

Understanding your contribution options



Did you know that you can make Roth contributions to your account? You have the ability to fund your retirement plan account with pre-tax contributions and/or Roth contributions. The main difference between pre-tax and Roth contributions is all about taxes. The way you contribute now affects how and when you pay taxes.

To help determine which option is right for you, review your contribution options at-a-glance:

Description	Pre-tax	Roth
Contributions	Taken out of your paycheck before you pay taxes. <i>(Contribution is eligible for the company match)</i>	Taken out of your paycheck after you pay taxes. <i>(Contribution is eligible for the company match)</i>
Taxable income and take-home pay	You lower your current taxable income during the year contributions are made. You have more take-home pay, compared to Roth contributions.	You do not lower your current taxable income during the year contributions are made; take-home pay is lower compared to making pre-tax contributions.
Contribution option may be appealing to	Those who will be in a lower income tax bracket during retirement and want to take advantage of the tax break on current income.	Those who will be in the same or higher income tax bracket during retirement and can afford to pay taxes on contributions now to get tax-free savings in the future. Those who have a longer time to invest their retirement savings.
Investments	You can invest in any of the funds in the plan, regardless of what contribution option(s) you choose.	
Taxes on a distribution/ withdrawal	Your contributions and any earnings are taxed as ordinary income at the time of your distribution.	Earnings are tax-free if you take a qualified distribution, which means your Roth contributions must have been in your account for at least five years and the distribution must be made after 59½, death or disability.

Roth Q&A

What is a Roth contribution?

A designated Roth contribution is made to a separate money source in an employer sponsored plan. The Roth source operates much like a Roth Individual Retirement Account (IRA)— contributions are made on an after-tax basis and qualified distributions are tax-free. Unlike a Roth IRA, there are no income limits that restrict you from making Roth contributions.

Can I make both pre-tax and Roth contributions?

Yes. Contributions to your plan can be made with only pre-tax, only Roth or both contribution types. You may not contribute more than the plan limits and annual Internal Revenue Service (IRS) limits in one or both contribution types combined.

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Roth Q&A

Can catch-up contributions be designated as Roth contributions?

Yes. If you will be age 50 or older during the year and are eligible for catch-up contributions, you may designate all or a portion of your contribution as a Roth contribution.

Starting in 2026, catch-up contributions must be made on a Roth basis for employees with wages more than \$145,000 for the prior calendar year.

Is there an impact on my paycheck if I decide to switch from making pre-tax contributions to Roth contributions?

Because Roth contributions are made after-tax, typically your net pay will be reduced if you contribute the same dollar amount as your pre-tax contribution. However, when you retire, distributions from your Roth source may be tax-free (compared with fully taxable distributions from your pre-tax source), and this may more than make up for the impact on your paycheck.

If I leave or change jobs, can my Roth contributions be rolled over to another qualified plan?

Yes, if your new employer's plan is a qualified plan that

accepts and separately accounts for Roth amounts. If the option is not available, you may roll the Roth account distribution into a Roth IRA or leave the money in the plan (if allowed).

IRS rules do not allow combining pre-tax contribution money with Roth contribution money. You may not roll over money from your Roth source to a traditional IRA or to a traditional rollover account in an employer's plan.

What qualifies Roth contributions to be distributed tax-free?

You must meet two conditions to have a "qualified distribution" that allows you to receive your Roth contributions and earnings tax-free. First, the Roth source must have been in existence in your account for at least five years. Second, the distributions must be after age 59½, death or disability.

Roth contributions are subject to the same distribution restrictions applicable to pre-tax contributions (amounts cannot be withdrawn before severance of employment, death, disability, hardship or termination of the plan). For additional information on distribution rules, please see your Summary Plan Description.

How do I begin making Roth contributions?

Scan the following QR code to log on to retirementlink.jpmorgan.com or call **855-576-7526** to begin making Roth contributions. The TTY is 800-766-4952. Representatives are available to assist you weekdays from 8:00 a.m. to 10:00 p.m., and Saturdays, 9:00 a.m. to 5:30 p.m., EST.



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