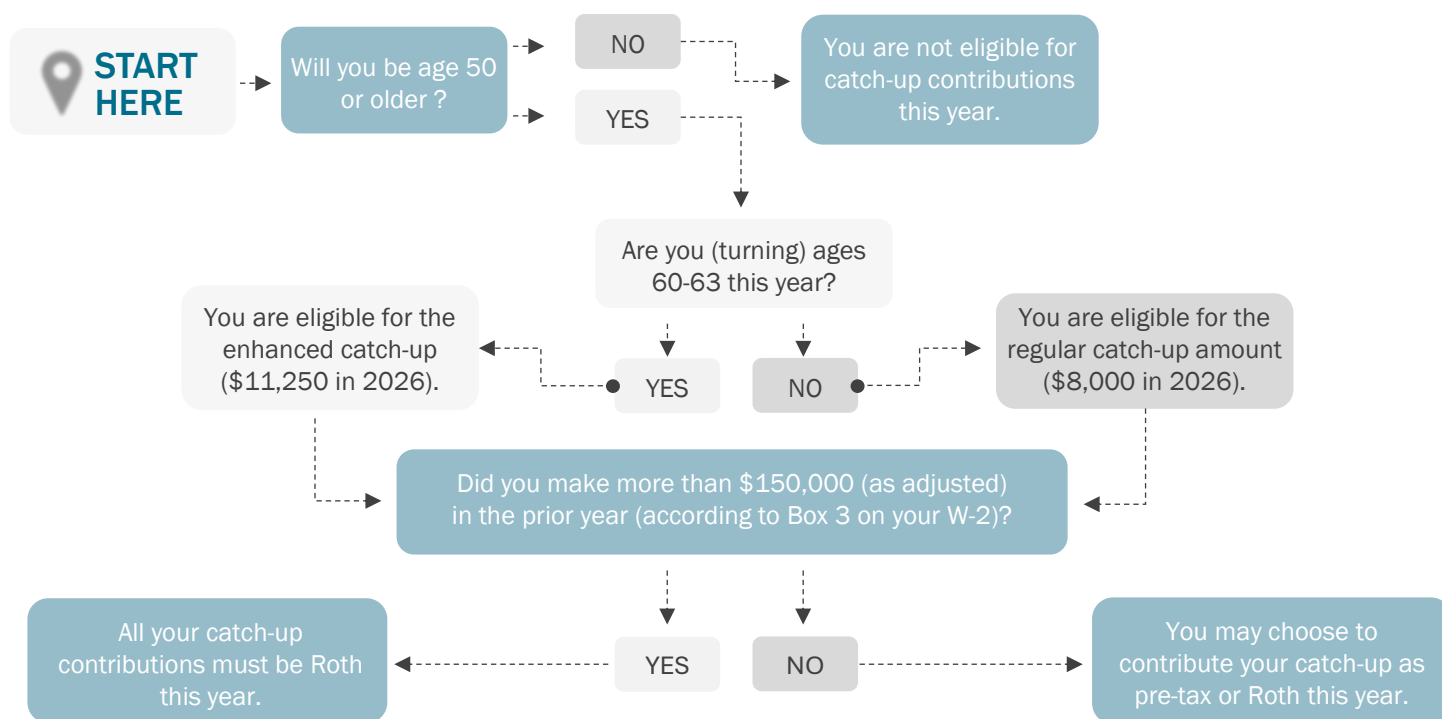


UNDERSTANDING THE NEW ROTH CATCH-UP REQUIREMENT: WHAT YOU NEED TO KNOW

Retirement Plan Update Effective January 1, 2026

Beginning in 2026, if you worked at your present company and earned more than \$150,000 (indexed for inflation) in FICA wages in the prior calendar year, any catch-up contributions must be designated as Roth contributions. Catch-up Contributions are elective deferrals made by participants age 50 or older that exceed the IRS employee contribution limit for the year (or the plan limit, if lower than the IRS limit). Roth contributions are not tax deductible, but the withdrawals are tax-free when normal retirement conditions are met.

The flow chart below is meant to help you determine whether or not this requirement will impact you each year (the determination is made on a year-by-year basis). As this requirement is effective starting in 2026, when asking “this year,” we are referring to 2026 or any year thereafter.



Next steps:

Now is a great time to talk with a financial or tax advisor about how these changes to catch-up contributions could support your retirement plans.