



Learn how the 401(k) Plan is changing in 2022.

PayPal routinely evaluates features of the PayPal 401(k) Savings Plan (the "401(k) Plan"). For 2022, two enhancements are being made to the 401(k) Plan:

Elimination of the 401(k) Plan's after-tax contributions limit for Highly Compensated Employees.

Participants looking to save beyond the IRS pre-tax and/or Roth 401(k) contribution limit (\$20,500, or \$27,000 if age 50+ in 2022) may consider after-tax contributions. For the past few years, participants designated HCEs were subject to an after-tax contribution limit defined by the 401(k) Plan.

This limit has been removed. All 401(k) Plan participants, regardless of compensation, may contribute up to the IRS maximum allowed for after-tax contributions each year. In 2022, participants' total contributions among pre-tax, Roth 401(k), PayPal matching contributions,¹ and after-tax contributions cannot exceed \$61,000 (\$67,500 if age 50+).

Streamlined catch-up contribution election process.

Participants will no longer have multiple catch-up contribution elections to make—if applicable, catch-up contributions will automatically be made based on base pay elections on file for pre-tax and/or Roth 401(k) contributions.

If you're age 50 or older in 2022, review your base pay elections on file to ensure they reflect your intentions.

To calculate your 2022 contribution rate, divide the total dollar amount you'd like to contribute to your 401(k) Plan account (up to the IRS limit of \$27,000) by your expected annual base pay (AIP and bonus elections are not included). The resulting percentage is the contribution rate you'll elect for your 401(k) Plan account.

For example, if your annual base pay is \$150,000 and you want to contribute the maximum deferral amount: $\$27,000 / \$150,000 = 18\%$ contribution rate for 2022.*

*Example is for illustrative purposes only.

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Access your 401(k) Plan account using [Single Sign On](#) (you must be connected to the PayPal network to use Single Sign On) > **Manage Account** > **Contributions**.



Use the [Schwab Workplace Retirement App](#).²



Call Participant Services at **800-724-7526**.

PRIVACY

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1. Employer contributions are paid on a pre-tax basis and may be taxable at withdrawal.
2. Requires a wireless signal or mobile connection. System availability and response times are subject to market conditions and your mobile connection limitations. Functionality may vary by operating system and/or device.

This information is not intended to be a substitute for specific individualized tax, legal, or investment planning advice. Where specific advice is necessary or appropriate, you should consult with a qualified tax advisor, CPA, financial planner, or investment manager.

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