

2023 IRS Limits Notice

Maximize your savings

Every year, the IRS determines contribution, compensation, and other limits that are applied to 401(k) plans, such as the ADP TotalSource Retirement Savings Plan (the "Plan"). This notice provides general information on those limits to help you maximize your before-tax or Roth contributions, or a combination of both, and any employer contributions to your Plan account, if offered by your employer. Refer to your Plan Highlights to determine if your employer has elected to make employer contributions.

As you consider your Plan contribution rate for 2023, it's important to know how you might be affected by these limits and how you can get the most from the Plan. This notice is not intended to provide you with tax advice, and you should consult your personal financial or tax advisor for information regarding your particular situation.

2023 IRS limits

Below are the different limits that might affect your contributions to the Plan during calendar year 2023:

■ Before-tax and Roth contributions

The Plan allows you to contribute 1% to 99% of your compensation to your account up to the annual IRS limit. The total 2023 IRS annual limit on before-tax or Roth contributions, or a combination of both, is \$22,500. If you contribute the maximum \$22,500 to the Plan before the end of the calendar year, your contributions will stop automatically because you will have reached the annual maximum IRS limit. Please note that if you make before-tax or Roth contributions, or both, under a previous employer's retirement plan in 2023 and also contribute to the Plan in 2023, your contributions to both plans will count against the \$22,500 limit. It is your responsibility to monitor your total contributions to both plans.

■ Catch-up contributions

If you are age 50 or older, you may make catch-up contributions to the Plan. The total 2023 IRS annual limit on catch-up contributions is \$7,500. If you make

catch-up contributions to another employer's retirement plan in 2023 and also contribute catch-up contributions to the Plan in 2023, your catch-up contributions to both plans will count against the \$7,500 limit. It is your responsibility to monitor your total contributions to both plans.

■ Compensation¹

In 2023, the IRS limits the amount of compensation that may be considered eligible for contributions (including employee before-tax and Roth, employer matching, and employer discretionary profit sharing) under a qualified retirement plan to \$330,000.

■ Maximum contributions¹

The annual maximum amount that may be contributed to the Plan (including employee before-tax and Roth, employer matching, and employer discretionary profit sharing contributions) is the lesser of \$66,000 or 100% of compensation in 2023. Catch-up contributions are in addition to this limit.

For more information:

For more information about the Plan, including the definition of compensation, review the ADP TotalSource Retirement Savings Plan Summary Plan Description (SPD) and subsequent Summary of Material Modifications (SMM). A copy of the SPD and any subsequent SMMs are located on the Plan Resources section of the [Participant Resources](#) site and on the [participant website](#). You may also request a copy by calling **(855) 646-7549**.

¹ Note: If your employer's plan year begins on a date other than January 1st, the compensation limit and maximum contributions limit must be pro-rated to reflect the length of the plan's short plan year.

