

International Paper Retirement Guide



Congratulations!

You are about to embark on one of life's many adventures—retirement! Retirement means you finally may have time to travel, take up a new hobby or simply enjoy your family and friends. But retirement also means you now have some decisions to make that will affect you for many years to come.

This easy-to-use retirement guide takes you step by step through the International Paper retirement process. There's also information to help you make sure your retirement starts off right.

Where Do I Start?

Just go online to the new Your Benefits Resources™ (YBR) website, which you can access through **www.MyIPRetirement.com** (accessible for active employees through **www.My-IP.com**). It's your easy, one-stop shop for managing your pension benefit. You can initiate and complete the retirement process online. Of course, you also can call the Employee Service Center (ESC) at **1-888-ESC-2YOU** (1-888-372-2968) from 7:00 a.m. to 6:00 p.m. CT, Monday through Friday, to speak with a Retirement Specialist. (Outside the United States, use +001-281-882-5749.)

The YBR website can help you understand:

- How to pick a retirement date that maximizes the benefits you will receive from International Paper
- Your pension payment options
- The forms and benefit information you will receive in the mail
- How to begin your Social Security and Medicare benefits
- What steps you need to take and when

START THE PROCESS THREE MONTHS EARLY

You should initiate the retirement process between three and six months ahead of the date on which you want to commence your pension payments. This will give you, the Employee Service Center and International Paper time to ensure everything is in place.

Your System Access

At International Paper, we are committed to helping protect your personal information.

On the Web

Go online to www.MyIPRetirement.com (accessed through My-IP or directly). Enter your Username and MyIPRetirement Password and click **LOG ON**. If you do not remember your Username and Password, or you are a first-time user, select **Forgot Username or Password** and follow the instructions to set up your account.

When you access YBR for the first time through www.MyIPRetirement.com, you will be prompted to set up security questions and answers.

By Phone

When calling, you will be asked for your existing four-digit ESC Password. If you need a new Password, you must create one that is eight to 20 digits long. To speak to an ESC Retirement Specialist, you will need to provide your ESC Password or correctly answer your security questions (if you previously set up security questions online).

If you do not have an ESC Password on file, the first time you call the ESC, you will be asked to verify information and then create your ESC Password.

Retirement Guidelines

Use these guidelines to keep track of what you need to do to complete the retirement process.

	What You Need to Know	What You Need to Do
Getting Started	<ul style="list-style-type: none">Starting the process three to six months ahead of time can ensure a smooth transition into retirement.	<ul style="list-style-type: none">Make sure you notify HR and your manager of your intent to retire in advance.
Pension Plan	<ul style="list-style-type: none">If you are vested in the plan and you are old enough to retire or, if you are an hourly employee with hourly benefits and you are eligible to receive disability retirement benefits under the pension plan, you are eligible to receive a pension benefit once your employment with International Paper has ended.Choose your retirement date carefully. Your years of service with International Paper and your age at retirement have a big impact on the amount of your monthly pension benefit. International Paper's retirement plan website, www.MyIPRetirement.com, gives you the information you need to make the retirement decision that works best for you.	<ul style="list-style-type: none">Log in to www.MyIPRetirement.com or call the ESC at 1-888-ESC-2YOU (1-888-372-2968).Use the website or talk to a Retirement Specialist to determine when you want your pension payments to begin and the payment option you and your family need. You also may want to consider International Paper Retiree Medical coverage, if you are eligible. The website and your Retirement Specialist can help.Complete your enrollment forms (if required) and return them to the ESC as quickly as possible to avoid delays in your pension benefit or your Retiree Medical coverage.Have your bank or other account information available to set up direct deposit of your pension payments.

What You Need to Know

Retiree Medical Coverage

Note: If you are approaching Medicare eligibility, you will receive information from Extend Health that shows the coverage options available to you and your Medicare-eligible dependents.

- ❑ You and your dependents may be eligible for International Paper Retiree Medical coverage.
- ❑ If you are eligible for Retiree Medical coverage and you choose to enroll, your monthly premium will be deducted from your monthly pension payment. If you will not receive pension payments or if your payment does not cover your premium amount, you may mail your premiums to the ESC, or you can sign up for direct debit from your bank account.
- ❑ If you are eligible for Retiree Medical coverage and you choose not to enroll in Retiree Medical coverage when you retire or you waive Retiree Medical coverage at any time, you may re-enroll at any time provided (1) you maintain group medical coverage under another plan; (2) you lose your other group medical coverage and report the loss of other coverage to the ESC within 31 days following the loss; and (3) you remain eligible to participate in IP Retiree Medical coverage.

What You Need to Do

- ❑ Log in to www.MyIPRetirement.com or call the ESC at **1-888-ESC-2YOU** (1-888-372-2968) to determine if you are eligible for IP Retiree Medical coverage.
- ❑ Review your options (if available) and the costs of the coverage.
- ❑ If you want to enroll in Retiree Medical coverage, be sure to complete your enrollment ahead of your retirement date.
- ❑ If your pension payment will not cover the cost of your Retiree Medical coverage, or if you have postponed receiving your pension benefit, have your bank or other account information available to set up direct debit for your Retiree Medical premiums.

Retiree Life Insurance

- ❑ Log in to www.MyIPRetirement.com or call the ESC at **1-888-ESC-2YOU** (1-888-372-2968) to determine if you are eligible for IP retiree Life Insurance coverage.

- ❑ If you are eligible for retiree Life Insurance coverage, be sure your Life Insurance beneficiary information is up-to-date on YBR. Just select **Beneficiaries** under the **Health and Insurance** tab.
- ❑ **Important:** International Paper strongly encourages you to complete a new Life Insurance beneficiary form as part of the retirement process.

INCOME TAX WITHHOLDING

Federal income taxes will be withheld from your annuity payments in accordance with the IRS's guidelines and withholding tables unless you elect otherwise. If you elect not to have federal income taxes withheld, you will be responsible for those taxes and any associated penalties. Mandatory state income tax withholding may also apply.

Your Retirement Plan Payment Options and Considerations

As part of the retirement process, you will be asked to choose your pension payment option, several of which are shown below. Use the website or talk to a Retirement Specialist to determine the payment option you and your family need and the tax rules that may apply. You may want to consult with a qualified financial advisor about your personal situation.

Here are some things to consider as you think about what type of payment option will work best for you. Keep in mind you may have other payment options available to you. To confirm your options, just go online to YBR or call a Retirement Specialist.

USE DIRECT DEPOSIT AND DIRECT DEBIT

Direct deposit makes receiving retirement plan payments easy and convenient. Direct debit gives you an easy and secure way to pay your Retiree Medical insurance premiums. To set up direct deposit or direct debit, have your bank or other account information available as you work through the retirement process.

Defer (Postpone) Your Pension Payments

- ▶ By deferring your payments, you may have a larger payout later, and also hold off on paying taxes on your pension income. 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? You will be required to commence your benefits by April 1 of the year following the calendar year in which you reach age 70½.

Select a Single Life Annuity

- ▶ Under this payment option, you will receive a monthly pension payment for the rest of your life, and payments will end when you die.
- ▶ Are you married? Do you have 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 after your death?

Select a Joint and Survivor Annuity

- ▶ Under this payment option, you will receive a monthly payment for the rest of your life. When you die, your beneficiary will receive a percentage of your monthly benefit for the rest of his or her life.
- ▶ Your monthly benefit under this payment option will be lower than the amount you would receive under the single life annuity option because your benefits could be paid over two lifetimes. The benefit amount depends on your age and your named beneficiary's age at the time you commence your pension benefit, as well as the percentage benefit you choose for your beneficiary.

Select a Term Certain and Life Annuity

- ▶ Under this payment option, you will receive a monthly payment for the rest of your life. If you die before receiving your 5, 10, 15 or 20 years of payments (depending on the period of time you select), your beneficiary will receive payments in the same amount for the balance of the term chosen.

Select a Level Income Annuity

- ▶ Under this payment option, you will receive a monthly payment for the rest of your life. It is available only if you begin to receive payments before you turn age 62. You will receive an increased benefit until age 62; then your payments will be decreased. The difference between the two amounts will equal our estimate of your Social Security benefit at age 62, so that your total income will remain about the same throughout your retirement.

For More Information

Web—Your Benefits Resources accessed through www.MyIPRetirement.com.

Phone—**1-888-ESC-2YOU** (1-888-372-2968), 7:00 a.m. to 6:00 p.m. CT, Monday through Friday. (Outside the United States, use +001-281-882-5749.)

Hablamos español—Para información de beneficios, llama al **1-888-372-2968**.

2013 Provider Contact Information

Added Benefits Voluntary Benefits Program	www.addedbenefitsip.com	1-877-637-3295
Best Doctors	www.bestdoctors.com/members.aspx	1-866-904-0910
Blue Cross Blue Shield	www.bcbsal.org	1-888-252-1431
Cigna	www.mycigna.com	1-800-CIGNA24 (1-800-244-6224)
J.P. Morgan Retirement Plan Services (Salaried and Hourly Savings Plans; Retiree Medical Savings Program)	www.MyIPRetirement.com	1-800-345-2345
Express Scripts	www.express-scripts.com	1-800-309-5564
MetLife Group Universal Life (GUL)	http://mybenefits.metlife.com	1-800-GETMET8 (1-800-438-6388)
UMR	www.umar.com	1-800-343-2737



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