

401(k) FREQUENTLY ASKED QUESTIONS

401(k) EMPLOYER MATCH

What is the maximum match from Rakuten?

For employees with three or more years of service as of December 31 of the current year: Rakuten will match 100% of your deferral contributions up to 4% of eligible compensation.

For employees with less than three years of service as of December 31 of the current year: Rakuten will match 100% of your deferral contributions up to 3% of eligible compensation.

How is the length of service for 401(k) matching determined?

- Your period of employment since your most recent hire or rehire date.
- Your Continuous Service Date since a corporate acquisition.
- The Bridging of Service Policy.

What are the conditions for receiving the 4% match?

You must be an active employee as of your three-year anniversary date.

If you terminate employment before reaching your three-year anniversary, you will receive the 3% match for the time you were an active employee.

You must be contributing 4% or more to receive the 4% matching contribution.

When do I need to increase my contribution to 4%?

To receive the 4% match once eligible, increase your contribution to 4% or more by your three-year anniversary date.

To receive the 4% match for the entire plan year, contribute an average of 4% or more over the course of the year. Changes take effect with the next payroll period following the date you make the change.

When do my Rakuten-matched contributions vest?

100% of your Rakuten-matched contributions vest after one year of service.

Does the Plan match after-tax contributions?

No, the Plan does not match after-tax contributions.



401(k) BONUS CONTRIBUTIONS

How much of my annual bonus can I defer to my 401(k) account, and what types of contributions can I choose from?

You can defer anywhere from 1% to 100% of your annual bonus to your 401(k) account. You can choose between a pre-tax contribution or a Roth contribution.

How do I opt out of contributing my annual bonus to my 401(k)?

Visit www.401k.com and set your contribution to 0% by February 13 at 11:59 PM PT.

What is the deadline to make a decision about deferring my bonus?

The deadline is February 13 at 11:59 PM PT.

How do I make my contribution election, and when will it be applied?

Visit www.401k.com to make your election. Your elected bonus contribution will only apply to your annual bonus received on February 27.

What happens to my regular contributions for bonuses received outside of February 27?

Your regular contributions will apply to any bonuses received outside of February 27.

What if I miss the February 13 deadline?

If you miss the deadline, you will not be able to defer any portion of your annual bonus to your 401(k) account for that year.

Can I change my election after February 13?

No, changes cannot be made after the February 13 deadline.

What are the tax implications of choosing a pre-tax vs. Roth contribution, and will deferring my bonus affect my annual contribution limits?

Pre-tax contributions reduce your taxable income for the year, while Roth contributions are made with after-tax dollars but grow tax-free. Consult a tax advisor for personalized advice. The amount you defer will count towards your annual 401(k) contribution limit set by the IRS.



When will I find out the amount of my bonus?

Your manager will share that information with you the week preceding the week the bonus payment is paid.

Can I change my Bonus 401(k) contributions within Workday?

No, you can change your 401(k) contributions by logging into your Fidelity account at www.401k.com.

I elected 100% of my bonus to go into my pre-tax 401(k) but taxes were deducted. Why?

401(k) contributions are not exempt from OASDI (Social Security) and Medicare taxes. Therefore, there must be enough in regular wages to cover these taxes, which are also subject to Federal and State taxes.

I missed out on receiving the full employer match throughout the year due to reaching the 401(k) limits when I received my bonus. Will I receive the employer match I missed out on?

Yes, Rakuten will process a true-up calculation every pay period to ensure you receive the full employer match you would have earned otherwise.

What does “true-up” mean?

True-up means you will always get the maximum amount of possible matching funds under the plan's contribution guidelines.

Why do I see a true-up match on my paychecks?

The true-up calculation ensures you get the maximum amount of possible matching funds under the plan's contribution guidelines. If you did not elect a 401(k) contribution on your Annual Bonus paycheck, and you were contributing an average of 3% on your regular paychecks, then your overall average deferral would have been reduced to less than 3%.

Who should I contact if I have questions on choosing the right amount to contribute to my 401(k) or how my bonus contribution to my 401(k) will affect my tax liability?

Please consult with a personal financial advisor for advice regarding your contribution options or how your contributions may affect your tax liability. Rakuten cannot provide any financial advice.



401(k) GENERAL QUESTIONS

Do the beneficiaries I have assigned on my life insurance plan apply to my 401(k)?

No, you will need to designate your beneficiaries for your 401(k) plan by logging into your Fidelity account at www.401k.com. If you do not assign beneficiaries, the following will occur per our plan document:

If upon the death of the Participant there is, in the opinion of the Administrator, no designated Beneficiary for part or all of the Participant's Account, such amount shall be paid to the surviving Spouse or, if none, to the estate (such Spouse or estate shall be deemed to be the Beneficiary for purposes of the Plan).

What if I have more questions about my 401(k) contributions?

For more information, please contact the HR department or visit Fidelity's website at www.401k.com.