



SUNSET TRANSITION PLAN

Rev. Date March 6, 2017

Ariens Company appreciates and values the dedication, hard work, and tribal knowledge of our tenured employees. When possible and upon the employee's request, we will work with employees who are in the process of transitioning to retirement to coordinate a "sunset" work arrangement that allows them to slowly transition into full-time retirement. This is a mutually-beneficial approach where retiring employees gain more flexibility and time-off while sharing their knowledge and skills with our current employees. This document outlines the employee retirement process as well as the process of transitioning from a full-time, regular employee to a working in retirement status.

Definition of "Retiree"

An employee aged 55 or older who has worked for Ariens Company or its affiliates for more than 10 years.

Retirement Process Outline:

- Retirement date is determined by the employee (i.e. Friday, January 3) and communicates retirement to manager and HR with at least 2 months' written notice.
- A week before the retirement, the employee's retirement is announced on the Garage. (Manager writes the announcement and sends to HR for posting.)
- The employee's last day at work is the day before the official retirement date (i.e. Thursday, January 2)
 - This is usually the day when the celebration occurs (with the employee's approval); if the employee is immediately returning as a "sunset" employee (see below), the employee may postpone the retirement celebration until they are no longer employed with Ariens Company. Regardless, this event is coordinated by the manager.
 - Celebration retirement options include:
 - Building-wide cake celebration
 - Team/department potluck celebration
 - Manager and retiree 1:1 lunch
 - The employee does not need to work the full-day, however, the employee is paid for the full day. After the cake celebration, the employee can pack up personal belongings and say goodbye to co-workers.
 - The retirement date is considered a "freebie." The employee is paid for a full-day of work even though he/she is not at work. (Employment and benefits end on this retirement date.)

Retirement Benefits:

- PTO payout for any unused PTO for the calendar year in which the employee retires – this includes payment for unearned PTO (i.e. if retirement occurs on Friday, January 3, the employee receives PTO payout for the entire calendar year's PTO accrual; if the retiree would have earned 5 weeks of PTO that calendar, then he/she is paid out for 5 weeks of PTO).

- Continued participation in the product discount program for three (3) years from the retirement date.
- Invited to participate in a retirement luncheon celebration after retirement occurs.

Transition to Part-Time Status (aka “Sunset” status)

If the employee wants to work during retirement, the employee will work with his/her manager and HR to coordinate a transfer date (or re-hire date if there is a break in service). Participation in this program is not guaranteed; it is determined by management based upon departmental need, budget, and job type/position. The following topics also need to be discussed, and the employee will receive an offer letter outing the items below.

- Position/Role
 - Determine whether it is an salaried, non-exempt, or hourly position
- Schedule to be worked
 - Should work 24 hours or less per week
- Start date
- Anticipated length of assignment
- Compensation
 - If the transition from retirement to “sunset” is within 6 months of the retirement date and the employee is performing the same role as when he/she retired, the employee’s compensation will be pro-rated based upon the employee’s wage when he/she retired.

“Sunset” Benefits/Status

All “sunset” positions are considered to be active, regular positions with only the following benefits offered:

- 401k eligibility
 - Retirees are immediately eligible to participate in 401k and will be auto-enrolled in 401k after 30 days of return employment; retirees can change or opt-out of 401k by contacting Fidelity directly. If retirees want to move their 401k funds out of the Ariens Company 401k plan (in order to access their funds during retirement), there needs to be a gap in employment to work out this transition directly with Fidelity.
- Profit sharing*
- Pro-rated bonus program participation at a rate of 5% (for salaried employees)*
- Pro-rated PTO
- Pro-rated paid company holidays (based upon usual work schedule)
- Product Discount for three (3) years post retirement date
- Maintain tenure/seniority if returning within 6 months of retirement

* Bonus and profit sharing payments will be paid out in accordance with the plan guidelines and eligibility requirements.