

# Benefits Upon Leaving AFS: Know What You Need to Do

Below is important information on when benefit coverage ends and what you can expect in terms of continuation and/or conversion opportunities when you are no longer employed by the firm. Please note that the information shown is for all ArentFox Schiff LLP benefit plans, including those in which you may not be enrolled. To see which benefits you are currently enrolled in, log in to Kronos and click on the single person icon, then My Benefits and Benefits Plans.

## Health and Welfare Plans

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### **Medical, Dental, Vision and Employee Assistance Program**

The coverage you have elected under these plans ends as of the last day of the month in which your employment ends. You will have the opportunity to elect COBRA continuation coverage. Information on how to make this election and the related cost of coverage will be sent to you from our COBRA administrator, Flores & Associates, after your exit date. Please read this information carefully and, if desired, make any election and payment promptly as there are deadlines for electing this coverage and making payment. In the meantime, should you have any questions, please contact Flores & Associates at 800-532-3327.



### **Life and Accidental Death and Dismemberment (AD&D)**

Your life and AD&D coverage ends as of midnight on the date your employment ends. You will have the opportunity to convert all or a portion of the current amount of your group coverage (Basic and Supplemental) to an individual policy or, if eligible, to port eligible coverage. The Standard will mail you a letter regarding conversion/portability options. You may also contact The Standard at 800-378-4668 for more details or assistance. You will have 60 days from your exit date to apply to port or convert your coverage.



### **Disability (Short Term, Long Term and Individual)**

Disability coverage ends as of midnight on the date your employment ends. You will have the opportunity to convert all or a portion of the current amount of your group long-term disability coverage to an individual policy. The Standard will mail you a letter regarding your options. You may also contact The Standard at 800-378-4668 for more details or assistance. You will have 60 days from your exit date to apply to convert your coverage. There is no ability to continue or convert firm-provided short term disability coverage.

If you have Individual Disability Insurance through UNUM, UNUM will contact you directly on continuation options for this coverage once they have received your status change information. If you have any questions, please contact UNUM at 866-679-3054.



### **Accident, Critical Illness and Hospital**

If you have purchased these voluntary benefits, you will have the opportunity to continue this coverage by paying premiums directly to MetLife. You will receive information directly from MetLife on how to apply to continue your coverage. If you have any questions, please contact MetLife at 800-438-6388.



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## Health Savings and Flexible Spending Accounts

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### Health Savings Account

Health Savings Account (HSA) contributions via payroll deduction will stop as your exit date. However, your HSA is solely owned by you and will continue with you even after you are no longer employed by the firm. This means that you can continue to make contributions to your HSA provided you are enrolled in HSA-eligible coverage. You also will continue to have access to funds in your HSA.



### Health Care Flexible Spending Account

You may submit for reimbursement all eligible expenses that you have incurred *before* your exit date and while participating in the FSA during the plan year. Expenses you incur *after* you leave the firm are not eligible for reimbursement unless you are eligible for and elect to continue COBRA continuation coverage for your Health Care FSA. If elected, your contributions will be made on a post-tax basis. Again, COBRA information will be provided to you by Flores & Associates after your exit date. To check a FSA balance, visit [www.flores247.com](http://www.flores247.com).



### Dependent Care Flexible Spending Account

Once you leave the firm, you cannot continue to contribute to your Dependent Care FSA. Contributions will cease as of your final paycheck. However, you may continue to submit expenses that you incur during the year in which you leave the firm up through the end of the year. Please visit [www.flores247.com](http://www.flores247.com) to check your balance.

**Important FSA Information:** You will have until March 31st of the year following the year in which you leave the Firm to submit your expenses for the Health Care FSA and/or Dependent Care FSA. (For example, if you leave in 2023 you will have until March 31, 2024 to submit expenses). Any unused amounts in your account(s) that are not submitted for reimbursement by the March 31<sup>st</sup> deadline will be forfeited.



### Commuter - Transit and Parking Flexible Spending Account

If you were enrolled in the transit/parking program administered by Flores & Associates, your debit card will stop working on your last day of employment. You have until March 31 of the following year to submit claims for expenses incurred during your enrollment period. To submit claims for your unused funds you can log into your account at [www.flores247.com](http://www.flores247.com). Any unclaimed funds will be forfeited as IRS regulations do not allow employers to return any unclaimed amounts. If you have questions, please contact Flores & Associates at 800-532-3327.



## Retirement Plans

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### 401(k) Plan

If you participated in and have made contributions to the firm's 401(k) plan, you have certain rights regarding your vested interests in the plan upon your termination of employment.

- **If your vested balance is greater than \$5,000** at the time benefits are payable, you may choose to leave your account balance in the plan until a later date. You may request and receive a distribution or roll over at any time in the future.
- **If your vested account balance is \$5,000 or less, and greater than \$1,000** at the time benefits are payable and you do not choose to receive a distribution within 90 days, your account balance will be rolled into an Individual Retirement Account (IRA) at Empower, regardless of any prior elections or provisions.
- **If your vested account balance is \$1,000 or less** at the time benefits are payable, your benefits will be paid in a lump sum, regardless of any prior elections or provisions.

The standard 20% will be withheld for federal income taxes on all distributions. For additional information about your options, call Empower (formerly Prudential Retirement) at 800-992-4472 to speak to a Distribution Assistance Specialist.

If you participated in the legacy Schiff Hardin LLP 401(k) plan, please contact Empower Retirement at 855-756-4738 to learn more about the options that are available to you.



### Profit Sharing Plan

Contributions made to the ArentFox Schiff Profit Sharing Plan for the 2023 calendar may only be allocated and retained in the accounts of participants who complete 1,000 hours or at least one hour of service for any six months during 2023. If contributions are provisionally allocated to the account of a participant at the beginning of the calendar year but the participant does not complete the hours requirement during the calendar year, the contributions that were provisionally allocated to the participant's account at the beginning of the year must be reallocated away from such participant's account and used to either fund future plan contributions or to fund plan expenses.

Rights regarding your vested interest in the Profit Sharing Plan upon your termination of employment are the same as outlined in the above section on the 401(k) Plan.



### Outstanding Retirement Plan Loans

If you have an outstanding retirement plan loan, you have two options available to you for loan repayment upon the termination of employment. Repaying your loan both keeps you from having a taxable event and allows you to continue to save for retirement.

- **Option 1:** Repay your loan in full no later than 90 days from your date of termination or before distribution of your account, if earlier.



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## Outstanding Retirement Plan Loans (cont'd.)

- **Option 2:** Convert your loan to a coupon loan within 90 days of your date of termination. This option allows you to continue making monthly loan repayments; not have a taxable event; and save for retirement. More information on Option 2 is outlined below.
  - Continue to make loan repayments on a monthly basis
  - Loan administration cost of \$100
  - You will be required to leave your account balance in the applicable ArentFox Schiff LLP retirement plan
  - You will receive modified loan information and monthly payment requests from Empower

**Important Loan Repayment Information:** Regardless of the repayment option you may choose, if you miss a loan payment or your loan is not repaid in full, the loan will be in default. This means that for tax purposes you will be deemed to have received a distribution from the plan equal to the amount of the loan balance. The distribution will be subject to federal, and, if applicable, state and local income taxes and may be subject to an additional 10% federal excise tax if you are under age 59 ½ at the time of distribution.



## Flexible Deferral Plan

Benefits are accrued under the ArentFox Schiff Flexible Deferral Plan as of the end of the plan year (for example, on December 31, 2023). If you leave during the plan year, your current year contributions will be refunded to you. The amount of your accrued benefit, as adjusted for investment return maximum, is payable to you. You may elect to receive this benefit upon your termination of employment or thereafter.

## Other Information



### Address Change

After you leave the firm, please keep the firm informed of any address changes through January of the year after the year that you leave the firm. Doing so will help to ensure that your year-end tax form is mailed to your correct address.



### Personal Charges

Outstanding personal charges will be deducted from your last check. Any personal charges which have not yet been recorded by Accounting will be billed to you at a later date.

**Questions:** If you have general questions, please contact the Benefits team at [benefits@afslaw.com](mailto:benefits@afslaw.com). If you have questions regarding COBRA or a specific benefit plan, contact the number provided in the applicable section of this communication.