Student Loan Match Disclosure Document

If you are making Qualified Student Loan Payments (QSLP's; see below definition), you may be eligible to receive a matching contribution in your employer's retirement plan based on the amount of the QSLP's you paid, in addition to the matching contributions you receive on your 401(k) contributions (if any). This provision may help you pay off student loans while still accumulating money for retirement.

Process Overview

You must complete and submit the information on Schwab's website within the designated timeframe to be eligible to receive a matching contribution on your QSLP's. However, your eligibility to receive a matching contribution on your QSLP's will be determined by your employer's matching formula, your actual 401(k) contributions (if any) and the terms of the plan document.

You must submit this information within 3 months after the end of the plan year (i.e., by March 31st for a calendar plan year) and any updates you make on Schwab's website will revoke all previous claims you may have previously submitted for the applicable plan year.

Please note that you do not need to submit any documentation (i.e.- lender statements) at this time to substantiate the amount of QSLP's. However, your employer reserves the right to request such documentation from you at any time.

Example

Let's assume that your employer's 401(k) plan provides for a matching contribution equal to 50% of 401(k) contributions and QSLP's, up to the first 6% of your compensation. As such, an eligible participant can receive a matching contribution equal to 3% of your compensation. This matching formula will be applied to the sum of your 401(k) elective deferrals and your QSLP's. Below are examples of how these matching contributions may be calculated under a couple different participant scenarios:

	Participant A	Participant B	Participant C
Compensation	$100,000	$100,000	$100,000
401(k) Deferral Rate	0%	3%	6%
401(k) Contributions	$0	$3,000	$6,000
Qualified Student Loan Payments	$10,000	$10,000	$10,000
Match on 401(k) Contributions	$0	$1,500	$3,000
Match on Qualified Student Loan Payments	$3,000	$1,500	$0
Total Matching Contributions	$3,000	$3,000	$3,000

Additional Notes

Dollar Limit on 401(k) Contributions and QSLP's: The aggregate amount of 401(k) contributions and QSLP's that are subject to the plan's matching formula is limited to the lesser of:

- The IRS imposed limit on the dollar amount of your 401(k) contributions (IRC 402(g) limit)
- Your compensation for the plan year

Note: You can enter the full amount of the QSLP's on Schwab's website (even if they exceed the above limits) as your employer will ensure that such dollar limits are not exceeded when calculating your matching contributions.

Timing of Matching Contribution: The matching contributions on your QSLP's will be deposited into your account in the plan based on procedures established by your employer, which may be at a different frequency than matching contributions based on 401(k) contributions.

Matching Contribution Formula: The matching contributions related to QSLP's will be at the same rate as matching contributions on account of 401(k) contributions.

Matching Contribution Allocation Conditions: The matching contributions related to QSLP's will only be made if you are otherwise eligible to receive matching contributions related to 401(k) contributions. For example, if matching contributions are only made to eligible employees that are employed on the last day of a plan year and you terminate employment during the plan year, you may not be eligible to receive a matching contribution on your QSLP's since you are not eligible to receive a matching contribution on your 401(k) contributions.

Vesting: Matching contributions related to QSLP's will vest in the same manner as matching contributions related to 401(k) contributions.

For more information about the plan's matching formula, allocation conditions and vesting provisions, please see the Summary Plan Description.

Period of Participation: You will only receive a match on QSLP's that were *paid* while you were an eligible participant under the plan. Generally, if you were an eligible participant during the entire plan year, any QSLP's paid during the entire plan year will be eligible to be matched. However, special situations may apply as follows:

- Newly Hired / Newly Eligible Participant – If you became an eligible participant during the plan year, only QSLP's *paid* during the period in the plan year in which you were an eligible participant are eligible to be matched. For example, if you were hired on May 15, 2024 and became an eligible participant on July 1, 2024, you can only claim QSLP's paid for the 6-month period from July 1, 2024 to December 31, 2024 (i.e., your period of participation), even if you paid QSLP's during all twelve months of 2024.

- Terminated Employees / Cease Being Eligible Participant – If you terminate employment (or cease to be an Eligible Participant) during the plan year, only your QSLP's paid prior to your termination of employment (or prior to cessation of participation) will be counted. For example, if you terminate employment on November 19, 2024, only those QSLP's *paid* from January 1, 2024 to November 19, 2024 are eligible QSLP's.

Note: If you don't know your period of participation during the plan year, you can enter the full amount of QSLP's that you paid for all months of the plan year and your employer will determine the QSLP's that are eligible for the plan's matching formula.

Definitions

Qualified Student Loan Payments ("QSLP"): The term Qualified Student Loan Payment means a payment made by you during a plan year in repayment of a Qualified Education Loan incurred by you to pay Qualified Higher Education Expenses of you, your spouse or your dependent.

For a Qualified Education Loan to be treated as incurred by you, you must have a legal obligation to make the payment under the terms of the loan. In general, a cosigner has a legal obligation to make payments under the terms of a loan, but, unless the primary borrower defaults under a loan, a guarantor does not have a legal obligation to make payments under the loan. For example, if you are a cosigner on a qualified education loan for your dependent, both you and the dependent may have a legal obligation to make payments under the terms of the loan. However, only the individual who makes payments under the Qualified Education Loan can receive a QSLP match related to those payments.

Qualified Education Loan ("QEL"): The term Qualified Education Loan means any indebtedness incurred by you solely to pay Qualified Higher Education Expenses which are:

1) Incurred on behalf of you, your spouse, or any of your dependents as of the time the indebtedness was incurred, and

2) Paid or incurred within a reasonable period of time before or after the indebtedness is incurred, and

3) Are attributable to education furnished during a period during which the recipient was an Eligible Student. An Eligible Student generally means a student who is carrying ½ the normal full-time workload for the course of study the student is performing.

A Qualified Education Loan will include indebtedness used to refinance indebtedness which qualifies as a Qualified Education Loan. However, the term Qualified Education Loan shall not include:

1) Any indebtedness owed to a person who to whom you are related; or

2) Any participant loan under any qualified employer plan.

Qualified Higher Education Expenses ("QHEE"): The term Qualified Higher Education Expenses means the Cost of Attendance at an Eligible Educational Institution, reduced by the sum of:

1) The amount excluded from gross income under section 127, 135, 529, or 530 by reason of such expenses, and

2) The amount of any scholarship, allowance, or payment described in section 25A(g)(2)

Cost of Attendance ("COA"): The term Cost of Attendance generally includes:

1) Tuition and fees

2) Books, supplies, transportation, and miscellaneous personal expenses

3) Room and board

4) Other items defined in Section 472 of the Higher Education Act of 1965

Eligible Education Institution ("EEI"): The term Eligible Educational Institution means a college, university, vocational school, or other postsecondary educational institution that is:

1) Described in section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088) as in effect on August 5, 1997, (generally all accredited public, nonprofit, and proprietary postsecondary institutions); and

2) Participating in a Federal financial aid program under title IV of the Higher Education Act of 1965 or is certified by the Department of Education as eligible to participate in such a program but chooses not to participate.

An Eligible Educational Institution shall also include an institution conducting an internship or residency program leading to a degree or certificate awarded by an institution of higher education, a hospital, or a health care facility which offers postgraduate training.

Schwab Retirement Plan Services, Inc. provides recordkeeping and related services with respect to retirement plans and has provided this communication to you as part of the recordkeeping services it provides to the Plan.

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