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The Lockheed Martin Benefits Planning Checklist

A Quick Guide to Key Decisions That Shape Your Retirement

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Lockheed Martin offers a comprehensive retirement benefit package, but the value comes from how those pieces work together. Use this checklist to organize your key decisions and start building a coordinated plan.

☐ 1. **Evaluate Your Pension Benefit (If Applicable)**

- Request a current pension estimate from the Lockheed Martin Employee Service Center (LMESC). Your accrued benefit is based on your Final Average Pay from 2006 through 2015 and credited years of service through December 31, 2019, when the pension was frozen.
- Evaluate your payout options carefully. A lump sum is sensitive to interest rates (higher rates reduce the amount you receive), and lump sum availability depends on whether Lockheed Martin has opened an election window at the time of your retirement.
- Coordinate your pension start date with your Salaried Savings Plan distributions and Social Security timing to build a tax-efficient retirement income strategy from the start.

☐ 2. **Review Your Salaried Savings Plan Strategy**

- Confirm you are capturing the full company contribution: Lockheed Martin automatically contributes 6% of base pay, plus a 50% match on the first 8% you contribute, for a potential total of up to 10%. Note that employees hired on or after January 1, 2025, have a graded vesting schedule on the 6% automatic contribution rather than immediate vesting.
- Evaluate your pre-tax and Roth contribution mix in light of your expected retirement tax situation, and consider whether the Mega Backdoor Roth strategy through after-tax SSP contributions is appropriate given your income and timeline.
- Plan your distribution approach before leaving employment, including rollover timing, withdrawal sequencing across accounts, and how SSP distributions will interact with pension income and Social Security.

☐ 3. **Address RSU and Company Stock Concentration**

- Assess your total exposure to LMT stock across RSUs and any other equity compensation, and evaluate whether a diversification plan is appropriate as you approach or enter retirement.
- Understand the tax treatment of RSU vesting: shares are taxed as ordinary income at vesting, including payroll taxes and, for high earners, the Additional Medicare Tax. Any subsequent gain or loss on the shares is treated as a capital gain or loss.
- Coordinate your equity compensation decisions with your broader retirement income plan, particularly if RSU vesting creates significant income in the same year as pension or Social Security elections.

☐ 4. **Work With an Advisor Who Understands Lockheed Martin Benefits**

- Partner with a fiduciary advisor who puts your interests first and has hands-on experience with the decisions Lockheed Martin retirees face.
- Build a coordinated income strategy across your pension, Salaried Savings Plan, Social Security timing, and personal savings that is tax-efficient and holds up under realistic conditions.
- Align your retirement timing with your benefits, tax strategy, and long-term income needs.

Ready to Build Your Plan?

The decisions you make at retirement can shape your financial life for decades. A Quotient advisor can help you understand where you stand today and build a clear path toward the retirement you have worked for. Our advisors offer personalized guidance so your plan is tailored to your circumstances and adapts as your life evolves.

For a no-cost, no-obligation consultation, call (888) 895-4797, visit our website at QuotientWealth.com, email us at ContactUs@QuotientWealth.com, or scan the QR code below.

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