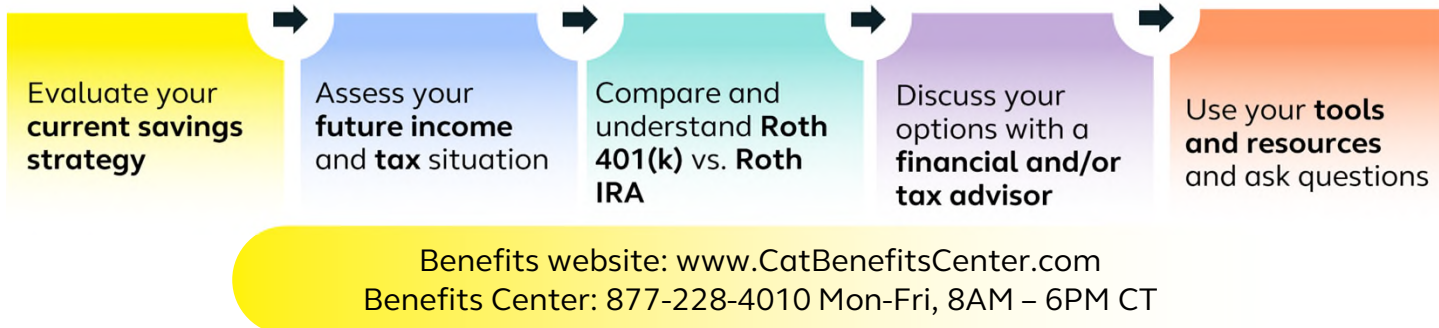
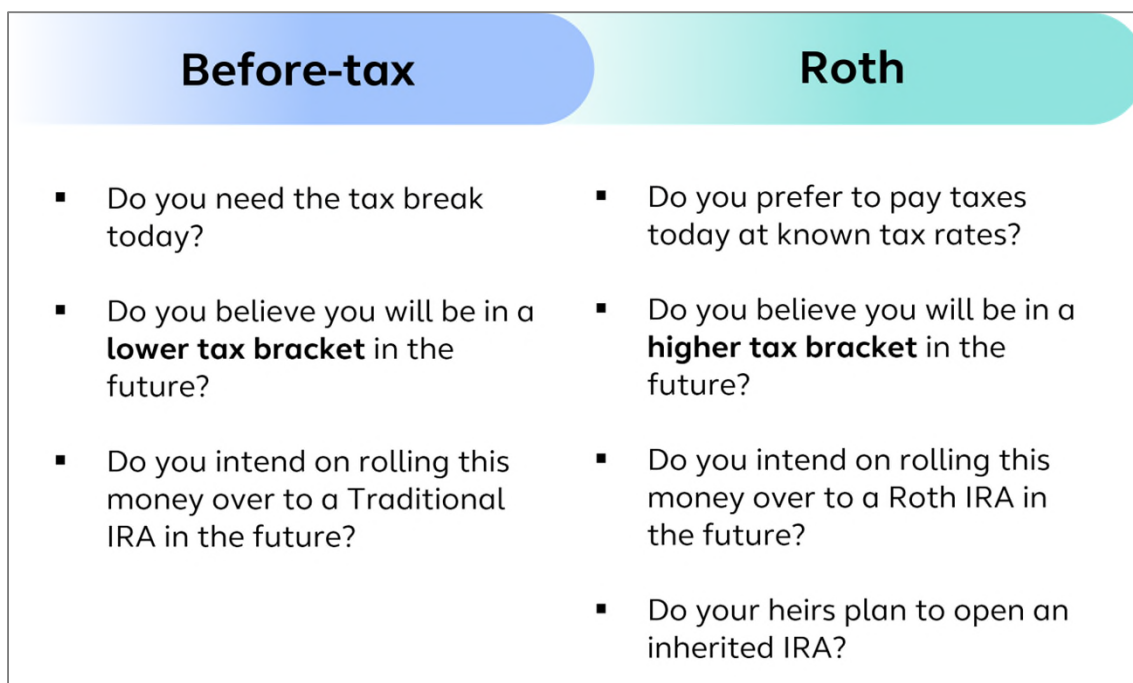


# Understanding the Roth 401(k)

	Before-Tax	Roth
<b>Taxes on Contributions</b>	Reduces current taxable income.	Does not reduce current taxable income.
<b>2026 Employee Limits</b>	\$24,500 if under age 50. \$32,500 if age 50 and over. \$35,750 if age 60 to 63. Age 50+ and earned more than \$150,000 in Caterpillar FICA wages in 2025? Qualifying catch-up contributions you make in 2026 will automatically become Roth contributions after you reach the \$24,500 annual limit, unless you opt out.	
<b>Taxes on Distributions</b>	Contributions and earnings taxed as ordinary income.	Qualified distributions are tax-free. <sup>1</sup>
<b>Matching</b>	Eligible for employer match on all contribution types. <sup>2</sup>	

<sup>1</sup> A qualified distribution is one that is made at least five years after the year the first Roth contribution is made and on or after attaining age 59 ½.

<sup>2</sup> Employer matching contributions are considered before-tax. Please refer to your plan documents on your employer match eligibility.



Information here is provided solely to supplement the "Understanding the Roth 401(k)" presentation. This information should not be considered advice, and your information may warrant consideration of other alternatives. Please speak with your financial advisor and/or tax advisor.