

MEMORANDUM

To: All California Employees of PayPal
From: Human Resources Department
Date: December 20, 2021
Subject: California Voluntary Plan Amendments Effective January 1, 2022

This memo is to notify you of changes occurring in 2022 to the California State Disability Insurance plan, and how those changes will affect the PayPal California Voluntary Plan. The employee contribution rate **will decrease to 1.1%** and the taxable wage base **will increase to \$145,600** of an employee's annual earnings. The maximum annual deduction **will increase to \$1,601.60**. The State Disability Insurance Plan maximum weekly benefit **will increase to \$1,540**.

Contribution Rates:

California employees of PayPal are covered by the company's self-insured California Voluntary Disability Plan, which is a replacement for your participation in the State Plan. The PayPal Voluntary Plan employees' contribution rate for next year **will decrease to 1.1%** of the first **\$145,600** of taxable wages. The PayPal Voluntary Plan employee's **2022** maximum annual contribution **will increase to \$1,601.60**.

Maximum Benefit:

The PayPal Voluntary Plan will provide:

Benefit **Class 1** employees (those working 20 hours/wk or more.) receive a benefit of **70%** of the Employee's Wages or Regular Wages to a maximum of **\$1,600 per week**. The Gross Minimum Weekly Benefit will be sixty dollars (\$60).

Benefit **Class 2** employees (those working less than 20 hours/wk.) receive a benefit of **70%** of the Employee's Wages or Regular Wages to a maximum of **\$1,600 per week**. The Gross Minimum Weekly Benefit will be sixty dollars (\$60).

Benefits for **Class 3** employees (Interns) receive a benefit of **70%** of Employee's Wages or Regular Wages, but limited to the weekly and maximum benefit amount that an Intern would be entitled to receive from the California State Disability Insurance Plan, if he/she were not covered by the PayPal Voluntary Disability Plan.

Although the plan does contain some limitations, which may apply to individual employees in certain situations, no employee will ever receive less under the PayPal Voluntary Plan than the employee would have received under the State Plan.

Paid Family Leave Benefits

Eligibility for Paid Family Leave benefits for Class 1 and Class 2 will be based on current earnings. Employees may receive up to eight weeks of benefits that may be paid over a Twelve (12) Month Period. The benefit rate for **2022** is **70%** and the maximum weekly benefit is **\$1,540/wk**. Class 3 employees will receive a benefit equal to the State Plan rate and maximum benefit amount.

Important

PayPal California Voluntary Plan ER Notice – December 2021

To view the complete plan document text, please refer to our internal website.

In accordance with the California Unemployment Insurance Code, employees who are participating in PayPal's California Voluntary Plan have the right to discontinue their coverage under this plan by notifying the Company in writing of their decision within ten (10) days following the effective date of any amendment to the plan.

REGULATORY/LEGISLATIVE CHANGES IMPACTING VOLUNTARY PLANS –2022

- None

If you have any additional questions or would like more details regarding our Voluntary Plan, please contact the Benefits Hotline at 1-855-489-0343 by **January 10, 2022**.