Your Road Map to Retirement

You're Retiring Soon – Congratulations!

Retirement is a big step. Over the next few weeks and months, you'll be asked to make many important decisions about your Land O'Lakes, Inc. benefits and your financial security. This easy-to-use guide takes you step by step through the Land O'Lakes retirement process. It also gives you information about some of the other things you need to know, do, and consider to make sure that your retirement starts off right.

How to Get Started

Just call YBR at **1-866-717-7699** to speak with a retirement specialist. Once you're connected to the system, say "representative." When prompted, say "initiating retirement within the next 90 days." Your specialist's job is to make the road to retirement easy, understandable, convenient, and hassle free. You also need to talk to your supervisor right away about your retirement plans. If you are 55 at retirement and have worked for at least 10 years, you will receive a retirement gift!

Online Tools and Information

As you plan your retirement, take advantage of the online tools and resources available to you. Visit the Your Benefits Resources Web site at www.ybr.com/landolakes for detailed, personalized information about your Land O'Lakes retirement benefits. You'll find easy-to-use modeling tools that will help you make decisions about your benefit options and take ownership of the retirement process.

For your security, you'll need your user ID and password to access Your Benefits Resources by phone or online. This is the user ID and password you previously used for accessing the Your Benefits Resources Web site or phone number for your Health and Insurance information, 401(k), and Pension. The password is the same to reach all three sections of the site.

If you forgot your password:

- Visit the Your Benefits Resources Web site and select an option to reset your password; or
- Call Your Benefits Resources at **1-866-717-7699** to reset your password using the automated telephone system, or speak the word "representative" for assistance.

TIP: START THE PROCESS EARLY

Start the process three months before you want to stop working. This helps ensure that your retirement benefits will begin on the date you have requested. Actual paperwork to commence your pension benefit and optional forms of payment should be provided no more than 90 days before the annuity start date; however, you may call prior to that time for an estimate.

Your Retirement Action Checklist

Use this checklist to keep track of what you need to do as you work through the retirement process.

Your Land O'Lakes Benefits

	WHAT YOU NEED TO KNOW	WHAT YOU NEED TO DO	HOW TO DO IT
Pension Plan (refer to pages 8 & 9) You are eligible for this plan if you were hired on or before 12/31/2005.	■ Talk to your retirement specialist about the timing of beginning your pension payments. ■ If you're vested in the plan, you've earned a pension benefit. Vesting occurs after working five calendar years with 1,000 hours or more each year. ■ Your age and service have a big impact on your amount of Pension Plan benefits.	☐ Choose the type of payments you want, as well as how and when you want to receive them. ☐ Return the required forms before your retirement date to make sure that your payments won't be delayed. ☐ Collect your bank or other account information if you would like to set up direct deposit.	Call your retirement specialist or go to **www.ybr.com/landolakes**.
401(k) Savings Plan (refer to pages 10 & 11)	■ Your plan contributions stop when your employment ends. ■ If you've taken a loan from the Plan and you have an outstanding loan balance at the time you retire, you can continue to make monthly payments or pay off the loan in a lump sum. ■ You can defer income taxes on your account balance by leaving your money in the plan. (You must begin taking minimum distributions beginning at age 70½.) Other options include taking some or all of it in cash, or rolling over some or all of it into an IRA. ■ You'll continue to choose how any money you leave in the plan is invested.	☐ Choose how and when you want to take money out of the plan.	Call your retirement specialist or go to **www.ybr.com/landolakes**.

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TIP: USE DIRECT DEPOSIT AND DIRECT DEBIT

Direct deposit makes receiving pension plan payments easy and convenient. Direct debit gives you a hassle-free way to pay retiree medical premiums. To set up direct deposit and/or direct debit, have your bank or other account information available as you work through the retirement process.

Your Land O'Lakes Benefits (continued)

	WHAT YOU NEED TO KNOW	WHAT YOU NEED TO DO	HOW TO DO IT
Medical Plan (refer to page 12)	■ Medical coverage that you have as an active employee ends the last day of the month in which you retire. **If you are under age 65:** ■ You (and your spouse or other dependents) may be eligible for the Retiree Medical Plan. If you don't enroll now and elect to do so in the future, you must provide proof of continuous employer group coverage. ■ If you were most recently hired by Land O'Lakes prior to October 1, 2002, you may receive a subsidy from Land O'Lakes that will help you pay for your coverage. ■ Your monthly Retiree Medical premium will be deducted from your monthly pension payment and/or billed to you. ■ Your coverage will end just before you reach age 65 and you will be provided information about Medicare supplement plans available to you. **If you are age 65+:** ■ An experienced OneExchange benefits advisor will help you select a Medicare supplement plan. ■ If you were most recently hired by Land O'Lakes prior to October 1, 2002, you may receive a subsidy that will help you pay for your supplemental coverage.	☐ If eligible, decide if you want to enroll. – If you don't want to enroll, you may temporarily continue your active employee medical coverage through COBRA. ☐ Enroll before your retirement date. ☐ Collect your bank or other account information if you wish to set up direct debit for your premium payments.	Call your retirement specialist or go to **www.ybr.com/landolakes**.

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TIP: TALK TO A FINANCIAL EXPERT

At any time during your journey, you may want to talk to an expert to help you appropriately plan for your retirement, including:

- Estate planning
- Personal savings
- Pensions offered to you through former employers
- Retirement plans, such as 401(k), 403(b), and IRAs you have outside Land O'Lakes
- Your Land O'Lakes pension and/or 401(k)
- Your medical coverage during retirement, including Medicare
- Social Security

Need help finding a financial planner? Call the Land O'Lakes Employee Assistance Program at 1-800-432-5155 or go online to bluecrossmn.com/eap.

Your Land O'Lakes Benefits (continued)

	WHAT YOU NEED TO KNOW	WHAT YOU NEED TO DO	HOW TO DO IT
Dental & Vision Plans and Health Care Spending Account	■ Coverage ends the last day of the month in which you retire. ■ You may temporarily continue your coverage through COBRA. ■ You may submit spending account claims for expenses that you incurred during your coverage period until March 31 of the following calendar year.	☐ Decide if you want COBRA coverage. ☐ Enroll when you receive your COBRA enrollment materials in the mail. ☐ Collect your bank or other account information that you'll need to set up direct debit.	Call your retirement specialist.
Dependent Care Spending Account	■ Coverage ends the last day of the month in which you retire. ■ You may submit spending account claims until March 31 of the following calendar year for expenses that you incurred through the end of the year in which your coverage ended.	Submit any claims incurred during the year in which coverage ended by March 31 of the following year.	Go to **www.ybr.com/landolakes** to submit a claim.
Life Insurance	■ All life insurance coverage ends the last day of the month in which you retire. ■ You may temporarily continue your life insurance coverage for up to 18 months by paying 102% of the cost (including a 2% administrative fee). Within 31 days of the end of the continuation period, you may convert life insurance to an individual policy. ■ You may convert life insurance coverage that doesn't continue into retirement to an individual policy within 31 days of your retirement date.	☐ Decide which option you want for your life insurance. ☐ Call your retirement specialist if you haven't received information about your coverage within two weeks of retiring.	Call your retirement specialist.

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Your Land O'Lakes Benefits (continued)

	WHAT YOU NEED TO KNOW	WHAT YOU NEED TO DO	HOW TO DO IT
Disability	■ All short- and long-term disability coverage ends on the day you retire.		
Accidental Death and Dismemberment (AD&D)	■ AD&D insurance coverage ends on the day you retire.		
Paid Time Off (PTO)	■ Any unused PTO days will be paid to you according to company policy. Please consult your Land O'Lakes PTO policy for details.	☐ Discuss your PTO payout with Human Resources.	Contact your Human Resources representative.
ECHOS – Land O'Lakes	■ ECHOS (Expanding Community and Horizon Outreach for Seniors) is an organization that promotes opportunities for community involvement for Land O'Lakes retirees. ■ ECHOS coordinates a retiree/spouse volunteer program that allows seniors the chance to put their lifetime experience to good use in service to their community. ■ Activities include helping to fight hunger, working with the American Red Cross, supporting social service programs, and performing a variety of volunteer tasks at local agencies.	☐ Volunteer in one of ECHOS' sponsored programs if you want to participate in it. The level of your participation is up to you – as much or as little time as your circumstances allow.	If you have questions or need more information about ECHOS, contact Community Relations at **651-375-2065**.

TIP: CONSIDER OTHER SOURCES OF INCOME

Don't forget about your other sources of retirement savings such as IRAs, retirement plans from other employers and other personal savings. You'll want to reach out to the appropriate contacts to initiate payments from these sources of income.

Other Resources: Government Agencies

	WHAT YOU NEED TO KNOW	WHAT YOU NEED TO DO	HOW TO DO IT
Social Security	■ You may begin receiving a reduced benefit as early as age 62; you'll receive a full benefit between the ages of 65 and 67, depending on your birth date. ■ **Important:** Apply for Social Security benefits three months before you intend to begin receiving Social Security payments to ensure that your benefits will begin when you need them.	☐ Apply for benefits if you intend to begin benefits within three months.	Visit **www.ssa.gov** or call **1-800-772-1213**.
Medicare (refer to page 13)	■ Medicare will automatically enroll you in Medicare Parts A and B when you sign up for Social Security benefits, unless you elect otherwise. ■ Enroll in Medicare three months before your retirement date or age 65, whichever is later, to ensure that your benefits will begin when you need them and to avoid possible premium penalties.	☐ Enroll in Medicare before your retirement date or age 65, whichever is later.	Visit **www.medicare.gov** or call **1-800-MEDICARE (1-800-633-4227)**.

TIP: CONSIDER ESTATE PLANNING

Do you have an estate plan? An estate plan ensures that you and your beneficiaries get the maximum value from your money before and after your death. Estate planning is for everyone, not just wealthy people. Contact a lawyer and/or financial planner for more information on creating your estate plan.

Land O'Lakes Pension Plan

Note: The Land O'Lakes Pension Plan was closed to new hires effective 12/31/2005. If you were hired by Land O'Lakes on or after 1/1/2006, skip this section and go to page 10 Land O'Lakes 401(k) Savings Plan.

If you have a vested benefit in the Land O'Lakes Pension Plan, you'll be asked to choose among several Pension Plan payment options as part of the retirement process. Your retirement specialist can help you understand your options and any tax rules that may apply. Because these rules are very complex, you should consider talking with a qualified financial advisor about your personal situation. Here are a few important pieces of information:

- You'll have to pay income taxes on your Pension Plan payments.
- You can defer receiving payments from your Pension Plan until you reach age 70½; however, after your employment ends, your pension benefit will not increase by deferring payments beyond your normal retirement age.

Below are some things to consider as you think about what types of payment options might be best for you:

IF YOU:	WHAT TO CONSIDER:
Defer Payment	▪ Can you live comfortably now if you defer your benefits? Can your personal savings or other sources of income meet your needs in the meantime? ▪ Your benefit may be reduced if you choose to take payments before you reach normal retirement age. Your retirement specialist can help you determine how much your benefit will be reduced if you commence before you reach normal retirement age. If you do not have 10 years of vesting service, you will not be eligible to commence earlier than your normal retirement age.
Take a Single Life Annuity	▪ You'll receive a monthly payment for the rest of your life, and payments will end when you die. ▪ Are you married? If so, your spouse **must** provide written consent for this annuity option before you begin receiving payments. ▪ Do you have other dependents? Will choosing this option hurt their financial security after your death? Do you have life insurance or other income or savings that will support them?

NEED HELP?
Call YBR at 1-866-717-7699 to speak with a retirement specialist. Once you're connected to the system, say "representative." When prompted, say "initiating retirement within the next 90 days."

IF YOU:	WHAT TO CONSIDER:
Take a Joint and Survivor Annuity	■ You'll receive a monthly payment for the rest of your life. After you die, your spouse will receive a percentage of your monthly benefit for his or her lifetime. ■ Your monthly benefit will be lower than the amount you would receive with a Single Life Annuity. The benefit amount depends on your age, your spouse's age, and the percentage of the benefit that will be paid to your spouse after you die. ■ The percentage options are 50%, 66⅔%, 75%, or 100% of your benefit to continue to your surviving spouse after you die.
Take a Certain and Life Annuity	■ You'll receive payments during your lifetime. ■ If you die within 10 years of commencing your benefit, your beneficiary receives the same payments for the remaining guaranteed period. But if you die after 10 years, your beneficiary won't be eligible to receive any additional payments. ■ Are you married? If so, your spouse must provide written consent for this annuity option before you begin receiving payments.

Note: Once you select a form of payment for your pension and receive your first monthly payment, you may not change your payment option or your joint annuitant.

Questions?

If you have questions or need help understanding your options, contact your retirement specialist. In addition, tools are available online that allow you to do modeling for each of these options.

Land O'Lakes 401(k) Savings Plan

You can choose among several 401(k) Savings Plan payment options as part of the retirement process. Your 401(k) representative can help you understand your options and any tax rules that may apply. Because these rules are very complex, you should consider talking with a qualified financial advisor about your personal situation. Please note:

- If you've taken a loan from the Plan and you have an outstanding loan balance at the time you retire, you can continue to make monthly payments or pay off the loan in a lump sum. Your Benefits Resources will provide you with loan repayment coupons when your employment ends. If you don't continue making payments or pay it off in a lump sum, your loan balance will be treated as a taxable distribution from the plan after 90 days. If you take a total distribution of your account balance before the 90 days have passed, your loan balance will be taxed at that time.
- You'll have to pay income taxes on your 401(k) Savings Plan payments. If you take a lump sum, 20% of your payment must be withheld for income tax purposes unless you roll it over directly to an IRA or another eligible retirement plan.*
- You can continue to defer income taxes on your account balance until you reach age 70½ by leaving your money in the Land O'Lakes Plan or rolling it over into an individual retirement account (IRA) or another tax-qualified plan.
- Lump-sum payments taken prior to age 59½ that are not rolled over into a qualifying plan or IRA are subject to an additional 10% premature distribution excise tax. However, if you leave the company after reaching age 55, lump-sum payments taken between ages 55 and 59½ are not subject to this additional tax.
- You may roll over partial payments from the 401(k) Savings Plan.

*Payments from before-tax contributions and all earnings on these contributions in your account are taxable.

Here are some things to consider as you think about what types of payment options might be best for you.

IF YOU:	WHAT TO CONSIDER:
Defer Payment	■ Can you live comfortably now if you defer your benefits? Can your personal savings or other sources of income meet your needs in the meantime?
Take Installment Payments	■ You can choose to receive payments monthly, quarterly, semiannually, or annually. ■ Investment gains and losses continue to affect your account balance while you receive installment payments. ■ You'll be able to change your installment amount and the timing of your payments once a year.
Take a Total or Partial Payment	■ If you take your payment in cash, how will the tax hit affect your retirement security? ■ What are the benefits of rolling over the lump sum directly into an IRA? Will tax-deferred growth improve your retirement security? Will you be in a lower tax bracket in a few years and be able to pay lower taxes on the money you withdraw from an IRA?

Questions?

If you have questions or need help understanding your options, contact your retirement specialist.

Land O'Lakes Retiree Medical Coverage

If eligible, your retiree medical coverage options depend on your age.

If you are eligible and under age 65, you may enroll in the Land O'Lakes Retiree Medical Plan. The Plan offers medical and prescription drug coverage for yourself, your spouse (if he or she is under age 65) and your children under this Plan.

You pay one monthly premium for both the Medical and Prescription Drug Plan. If you were most recently hired by Land O'Lakes prior to October 1, 2002, you may be eligible for a company subsidy to reduce your premium. Your retirement specialist will let you know if you are eligible for this subsidy.

The Plan is administered by Blue Cross and Blue Shield of Minnesota and Express Scripts. Specific details about the Plan are available from your retirement specialist and the Summary Plan Description (SPD).

You may delay your enrollment in the Plan until a later date if you have continuous employer group coverage. Deferred enrollments may take place with annual enrollment or a qualifying life event.

Note: If your eligible spouse is age 65 or older, he/she can work with the experts at Tower Watson's OneExchange to enroll in supplemental medical and/or prescription drug coverage. Your YBR Retirement Specialist will help connect your spouse with OneExchange.

If you are eligible and age 65+, Land O'Lakes offers a free resource to help you enroll in a Medicare supplement plan. The experts at Towers Watson's OneExchange will guide you step-by-step through the process. If you were most recently hired by Land O'Lakes prior to October 1, 2002, you may receive a company subsidy toward your premium, which will be provided through a Health Reimbursement Arrangement. Your YBR Retirement Specialist will help you connect with OneExchange to begin the enrollment process.

Note: If your eligible spouse is younger than age 65, he or she will be able to enroll in the Land O'Lakes Retiree Medical Plan described above.

With or without continous employer group coverage, you may enroll in a Medicare Supplement plan through OneExchange when you become eligible for Medicare due to age. However, if you are eligible for a company subsidy at retirement, you will retain that eligibility only with continous employer group coverage.

Towers Watson's OneExchange is the leading provider of Medicare Coordinator services and they assist tens of thousands of retirees each year. The benefit advisors at OneExchange are committed to helping you make the best medical and prescription drug plan decisions for your particular circumstances.

Medicare

Medicare is a federal health insurance program for people who are age 65 and older or under age 65 with certain disabilities. Original Medicare consists of Part A and Part B. You automatically receive Part A and become eligible for Part B when you qualify for Medicare either due to age or disability.

You can choose to supplement your Original Medicare coverage with supplemental plans. You may choose among three different types of supplemental plans that add coverage where Original Medicare may have less than you require. OneExchange will provide you with additional information about these plans before your 65th birthday.

Enrolling in Medicare

Generally, you're eligible for Medicare just prior to age 65. For your convenience, when you apply for Social Security, you may enroll in Medicare or let Medicare automatically enroll you. Remember, you can apply for Social Security as early as three months before you reach age 65. If you retire and wait to enroll in Medicare until you're already 65, the start of your coverage may be delayed. Also, if you enroll after you're 65, you may have to pay higher premiums unless you were still working and covered by the Land O'Lakes Medical plan.

Questions?

Your retirement specialist can help you understand how the Land O'Lakes Retiree Medical Plan works. To learn more about the Medicare Supplement Plans available through OneExchange, call 1-855-238-0490. Representatives are available 8:00 a.m. – 8:00 p.m. Central time. For more information about Medicare, visit www.medicare.gov or call **1-800-MEDICARE (1-800-633-4227)**. To enroll, visit the Social Security Administration Web site at www.ssa.gov or call **1-800-772-1213**.

TIP: REMEMBER TO REPORT ADDRESS CHANGES

After you retire, don't forget to let us know when your address changes. To report an address change, visit Your Benefits Resources at **www.ybr.com/landolakes** or call **1-866-717-7699** and ask to speak with a representative. You'll need your user ID and password.

YOUR LAST DAY OF WORK: A TO-DO LIST

- ☐ Return the following to your manager, if applicable:
  - ID card
  - Access card
  - Parking ID
  - Credit card
  - Phone card
  - Keys (building, desk, cabinets, vehicles, storage, etc.)
  - Cell phone
  - Computer, laptop, printer, fax machine
  - Software
  - Office supplies
- ☐ Complete and submit your expense reports.
- ☐ Make sure your corporate credit card balance is at zero.
- ☐ Cancel your subscriptions.
- ☐ If you're a manager, complete or update employee evaluations.

The descriptions of benefit options and plans provided in this document are intended only to be summaries of certain provisions of the plans. The company reserves the right to determine eligibility for all benefits and to interpret any and all terms of the health and welfare benefit plans. The company shall also have the power and discretion to determine all questions arising in connection with administration, interpretation, and application of the plans.

If you are a union employee, you are eligible to participate if your union has negotiated for these benefits.

LAND O'LAKES, INC.

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