

# EARLY RETIREMENT PACKAGE

Bob has worked for the same company for the last 31 years. At 62, his employer presented him with an early retirement severance package. He had not been considering retirement, but now he was faced with evaluating the details of this package, as well as gaining clarity over whether or not retirement is the right choice for him.

## THE CLIENT'S DILEMMA

- Because Bob has never received a severance package before, he isn't sure how to evaluate if this is a "good" offer or not.
- Bob wants to understand if his asset levels are adequate to appropriately provide for his retirement needs if he stopped working entirely.
- Bob enjoys his work and hasn't thought about what might come next if he were to leave.



## IMPORTANT CONSIDERATIONS

- We helped Bob critically assess the components of the package including after-tax payouts, timing, and continuation of other benefits. We also helped him understand the restrictions regarding future employment that were part of the contract.
- Bob spoke frankly with his employer to better understand if he was considered a critical employee or if the package might be a precursor to future layoffs.
- Our team looked at Bob's situation from a comprehensive viewpoint, to ensure that any unanticipated risks, such as a significant long-term care need, were appropriately protected against.
- Bob's retirement goals were discussed, along with his overall financial readiness to step away from his employer. We encouraged Bob to consider the possibilities for his future.

## THE OUTCOME

- Because of Bob's longevity with the employer, his package included retiree medical insurance to age 65. This alleviated the concerns of bridging the gap in medical coverage prior to Medicare eligibility, should he not seek further employment.
- Bob carefully considered his goals for the future and ultimately accepted the severance package and retired from the company later that same year.
- An old friend contacted Bob prior to stepping away to see if he might be interested in an opportunity with another company. After careful evaluation and ensuring this new venture wouldn't violate the severance restrictions, Bob decided to accept the new position. The severance ultimately served as a boost to his retirement savings. This helped ensure Bob was financially ready for retirement when he stepped away a final time.



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