to your planned retirement date, through the receipt of your pension benefit—two to three months after your last day of work—the retirement process takes five to six months. If you start the process after your last day of work, you are no longer eligible for a Retirement Benefits Coordinator.

If I'm a participant in the Eaton Personal Pension Account (EPPA), will I have a Retirement Benefits Coordinator (RBC) assigned, even though I don't meet Eaton's standard service and age requirements for retirement when I leave Eaton?

If you are an EPPA participant, you must be age 55 with 10 years of service to have an RBC assigned.

What are my options for my Savings Plan account?

Because federal regulations and income tax laws are complex and subject to change, be sure to consult a financial planner or tax specialist for advice about your options.

Speak with the Eaton Service Center at Fidelity about the specific plan provisions.

However, you generally have the following three choices:

- 1) If your account balance is greater than \$5,000, you can leave your money in your Eaton Savings Plan account, which will continue to grow tax-deferred until you are required to begin withdrawals, generally at age 70½; or
- 2) You can directly roll your money over into an IRA or another employer's plan, or
- 3) You can withdraw all or part of your balance according to government regulations. These regulations include specific ages at which you can initiate the withdrawals and define how you will be taxed. Be sure you understand all tax implications and any penalties that may apply before you request a withdrawal.

When will my employee medical benefits end and when are my retiree medical benefits effective?

Your Eaton employee medical benefits are effective through the last day of the month of your last day worked. On your last day of work you will be enrolled automatically in retiree medical "default" coverage which consists of the Standard 80/20 option coverage for you and your dependents currently enrolled in your Eaton active employee medical benefit. You then have 45 days to contact your RBC to revise this coverage, if needed. You will not be assigned default coverage if you did not participate in active Eaton employee medical benefits.

Do I have to elect Eaton retiree medical coverage? What are my options if I don't?

No, you do not have to elect retiree medical coverage through Eaton. You may choose to waive Eaton retiree medical coverage in order to participate in another employer-sponsored health plan (for example, your spouse's coverage through his or her employer). You will not have an opportunity to enroll in Eaton's retiree medical coverage again until you are within 31 days of losing other coverage (such as coverage under a spouse's plan), or within 31 days of your becoming eligible for Medicare. Otherwise, you must wait six months from the day you call for coverage before coverage becomes effective.

What options do I have to pay for my retiree medical coverage?

- 1) Payments can be deducted from your bank account using the Automatic Bank Withdrawal (ABW) service; or
- 2) The cost can be deducted from your monthly pension check; or
- 3) Monthly invoices can be sent to you.

Should I enroll in Medicare?

If you are eligible for Medicare, be sure to enroll in the optional Part B supplemental coverage for office visits, laboratory testing and outpatient hospital costs. Eaton's plan provisions assume that you are currently covered under Medicare Parts A and B.

You should also investigate Medicare Part C Medicare Advantage plans or Medicare Part D for your prescription drug coverage. If you enroll in Medicare Part C, you will not be able to participate in Eaton retiree medical benefits. If you enroll in Medicare Part D, while still a participant in the Eaton retiree medical plan, you will lose the Eaton prescription drug portion of the benefit.

Depending on the cost of contributions, your health status and your personal annual health care expenses, Eaton coverage may or may not be the best choice for you. For some retirees, the best choice of coverage might be a combination of Eaton and Medicare—or no Eaton coverage at all. Be sure to revisit your choices each year. You can get more information from the Eaton Service Center at Fidelity, and the Centers for Medicare and Medicaid Services (CMS) at 877 267-2323, or www.cms.hhs.gov.

Can I continue my coverage for dental, vision or Employee Assistance Program (EAP) benefits?

You may continue your participation in these plans under COBRA, which generally is available to you for 18 months after your employment ends. The Eaton Service Center at Fidelity will send information and forms to you at the appropriate time.

EatonBenefits.com

Countdown to retirement. Your guide to planning ahead.



Are you thinking about retirement? Taking the leap into this next phase of your life takes careful planning. This brochure outlines the steps to take in the months leading up to your last day worked to ensure a smooth transition from employee to retiree.

As the timeline in the center of this brochure points out, you should start this process 90 days prior to the last day you intend to work in order to receive your pension benefit and transition to medical benefits in a timely manner.

In the meantime, if you are considering the possibility of retirement, be sure to visit Eaton Benefits on JOE or EatonBenefits.com to review your pension estimate and savings plan information, and confirm that your personal data remains up to date. You can also call the Eaton Service Center at Fidelity at 866-EATON01 (866 328-6601) to speak to a service representative.

Remember, you can model your pension benefits for retirement using the tools on NetBenefits as often as you like. You can speak to a health and welfare customer service representative to get information on retiree medical coverage options and current contribution costs.

Things to consider

Eaton recommends that you talk with a personal financial planner, tax specialist, or other trusted advisor as you make your decisions and complete your retirement process.

Be sure to consider:

- Eaton pension benefit and savings plan account balances, and any Eaton retiree medical and life insurance benefits you may be eligible to receive,
- Pension, savings plan and retiree medical benefits you and/or your spouse/domestic partner may be eligible to receive from other employers,
- Personal savings and other assets, and
- Social Security and Medicare benefits.

HELPFUL RESOURCES

U.S. Social Security Administration
www.ssa.gov

Medicare
www.medicare.gov

Eaton Service Center at Fidelity

• **Online:** Visit the Eaton Service Center at Fidelity online at EatonBenefits.com or at EatonBenefits.com. Or, log on to the Eaton Service Center at Fidelity at netbenefits.com.

• **By phone:** Service Representatives are available 866-EATON01 (866 328-6601), Monday through Friday (excluding New York Stock Exchange holidays) between 8:30 a.m. to midnight, Eastern time. TDD Service for the hearing impaired: 888 343-0860.

This flyer is not intended to create, nor will it be construed to form a contract or promise for either employment or a benefit. Participation in the plans is subject to all applicable terms and conditions of the plans. Full details about the plans are provided in the official Plan documents which govern the operation of the plans. Any differences between this flyer and the Plan Documents are not intended, but if any differences are found to exist, the Plan Documents will govern. The information contained in this flyer has been provided by Eaton Corporation and is the responsibility of Eaton Corporation.



Countdown to your Eaton retirement

This chart identifies the steps you should take as you prepare to retire from Eaton, and provides helpful tips on what actions you need to take and when to take them.

As you can see, you will need to give yourself plenty of time to make important decisions and complete the forms required in order to receive your pension and retiree medical benefits in a timely manner.

Your Retirement Benefits Coordinator (RBC) at the Eaton Service Center at Fidelity will be your main point of contact for completing the retirement process. Eaton recommends that you also consult a financial, tax or other trusted advisor to help you with your decisions.

When you are ready, contact the Eaton Service Center at Fidelity at 866-EATON01 (866 328-6601) and get started!

Before retirement

90 DAYS	75 DAYS	60 DAYS	45 DAYS	30 DAYS
<p>Contact the Eaton Service Center at Fidelity and request a Retirement Benefits Coordinator (RBC) to start the retirement process.</p> <p>He or she will be your single contact at Fidelity throughout the coming months as you prepare to retire from Eaton.</p> <ul style="list-style-type: none"> Once contacted, your RBC will prepare and mail a pension modeling statement to show all your pension options. If you already know how you wish to receive your pension benefit, you may elect it at this time. If you are eligible for retiree medical benefits, request a Medical Retirement Kit. 	<p>You will receive your pension modeling statement. If you made your pension benefit election when you initially contacted your RBC, you will also receive your Election Authorization Form.</p> <p>You will receive your Medical Retirement Kit separately if you are eligible for Eaton's retiree medical benefits and requested one from your RBC.</p>	<p>If you haven't done so, contact your RBC to make your pension benefit election. Your Election Authorization Form (EAF) will be mailed within two business days.</p> <p>If you received your EAF with your pension modeling statement but wish to change your election, call your RBC to request another EAF with your new pension benefit election.</p>	<p>Mail your signed Election Authorization Form and any other required documents to the Eaton Service Center at Fidelity.</p> <p>Your RBC will confirm in writing that forms were received, if they are in good order and if any additional paperwork or forms are required.</p>	<p>Your forms are being processed.</p>

WHAT YOU NEED TO DO				
<p>Check with your local Human Resources office to determine when you need to give notice of your planned retirement.</p> <p>Check your savings plan account balances and distribution options at retirement which may include rolling the balances over to an IRA or receiving a withdrawal.</p> <p>Because income tax laws are complex and you may be subject to federal income and excise taxes or state and local taxes, you should consult a financial planner or a tax specialist for advice about the effects of different pension and savings plan distribution options.</p>	<p>Review your pension modeling statement to decide how you would like to receive your pension benefit.</p> <p>Review all your retiree medical coverage options including Medicare or participation in another employer-sponsored health plan (for example, your spouse's coverage through his or her employer).</p>	<p>Be sure you submit all the required documentation by this date, and that all forms are completed correctly. If the paperwork submitted is incomplete or late, your pension benefit will be delayed.</p> <p>Make decisions about your Eaton savings plan account and take action. Consider revising your investment fund choices, if needed. Also consider what will happen to any savings plan loan you might have outstanding, and be sure to understand what your options are for withdrawals in the coming years.</p>	<p>Make final decisions about your retiree medical coverage and optional life insurance.</p> <p>Consider whether to continue your active employee dental, vision and/or EAP benefits through COBRA continuation. Your RBC can give you more information and assist with your enrollment, if applicable.</p>	<p>Revise your retiree medical coverage, if needed, from the default coverage, or enroll in retiree medical benefits, if applicable. Your benefits will be effective the first of the month following your last day worked</p>

Last day worked

Eaton will send Fidelity confirmation of your retirement. Fidelity will be able to calculate your final pension benefit once all final payroll information has been received. Depending on your payroll cycle, this may take two to three weeks.

You will be enrolled automatically in retiree medical "default" coverage if you are currently covered by Eaton medical plan benefits for active employees.

After retirement

45 DAYS

Your RBC will confirm the date you will receive your pension benefit. If you started the retirement process 90 days prior to your last day worked, you will receive your pension benefit two to three months after your last day worked.

TRACK YOUR PROGRESS ONLINE

You can check the progress of your retirement process online at Fidelity NetBenefits. Select the *Savings & Retirement* tab, click the link to your Pension Plan at the bottom of the page, then click *Status of Collecting Your Pension*. Use this great tool as a reminder of the steps you should take from your first call to the Eaton Service Center at Fidelity right through to tracking details about pension payments, amounts, and when the payment is being sent to you.