

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 31, 2026

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. 001-11507

JOHN WILEY & SONS, INC.
(Exact name of Registrant as specified in its charter)

New York

(State or other jurisdiction of incorporation or organization)

13-5593032

(I.R.S. Employer Identification No.)

111 River Street, Hoboken, New Jersey

(Address of principal executive offices)

07030

Zip Code

(201) 748-6000

Registrant's telephone number, including area code

Not Applicable

Former name, former address and former fiscal year, if changed since last report

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A Common Stock, par value \$1.00 per share	WLY	New York Stock Exchange
Class B Common Stock, par value \$1.00 per share	WLYB	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒
Non-accelerated filer ☐

Accelerated filer ☐
Smaller reporting company ☐
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares outstanding of each of the Registrant's classes of common stock as of August 31, 2026 were:

Class A, par value \$1.00 – 41,925,511
Class B, par value \$1.00 – 8,758,419

JOHN WILEY & SONS, INC. AND SUBSIDIARIES
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Cautionary Notice Regarding Forward-Looking Statements “Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995:

This report contains “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 concerning our business, consolidated financial condition, and results of operations. The Securities and Exchange Commission (SEC) encourages companies to disclose forward-looking information so that investors can better understand a company’s prospects and make informed investment decisions. Forward-looking statements are subject to risks and uncertainties, many of which are outside our control, which could cause actual results to differ materially from these statements. Therefore, you should not rely on any of these forward-looking statements. Forward-looking statements can be identified by such words as “anticipates,” “believes,” “plan,” “assumes,” “could,” “should,” “estimates,” “expects,” “intends,” “potential,” “seek,” “predict,” “may,” “will,” and similar references to future periods. All statements other than statements of historical facts included in this report regarding our strategies, prospects, financial condition, operations, costs, plans, and objectives are forward-looking statements. Examples of forward-looking statements include, among others, anticipated restructuring charges and savings, operations, performance, and financial condition. Reliance should not be placed on forward-looking statements, as actual results may differ materially from those described in any forward-looking statements. Any such forward-looking statements are based upon many assumptions and estimates that are inherently subject to uncertainties and contingencies, many of which are beyond our control, and are subject to change based on many important factors. Such factors include, but are not limited to, (i) the level of investment by Wiley in new technologies and products; (ii) subscriber renewal rates for our journals; (iii) the financial stability and liquidity of journal subscription agents; (iv) the consolidation of book wholesalers and retail accounts; (v) the market position and financial stability of key retailers; (vi) the seasonal nature of our educational business and the impact of the used book market; (vii) worldwide economic and political conditions; (viii) our ability to protect our copyrights and other intellectual property worldwide; (ix) our ability to successfully integrate acquired operations and realize expected opportunities; (x) the ability to realize operating savings over time and in fiscal year 2027 in connection with our multiyear Global Restructuring Program and completed dispositions; (xi) cyber risk and the failure to maintain the integrity of our operational or security systems or infrastructure, or those of third parties with which we do business; (xii) as a result of acquisitions, we have and may record a significant amount of goodwill and other identifiable intangible assets and we may never realize the full carrying value of these assets; (xiii) our ability to leverage artificial intelligence technologies in our products and services, including generative artificial intelligence, large language models, machine learning, and other artificial intelligence tools; and (xiv) other factors detailed from time to time in our filings with the SEC. We undertake no obligation to update or revise any such forward-looking statements to reflect subsequent events or circumstances.

Please refer to Part I, Item 1A, “Risk Factors,” of our Annual Report on Form 10-K and as revised and updated by our Quarterly Reports on Form 10-Q for important factors that we believe could cause actual results to differ materially from those in our forward-looking statements. Any forward-looking statement made by us in this report is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

Non-GAAP Financial Measures:

We present financial information that conforms to Generally Accepted Accounting Principles in the United States of America (US GAAP). We also present financial information that does not conform to US GAAP, which we refer to as non-GAAP.

In this report, we may present the following non-GAAP performance measures:

- Adjusted Earnings Per Share (Adjusted EPS);
- Free Cash Flow less Product Development Spending;
- Adjusted Operating Income and margin;
- Adjusted Income Before Taxes;
- Adjusted Income Tax Provision;
- Adjusted Effective Tax Rate;
- EBITDA (earnings before interest, taxes, depreciation and amortization), Adjusted EBITDA and margin;
- Organic revenue and growth; and
- Results on a constant currency basis.

Management uses these non-GAAP performance measures as supplemental indicators of our operating performance and financial position as well as for internal reporting and forecasting purposes, when publicly providing our outlook, to evaluate our performance and calculate incentive compensation. We present these non-GAAP performance measures in addition to US GAAP financial results because we believe that these non-GAAP performance measures provide useful information to certain investors and financial analysts for operational trends and comparisons over time. The use of these non-GAAP performance measures may also provide a consistent basis to evaluate operating profitability and performance trends by excluding items that we do not consider to be controllable activities for this purpose.

The performance metric used by our chief operating decision maker to evaluate performance of our reportable segments is Adjusted Operating Income. We present both Adjusted Operating Income and Adjusted EBITDA for each of our reportable segments as we believe Adjusted EBITDA provides additional useful information to certain investors and financial analysts for operational trends and comparisons over time. It removes the impact of depreciation and amortization expense, as well as presents a consistent basis to evaluate operating profitability and compare our financial performance to that of our peer companies and competitors.

For example:

- Adjusted EPS, Adjusted Operating Income and margin, Adjusted Income Before Taxes, Adjusted Income Tax Provision, Adjusted Effective Tax Rate, EBITDA, Adjusted EBITDA and margin, and Organic revenue (excluding acquisitions) and growth provide a more comparable basis to analyze operating results and earnings and are measures commonly used by shareholders to measure our performance.
- Free Cash Flow less Product Development Spending helps assess our ability, over the long term, to create value for our shareholders as it represents cash available to repay debt, pay common stock dividends, and fund share repurchases and acquisitions.
- Results on a constant currency basis remove distortion from the effects of foreign currency movements to provide better comparability of our business trends from period to period. We measure our performance excluding the impact of foreign currency (or at constant currency), which means that we apply the same foreign currency exchange rates for the current and equivalent prior period.

In addition, we have historically provided these or similar non-GAAP performance measures and understand that some investors and financial analysts find this information helpful in analyzing our operating margins and net income, and in comparing our financial performance to that of our peer companies and competitors. Based on interactions with investors, we also believe that our non-GAAP performance measures are regarded as useful to our investors as supplemental to our US GAAP financial results, and that there is no confusion regarding the adjustments or our operating performance to our investors due to the comprehensive nature of our disclosures.

Non-GAAP performance measures do not have standardized meanings prescribed by US GAAP and therefore may not be comparable to the calculation of similar measures used by other companies and should not be viewed as alternatives to measures of financial results under US GAAP. The adjusted metrics have limitations as analytical tools, and should not be considered in isolation from, or as a substitute for, US GAAP information. It does not purport to represent any similarly titled US GAAP information and is not an indicator of our performance under US GAAP. Non-GAAP financial metrics that we present may not be comparable with similarly titled measures used by others. Investors are cautioned against placing undue reliance on these non-GAAP measures.

PART I - FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

JOHN WILEY & SONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION – UNAUDITED
In thousands

	<u>July 31, 2026</u>	<u>April 30, 2026</u>
Assets:		
Current assets		
Cash and cash equivalents	\$ 106,426	\$ 75,622
Accounts receivable, net of allowance for credit losses of \$15.9 million and \$13.8 million, respectively	210,729	244,164
Inventories, net	18,472	19,265
Prepaid expenses and other current assets	102,595	80,614
Total current assets	438,222	419,665
Technology, property, and equipment, net	131,564	136,260
Intangible assets, net	853,303	578,959
Goodwill	1,390,757	1,132,392
Operating lease right-of-use assets	56,478	57,128
Other non-current assets	262,075	267,414
Total assets	\$ 3,132,399	\$ 2,591,818
Liabilities and shareholders' equity:		
Current liabilities		
Accounts payable	\$ 44,935	\$ 67,199
Accrued royalties	101,948	97,791
Short-term portion of long-term debt	13,750	12,500
Contract liabilities	384,278	451,423
Accrued employment costs	56,129	71,068
Short-term portion of operating lease liabilities	16,111	15,954
Other accrued liabilities	71,671	63,012
Total current liabilities	688,822	778,947
Long-term debt	1,277,516	670,897
Accrued pension liability	58,740	59,527
Deferred income tax liabilities	165,492	98,972
Operating lease liabilities	67,493	69,544
Other long-term liabilities	77,297	65,689
Total liabilities	2,335,360	1,743,576
Commitments and contingencies (Note 18)		
Shareholders' equity		
Preferred stock, \$1 par value per share: Authorized shares – 2 million, Issued shares - 0	—	—
Class A common stock, \$1 par value per share: Authorized shares - 180 million, Issued shares - 70,314 and 70,314 as of July 31, 2026 and April 30, 2026, respectively	70,314	70,314
Class B convertible common stock, \$1 par value per share: Authorized shares - 72 million, Issued shares - 12,868 and 12,868 as of July 31, 2026 and April 30, 2026, respectively	12,868	12,868
Additional paid-in-capital	482,223	487,178
Retained earnings	1,708,201	1,738,164
Accumulated other comprehensive loss, net of tax	(447,495)	(442,218)
Less treasury shares at cost (Class A – 28,355 and 28,219 as of July 31, 2026 and April 30, 2026, respectively; Class B – 4,109 and 4,108 as of July 31, 2026 and April 30, 2026, respectively)	(1,029,072)	(1,018,064)
Total shareholders' equity	797,039	848,242
Total liabilities and shareholders' equity	\$ 3,132,399	\$ 2,591,818

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

JOHN WILEY & SONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF NET (LOSS) INCOME – UNAUDITED
Dollars in thousands except per share information

	Three Months Ended July 31,	
	2026	2025
Revenue, net	\$ 386,361	\$ 396,800
Costs and expenses		
Cost of sales	100,871	109,259
Operating and administrative expenses	238,534	240,330
Acquisition and integration related costs	11,039	—
Restructuring and related charges	16,525	3,038
Amortization of intangible assets	16,455	13,210
Total costs and expenses	383,424	365,837
Operating income	2,937	30,963
Interest expense	(13,926)	(11,042)
Net foreign exchange transaction losses	(397)	(971)
Net gain (loss) on sale of businesses and assets	1,113	(1,116)
Other expense, net	(2,304)	(127)
(Loss) income before taxes	(12,577)	17,707
(Benefit) provision for income taxes	(850)	6,007
Net (loss) income	\$ (11,727)	\$ 11,700
(Loss) earnings per share:		
Basic	<u><u>\$ (0.23)</u></u>	<u><u>\$ 0.22</u></u>
Diluted	<u><u>\$ (0.23)</u></u>	<u><u>\$ 0.22</u></u>
Weighted average number of common shares outstanding:		
Basic	50,752	53,377
Diluted	50,752	53,966

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

JOHN WILEY & SONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME – UNAUDITED
Dollars in thousands

	Three Months Ended July 31,	
	2026	2025
Net (loss) income	\$ (11,727)	\$ 11,700
Other comprehensive (loss) income:		
Foreign currency translation adjustment	(7,976)	(5,852)
Unamortized retirement costs, net of tax expense of \$(636) and \$(107), respectively	2,081	4,224
Unrealized gain on interest rate swaps, net of tax expense of \$(203) and \$(706), respectively	618	2,141
Total other comprehensive (loss) income	(5,277)	513
Comprehensive (loss) income	\$ (17,004)	\$ 12,213

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

JOHN WILEY & SONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS – UNAUDITED
Dollars in thousands

	Three Months Ended July 31,	
	2026	2025
<u>Operating activities</u>		
Net (loss) income	\$ (11,727)	\$ 11,700
Adjustments to reconcile net (loss) income to net cash used in operating activities:		
Net (gain) loss on sale of businesses and assets	(1,113)	1,116
Amortization of intangible assets	16,455	13,210
Amortization of product development assets	3,652	3,792
Depreciation and amortization of technology, property, and equipment	17,214	19,444
Acquisition and integration related costs	11,039	—
Restructuring and related charges	16,525	3,038
Stock-based compensation expense	4,870	5,899
Employee retirement plan expense	8,221	9,186
Other noncash charges	8,434	1,151
Net change in operating assets and liabilities	(128,842)	(153,541)
Net cash used in operating activities	(55,272)	(85,005)
<u>Investing activities</u>		
Product development spending	(3,180)	(2,890)
Additions to technology, property and equipment	(11,197)	(12,005)
Businesses acquired in purchase transactions, net of cash acquired	(450,351)	—
Net cash (transferred) proceeds related to the sale of businesses and assets	(27)	115,168
Acquisitions of publication rights and other	(625)	(1,417)
Net cash (used in) provided by investing activities	(465,380)	98,856
<u>Financing activities</u>		
Repayments of long-term debt	(468,752)	(250,290)
Borrowings of long-term debt	1,077,818	280,881
Payment of debt issuance costs	(526)	—
Purchases of treasury shares	(15,229)	(13,500)
Change in book overdrafts	(16,444)	(10,717)
Cash dividends	(18,167)	(18,985)
Impact of tax withholding on stock-based compensation and other	(5,822)	(4,313)
Net cash provided by (used in) financing activities	552,878	(16,924)
Effects of exchange rate changes on cash, cash equivalents, and restricted cash	(1,422)	(959)
<i>Cash reconciliation:</i>		
Cash and cash equivalents	75,622	85,882
Restricted cash included in Prepaid expenses and other current assets	50	50
Balance at beginning of period	75,672	85,932
Increase (decrease) for the period	30,804	(4,032)
Cash and cash equivalents	106,426	81,850
Restricted cash included in Prepaid expenses and other current assets	50	50
Balance at end of period	\$ 106,476	\$ 81,900
Cash paid during the period for:		
Interest	\$ 11,270	\$ 10,595
Income taxes, net of refunds	\$ 13,075	\$ 16,193

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

JOHN WILEY & SONS, INC., AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY – UNAUDITED
Dollars in thousands

	Class A common stock	Class B common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive loss, net of tax	Treasury stock	Total shareholders' equity
Balance at April 30, 2026	\$ 70,314	\$ 12,868	\$ 487,178	\$ 1,738,164	\$ (442,218)	\$ (1,018,064)	\$ 848,242
Restricted shares issued under stock-based compensation plans	—	—	(9,775)	—	—	9,844	69
Impact of tax withholding on stock-based compensation and other	—	—	—	—	—	(5,822)	(5,822)
Stock-based compensation expense	—	—	4,820	—	—	—	4,820
Purchases of treasury shares	—	—	—	—	—	(15,030)	(15,030)
Class A common stock dividends (\$0.3575 per share)	—	—	—	(15,105)	—	—	(15,105)
Class B common stock dividends (\$0.3575 per share)	—	—	—	(3,131)	—	—	(3,131)
Common stock class conversions	—	—	—	—	—	—	—
Comprehensive loss, net of tax	—	—	—	(11,727)	(5,277)	—	(17,004)
Balance at July 31, 2026	\$ 70,314	\$ 12,868	\$ 482,223	\$ 1,708,201	\$ (447,495)	\$ (1,029,072)	\$ 797,039

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

	Class A common stock	Class B common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive loss, net of tax	Treasury stock	Total shareholders' equity
Balance at April 30, 2025	\$ 70,312	\$ 12,870	\$ 481,863	\$ 1,591,168	\$ (478,920)	\$ (925,087)	\$ 752,206
Restricted shares issued under stock-based compensation plans	—	—	(7,974)	—	—	8,033	59
Impact of tax withholding on stock-based compensation and other	—	—	—	—	—	(4,313)	(4,313)
Stock-based compensation expense	—	—	5,938	—	—	—	5,938
Purchases of treasury shares	—	—	—	—	—	(14,000)	(14,000)
Class A common stock dividends (\$0.3550 per share)	—	—	—	(15,932)	—	—	(15,932)
Class B common stock dividends (\$0.3550 per share)	—	—	—	(3,112)	—	—	(3,112)
Common stock class conversions	—	—	—	—	—	—	—
Comprehensive income, net of tax	—	—	—	11,700	513	—	12,213
Balance at July 31, 2025	\$ 70,312	\$ 12,870	\$ 479,827	\$ 1,583,824	\$ (478,407)	\$ (935,367)	\$ 733,059

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

JOHN WILEY & SONS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 — Basis of Presentation

Throughout this report, when we refer to “Wiley,” the “Company,” “we,” “our,” or “us,” we are referring to John Wiley & Sons, Inc. and all our subsidiaries, except where the context indicates otherwise.

Our Unaudited Condensed Consolidated Financial Statements include all the accounts of the Company and our subsidiaries. We have eliminated all intercompany transactions and balances in consolidation. In the opinion of management, the accompanying Unaudited Condensed Consolidated Financial Statements contain all adjustments, consisting only of normal recurring adjustments, necessary to state fairly the Unaudited Condensed Consolidated Financial Condition, Results of Operations, Comprehensive Income and Cash Flows for the periods presented. The Condensed Consolidated Statement of Financial Position as of April 30, 2026 was derived from audited consolidated financial statements but does not include all disclosures from the annual financial statements. Operating results for the interim period are not necessarily indicative of the results expected for the full year. All amounts are presented in United States (US) dollars, unless otherwise specified. All amounts are in thousands, except per share amounts, and approximate due to rounding. These financial statements should be read in conjunction with the most recent audited consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended April 30, 2026 as filed with the SEC on June 24, 2026 (2026 Form 10-K).

Our Unaudited Condensed Consolidated Financial Statements were prepared in accordance with the interim reporting requirements of the SEC. As permitted under those rules, annual footnotes or other financial information that are normally required by US GAAP have been condensed or omitted. The preparation of our Unaudited Condensed Consolidated Financial Statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 — Recent Accounting Standards

Recently Adopted Accounting Standards

Measurement of Credit Losses for Accounts Receivable and Contract Assets

In July 2025, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2025-05, "Financial Instruments-Credit Losses (Topic 326), Measurement of Credit Losses for Accounts Receivable and Contract Assets." In developing reasonable and supportable forecasts as part of estimating expected credit losses on current accounts receivable and/or current contract assets, we may elect a practical expedient in accordance with this new ASU that assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset.

We elected to adopt the practical expedient on a prospective basis effective May 1, 2026. The adoption of this ASU did not have a material impact on our consolidated financial statements.

Recently Issued Accounting Standards

Codification Improvements

In December 2025, the FASB issued ASU 2025-12 "Codification Improvements," to make various technical corrections, clarifications, and other minor improvements to existing US GAAP. The amendments are intended to improve the clarity and consistency of existing guidance and are not expected to significantly change current accounting practice. This ASU is effective for us on May 1, 2027 and interim periods within the fiscal year. Early adoption is permitted. We are required to apply the amendments to Accounting Standards Codification (ASC) Topic 260, "Earnings Per Share" retrospectively. All other amendments may be applied prospectively or retrospectively. We are currently assessing the impact of the disclosure requirements on our consolidated financial statements.

Interim Reporting Narrow-Scope Improvements

In December 2025, the FASB issued ASU 2025-11 "Interim Reporting (Topic 270): Narrow-Scope Improvements" to amend the guidance in "Interim Reporting" (Topic 270). This ASU provides clarifications intended to improve the consistency and usability of interim disclosure requirements, including a comprehensive listing of required interim disclosures and a new disclosure principle for reporting material events occurring after the most recent annual period. The amendments do not change the underlying objectives of interim reporting but are designed to enhance clarity in application. This ASU is effective for us on May 1, 2028 and interim periods within the fiscal year. Early adoption is permitted. We may elect to apply the ASU using a prospective or retrospective transition method. We are currently assessing the impact of the disclosure requirements on our consolidated financial statements.

Hedge Accounting Improvements

In November 2025, the FASB issued ASU 2025-09, "Derivatives and Hedging (Topic 815): Hedge Accounting Improvements." This ASU makes targeted amendments to expand the application of hedge accounting to a greater number of highly effective economic hedges in five areas: i) similar risk assessment for cash flow hedges; ii) hedging forecasted interest payments on choose-your-rate debt instruments; iii) cash flow hedges of nonfinancial forecasted transactions; iv) net written options as hedging instruments; and v) foreign-currency-denominated debt instrument as hedging instrument and hedged item (dual hedge). The ASU is intended to better reflect the economics of risk management activities and to reduce complexity in applying hedge accounting. This ASU is effective for us on May 1, 2027 and interim periods within the fiscal year. Early adoption is permitted. This ASU is applied prospectively for all hedging relationships as of the date of adoption. The impact will be based on future economic hedges after we adopt the standard.

Targeted Improvements to the Accounting for Internal-Use Software

In September 2025, the FASB issued ASU 2025-06, "Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software." This ASU removes the references to software development stages and requires capitalization of software costs when management has committed to the software project and it is probable that the software will be completed and perform its intended use. This ASU is effective for us on May 1, 2028 and interim reporting periods within the fiscal year. Early adoption is permitted. We may elect to apply the ASU using a prospective, modified based on the status of the project and whether software costs were capitalized before the date of adoption, or retrospective transition method. We are currently evaluating the impact this ASU will have on our consolidated financial statements.

Disaggregation of Income Statement Expenses

In November 2024, the FASB issued ASU 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40), Disaggregation of Income Statement Expenses." In January 2025, the FASB clarified the effective date of this guidance with the issuance of ASU 2025-01, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date." This ASU requires disclosure about specific types of expenses included in expense captions including purchases of inventory, employee compensation, depreciation, amortization, and depletion. This ASU is effective for our annual disclosures starting fiscal year 2028 and interim periods starting in fiscal year 2029. Early adoption is permitted. A public entity should apply the amendments in this ASU on a prospective basis with the option to apply the standard retrospectively. We are currently assessing the impact of the disclosure requirements on our consolidated financial statements.

Note 3 — Acquisition and Divestitures***Acquisition*****Emerald Publishing**

On June 1, 2026, pursuant to an Equity Purchase Agreement (Purchase Agreement), we completed the acquisition of 100% of the issued and outstanding shares of CIG Emerald Holding LLC (Emerald Holding), which, through its subsidiaries, operates Emerald Publishing (together with its subsidiaries, Emerald Publishing), a research publisher headquartered in Leeds, England, with a portfolio of peer-reviewed journals, books, and business cases across disciplines with particular emphasis on economics, business, finance, engineering, and the social sciences. Emerald Publishing's results of operations are included in our Research segment. The acquisition was made to extend Wiley's scale in its Research business and to strengthen its proprietary content advantage in artificial intelligence (AI).

The preliminary fair value of the consideration transferred, subject to customary working capital adjustments, was \$462.7 million, which included \$462.1 million of cash at acquisition and \$0.6 million to be paid after the acquisition date. We financed the payment of the cash consideration primarily through borrowings under our Amended and Restated CA (as defined below in Note 15, "Debt and Available Credit Facilities") and using cash on hand. The fair value of the cash consideration transferred, net of \$11.7 million of cash acquired was approximately \$450.4 million.

The Emerald Publishing acquisition was accounted for as a business combination using the acquisition method of accounting, which requires that assets acquired and liabilities assumed be recognized at their fair value as of the acquisition date. The preliminary purchase price was allocated to the assets acquired and liabilities assumed based upon their estimated fair value at the date of acquisition and the excess purchase price over the fair value has been recorded to Goodwill in our Unaudited Condensed Consolidated Statements of Financial Position. Goodwill represents synergies and economies of scale expected from the combination of services. We recorded the preliminary fair value of the assets acquired and liabilities assumed on the acquisition date. None of the goodwill will be deductible for tax purposes.

In connection with the acquisition of Emerald Publishing, we incurred acquisition and integration related costs of \$11.0 million in the three months ended July 31, 2026, which are reflected in Acquisition and integration related costs on the Unaudited Condensed Consolidated Statements of Net (Loss) Income. Acquisition-related costs consist of advisory, legal, consulting, and due diligence fees directly related to evaluating, negotiating, and completing the transaction. The acquisition-related costs are expensed when incurred and were approximately \$7.0 million in the three months ended July 31, 2026. Integration-related costs include expenditures incurred to combine, migrate, or consolidate systems, operations, facilities, and processes between Wiley and Emerald Publishing, and severance related charges. The integration-related costs were approximately \$4.0 million in the three months ended July 31, 2026. Such costs were related to the Research business.

Emerald Publishing's revenue and net income included in our Unaudited Condensed Consolidated Statements of Net (Loss) Income for the three months ended July 31, 2026 were \$13.3 million and \$1.2 million, respectively.

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The following table summarizes the preliminary consideration transferred to acquire Emerald Publishing and the preliminary allocation of the purchase price among the assets acquired and liabilities assumed as of June 1, 2026:

	Preliminary Allocation
Total preliminary consideration transferred	\$ 462,716
Assets acquired:	
Cash and cash equivalents	\$ 11,706
Accounts receivable, net	7,885
Prepaid expenses and other current assets	3,620
Total current assets	23,211
Intangible assets, net	292,282
Other non-current assets	5,388
Total assets	\$ 320,881
Liabilities assumed:	
Contract liabilities	\$ 33,612
Accrued employment costs	3,153
Other current liabilities	5,165
Total current liabilities	41,930
Deferred income tax liabilities	69,245
Other long-term liabilities	10,155
Total liabilities	\$ 121,330
Net identifiable assets acquired	\$ 199,551
Goodwill	\$ 263,165

Pursuant to the Purchase Agreement, we are entitled to indemnification for specified uncertain tax liabilities, and we recorded a corresponding indemnification asset of approximately \$4.7 million, measured on the same basis as the related liability. The indemnification asset was classified within Other non-current assets in the table above and will be adjusted in future periods if the related liability is settled, released, or remeasured. As of July 31, 2026, there were no changes in the estimated amount of indemnified tax exposure or the related asset.

The following table summarizes the preliminary identifiable intangible assets acquired and their weighted-average useful lives at the date of acquisition:

	Preliminary Estimated Fair Value	Weighted-Average Useful Life
Content and publishing rights	\$ 185,762	19 years
Customer relationships	98,265	19 years
Brand and trademarks	5,385	5 years
Developed technology	2,870	1.5 years
Total	\$ 292,282	

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The identifiable intangible assets acquired primarily consist of peer-reviewed journals and books, which are included in content and publishing rights; subscriber and licensing relationships which are included in customer relationships; the Emerald trade name; and developed technology. The fair values were determined using the income approach, applying the relief-from-royalty and the multi-period excess earnings methods, as applicable. The useful lives were determined based on the expected period over which we will benefit from each asset, informed by historical attrition and renewal patterns, expected content monetization, and the estimated royalty benefit period, as applicable.

The allocation of the total consideration transferred to the assets acquired, including identifiable intangible assets and goodwill, and the liabilities assumed is preliminary, and could be revised as a result of additional information obtained due to the finalization of the third-party valuation report, leases and related commitments, tax related matters and contingencies and certain assets and liabilities, including receivables and payables, but such amounts will be finalized within the measurement period, which will not exceed one year from the acquisition date. We are also in the process of aligning our accounting policies, which could result in changes related to financial statement presentation.

The following unaudited pro forma financial information presents the combined results of operations of the Company and Emerald Publishing for the three months ended July 31, 2026 and 2025, as if the acquisition had occurred on May 1, 2025. The unaudited pro forma financial information is presented for informational purposes only and is not necessarily indicative of the results of operations that would have been achieved had the acquisition actually occurred as of those dates, nor is it indicative of future results of the combined company.

	Three Months Ended July 31,	
	2026	2025
Revenue	\$ 394,591	\$ 415,897
Net loss	\$ (3,671)	\$ (884)
Diluted loss per share	\$ (0.07)	\$ (0.02)

The supplemental pro forma financial information has been prepared by applying our accounting policies and includes, where applicable, adjustments to reflect: (i) the incremental amortization expense associated with the fair value of identifiable intangible assets acquired, based on the preliminary purchase price allocation; (ii) acquisition and integration related costs as if the acquisition had occurred on May 1, 2025; (iii) incremental interest expense associated with any acquisition-related financing; and (iv) the income tax effects of the pro forma adjustments.

Emerald Publishing's fiscal year end was December 31, and due to the different fiscal year end dates, the unaudited pro forma operating results were prepared based on comparable periods.

Divestitures

Wiley Edge

On May 31, 2024, we completed the sale of Wiley Edge with the exception of its India operations which sold on August 31, 2024, which was included in our Held for Sale or Sold segment at that time.

The selling price for Wiley Edge included an unsecured promissory note (Inspirit Seller Note), which matures on May 31, 2028 and is prepayable at par plus accrued interest at any time and also if certain conditions are met. The Inspirit Seller Note originally accrued interest at 8% per annum from May 31, 2024, increasing 1% annually on each anniversary of issuance. In November 2025, the Inspirit Seller Note was amended so that interest ceased accruing prospectively from January 5, 2026 (Interest End Date). In connection with this amendment, we will receive a contingent payment equal to 120% of the foregone interest upon the future occurrence of certain sale or exit events if proceeds exceed a certain amount. As of July 31, 2026, the likelihood and amount of any future payment was not determinable, and no amounts have been recognized related to this contingent arrangement. As of both July 31, 2026 and April 30, 2026, the Inspirit Seller Note receivable inclusive of interest is \$15.2 million and is reflected in Other non-current assets in our Unaudited Condensed Consolidated Statements of Financial Position.

The selling price for Wiley Edge also included contingent consideration in the form of an earnout based on gross profit targets during each of the three fiscal years in the period beginning May 1, 2024 and ending April 30, 2027 (Wiley Edge Earnout). We estimate the fair value of the Wiley Edge Earnout to be zero as of both July 31, 2026 and April 30, 2026. Actual gross profit for each of the fiscal year 2025 and 2026 earnout periods fell below target, and the fiscal year 2027 forecast is also expected to fall below target, resulting in no payments to Wiley for any period.

CrossKnowledge

On August 31, 2024, we completed the sale of CrossKnowledge, which was included in our Held for Sale or Sold segment at that time. Included in the selling price for CrossKnowledge was contingent consideration in the form of an earnout. We estimate the fair value of the CrossKnowledge earnout to be zero as of both July 31, 2026 and April 30, 2026 based upon the business outlook that reflects adverse changes in market conditions, which result in no payments being made to Wiley during each of the respective periods.

Note 4 — Revenue Recognition, Contracts with Customers***Disaggregation of Revenue***

The following table presents our revenue from contracts with customers disaggregated by segment and product type.

	Three Months Ended July 31,	
	2026	2025
Research:		
Research Publishing	\$ 258,886	\$ 231,827
Research Solutions	34,604	49,865
Total Research	293,490	281,692
Learning:		
Academic	44,741	55,472
Professional	48,130	59,636
Total Learning	92,871	115,108
Total Revenue	\$ 386,361	\$ 396,800

The following information describes our disaggregation of revenue by segment and product type. Overall, the majority of our revenue is recognized over time.

Research

Total Research revenue was \$293.5 million in the three months ended July 31, 2026. Research products are sold and distributed globally through multiple channels. The majority of revenue generated from Research products is recognized over time.

We disaggregated revenue by Research Publishing and Research Solutions to reflect the different type of products and services provided.

Research Publishing Products

Research Publishing products provide scientific, technical, medical, and scholarly journals, as well as related content and services to academic, corporate, and government libraries, learned societies, and individual researchers and other professionals. As a result of the Emerald Publishing acquisition, Research Publishing also includes additional journals, books, and business cases across disciplines, with particular emphasis on economics, business, finance, engineering, and the social sciences. Research Publishing revenue was \$258.9 million in the three months ended July 31, 2026 and the majority is recognized over time.

In the three months ended July 31, 2026 Research Publishing products generated approximately 86% of its revenue from contracts with its customers from Journal Subscriptions (pay to read) and Transformational Agreements (read and publish) under multiyear arrangements, and Open Access (pay to publish). The remaining revenue is from Licensing and ancillary products.

Research Solutions Products and Services

Research Solutions revenue was \$34.6 million in the three months ended July 31, 2026, and the majority recognized over time.

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Research Solutions products and services generated approximately 55% of their revenue in the three months ended July 31, 2026 from contracts with customers that include artificial intelligence (AI) license revenue that includes content which Wiley licensed from other publishers; and platform and workflow solutions for societies and publishers which includes production and content hosting, submissions and peer review support, editorial, and copy editing services. Included within platforms is our Atypon® publishing platform for societies and publishers. The remainder of the revenue within Research Solutions from contracts with customers includes corporate solutions such as managed services which includes advertising, and full sales and marketing services for publishers and societies; recruitment platform and services; spectral databases; and projects which includes content creation and distribution, digital events, and webinars.

Learning

Total Learning revenue was \$92.9 million in the three months ended July 31, 2026. We disaggregated revenue by Academic and Professional to reflect the different types of products and services provided.

Academic

Academic products revenue was \$44.7 million in the three months ended July 31, 2026. Products and services include scientific, professional, and education print and digital books, and digital courseware to libraries, corporations, students, professionals, and researchers. Products are developed for worldwide distribution through multiple channels, including chain and online booksellers, libraries, colleges and universities, corporations, direct to consumer, websites, distributor networks and other online applications.

In the three months ended July 31, 2026, Academic products generated approximately 71% of their revenue from contracts with their customers for print and digital publishing, which is recognized at a point in time. Digital Courseware products, in the three months ended July 31, 2026, generated approximately 20% of their revenue from contracts with their customers which is recognized over time. The remainder of their revenues were from Licensing and ancillary products, which have a mix of revenue recognized at a point in time and over time.

Professional

Professional products revenue was \$48.1 million in the three months ended July 31, 2026. Professional provides learning, development, publishing, and assessment services for businesses and professionals. Our professional publishing produces books, which includes business and finance, technology, professional development for educators, test preparation books and other professional categories, as well as the *For Dummies*® brand. Products are sold to brick-and-mortar and online retailers, wholesalers who supply such bookstores, college bookstores, individual practitioners, corporations, and government agencies.

In the three months ended July 31, 2026, Professional products generated approximately 51% of their revenue from contracts with their customers for professional publishing, which is recognized at a point in time. Our assessments offering, in the three months ended July 31, 2026, generated approximately 36% of their revenue from contracts with their customers, which has a mix of revenue recognized at a point in time and over time. The remainder of Professional revenues were from Licensing and ancillary revenue streams, which has a mix of revenue recognized at a point in time and over time.

Accounts Receivable, net and Contract Liability Balances

When consideration is received, or such consideration is unconditionally due, from a customer prior to transferring goods or services to the customer under the terms of a contract, a contract liability is recorded. Contract liabilities are recognized as revenue when, or as, control of the products or services are transferred to the customer and all revenue recognition criteria have been met.

The following table provides information about accounts receivable, net and contract liabilities from contracts with customers.

	July 31, 2026	April 30, 2026	(Decrease)/ Increase
Balances from contracts with customers:			
Accounts receivable, net	\$ 210,729	\$ 244,164	\$ (33,435)
Contract liabilities ⁽¹⁾	\$ 384,278	\$ 451,423	\$ (67,145)
Contract liabilities (included in Other long-term liabilities)	\$ 17,893	\$ 17,230	\$ 663

(1) The sales return reserve recorded in Contract liabilities is \$11.9 million and \$11.8 million, as of July 31, 2026 and April 30, 2026, respectively.

For the three months ended July 31, 2026, we estimate that we recognized as revenue approximately 40% of the current contract liability balance at April 30, 2026. For the three months ended July 31, 2025, we estimated that we recognized as revenue approximately 39% of the current contract liability balance at April 30, 2025.

The decrease in contract liabilities, excluding the sales return reserve, was primarily driven by revenue earned on journal subscription agreements, transformational agreements, and open access, partially offset by renewals of journal subscription agreements, transformational agreements, open access and, to a lesser extent, the contract liabilities assumed due to the acquisition of Emerald Publishing.

Remaining Performance Obligations included in Contract Liability

As of July 31, 2026, the aggregate amount of the transaction price allocated to the remaining performance obligations is approximately \$402.2 million, which includes the sales return reserve of \$11.9 million. Excluding the sales return reserve, we expect that approximately \$372.4 million will be recognized in the next twelve months with the remaining \$17.9 million to be recognized thereafter.

Shipping and Handling Costs

Sales and value-added taxes are excluded from revenues. Shipping and handling costs, which are primarily incurred within the Learning segment, occur before the transfer of control of the related goods. Therefore, in accordance with the revenue standard, it is not considered a promised service to the customer and would be considered a cost to fulfill our promise to transfer the goods. Costs incurred for third party shipping and handling are primarily reflected in Operating and administrative expenses on our Unaudited Condensed Consolidated Statements of Net (Loss) Income and were incurred as follows:

	Three Months Ended July 31,	
	2026	2025
Shipping and handling costs	\$ 5,468	\$ 5,580

Note 5 — Operating Leases

We have contractual obligations as a lessee with respect to offices, warehouses and distribution centers, automobiles, and office equipment.

For operating leases, the right-of-use (ROU) assets and liabilities are presented on our Unaudited Condensed Consolidated Statements of Financial Position as follows:

	July 31, 2026	April 30, 2026
Operating lease ROU assets	\$ 56,478	\$ 57,128
Short-term portion of operating lease liabilities	16,111	15,954
Operating lease liabilities, non-current	\$ 67,493	\$ 69,544

As a result of our restructuring programs, which included the exit of certain leased office space, we record ongoing facility charges associated with certain operating lease ROU assets. See [Note 9](#), “Restructuring and Related Charges” for more information on this program and the charges incurred.

Our total net lease costs are as follows:

	Three Months Ended July 31,	
	2026	2025
Operating lease cost	\$ 3,460	\$ 3,604
Variable lease cost	283	210
Short-term lease cost	96	102
Sublease income	(82)	(95)
Total net lease cost ⁽¹⁾	<u>\$ 3,757</u>	<u>\$ 3,821</u>

- (1) Total net lease cost does not include those costs and sublease income for operating leases identified as part of our restructuring programs, which are included in Restructuring and related charges on our Unaudited Condensed Consolidated Statements of Net (Loss) Income. See [Note 9](#), “Restructuring and Related Charges” for more information on these programs.

Other supplemental information includes the following:

	Three Months Ended July 31,	
	2026	2025
Weighted-average remaining contractual lease term (years)	6	7
Weighted-average discount rate	6.23 %	6.19 %
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 5,451	\$ 5,993
Operating lease liabilities arising from obtaining ROU assets	\$ 2,323	\$ 578

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The table below reconciles the undiscounted cash flows for the first five years and total of the remaining years to the operating lease liabilities recorded in our Unaudited Condensed Consolidated Statement of Financial Position as of July 31, 2026:

Fiscal Year	Operating Lease Liabilities
2027 (remaining 9 months)	\$ 15,412
2028	17,426
2029	15,947
2030	14,796
2031	14,441
Thereafter	21,631
Total future undiscounted minimum lease payments	99,653
Less: Imputed interest	16,049
Present value of minimum lease payments	83,604
Less: Current portion	16,111
Noncurrent portion	\$ 67,493

Note 6 — Stock-Based Compensation

The Company provides stock-based compensation to its employees and non-employee directors, which may include restricted stock units (RSU), performance-based stock awards (PSU), and stock options (collectively, stock-based awards). We recognize the grant date fair value of stock-based compensation in net income generally on a straight-line basis, net of estimated forfeitures over the requisite service period. We recognized stock-based compensation expense on a pretax basis as follows:

	Three Months Ended July 31,	
	2026	2025
Stock-based compensation expense	\$ 4,870	\$ 5,899

Performance-Based and Other Restricted Stock Activity

Under the terms of our long-term incentive plans, PSU awards are payable in restricted shares of our Class A Common Stock upon the achievement of certain three-year or less financial performance-based targets. The measurement of performance is based on actual financial results for targets established up to three years in advance or less. During each three-year period or less, we adjust compensation expense based upon our best estimate of expected performance.

We may also grant individual RSU awards payable in restricted shares of our Class A Common Stock to key employees in connection with their employment.

The following table summarizes awards we granted to employees (shares in thousands):

	Three Months Ended July 31,	
	2026	2025
Restricted Stock:		
Awards granted (shares)	622	543
Weighted average fair value of grant	\$ 45.14	\$ 43.75

Stock Option Activity

During the three months ended July 31, 2026, we granted 100,000 stock option awards to employees of our executive leadership team, at a grant price of \$50.12, which was 10% above the fair market value at the time of grant. Such options vest 10%, 20%, 30%, and 40% on June 30. The options are exercisable over a maximum period of ten years from the date of grant. There were no stock option awards granted during the three months ended July 31, 2025.

The following table provides the estimated weighted average fair value for options granted using the Black-Scholes option-pricing model, and the significant weighted average assumptions used in their determination:

		Three Months Ended July 31, 2026
Weighted average fair value of options on grant date	\$	12.92
<u>Weighted average assumptions:</u>		
Expected life of options (years)		6.3
Risk-free interest rate		4.2 %
Expected volatility		36.7 %
Expected dividend yield		3.1 %
Fair value of common stock on grant date	\$	45.56
Exercise price of stock option grant	\$	50.12

Note 7 — Accumulated Other Comprehensive Loss

Changes in Accumulated other comprehensive loss by component, net of tax, for the three months ended July 31, 2026 and 2025 were as follows:

	Foreign Currency Translation	Unamortized Retirement Costs	Interest Rate Swaps	Total
Balance at April 30, 2026	\$ (248,720)	\$ (190,326)	\$ (3,172)	\$ (442,218)
Other comprehensive (loss) income before reclassifications	(7,976)	612	453	(6,911)
Amounts reclassified from accumulated other comprehensive loss	—	1,469	165	1,634
Total other comprehensive (loss) income	(7,976)	2,081	618	(5,277)
Balance at July 31, 2026	\$ (256,696)	\$ (188,245)	\$ (2,554)	\$ (447,495)

	Foreign Currency Translation	Unamortized Retirement Costs	Interest Rate Swaps	Total
Balance at April 30, 2025	\$ (264,548)	\$ (209,190)	\$ (5,182)	\$ (478,920)
Other comprehensive (loss) income before reclassifications	(5,852)	1,718	2,583	(1,551)
Amounts reclassified from accumulated other comprehensive loss	—	2,506	(442)	2,064
Total other comprehensive (loss) income	(5,852)	4,224	2,141	513
Balance at July 31, 2025	\$ (270,400)	\$ (204,966)	\$ (3,041)	\$ (478,407)

During the three months ended July 31, 2026 and 2025, pretax actuarial losses included in Unamortized Retirement Costs of approximately \$2.0 million and \$2.1 million, respectively, were amortized from Accumulated other comprehensive loss and recognized as pension and post-retirement benefit expense primarily in Operating and administrative expenses and Other expense, net on our Unaudited Condensed Consolidated Statements of Net (Loss) Income.

Our policy for releasing the income tax effects from accumulated other comprehensive (loss) income is to release when the corresponding pretax accumulated other comprehensive (loss) income items are reclassified to earnings.

Note 8 — Reconciliation of Weighted Average Shares Outstanding

Basic (loss) earnings per share is computed by dividing net (loss) earnings by the weighted average number of common shares outstanding during the period. Diluted (loss) earnings per share further includes any common shares available to be issued upon the exercise of unvested, outstanding restricted stock units and other stock awards if such inclusions would be dilutive. The shares associated with PSU awards are considered contingently issuable shares and are included in the diluted weighted average number of common shares outstanding based on when they have met the performance conditions, and when their effect is dilutive. We determine the potentially dilutive common shares for all awards using the treasury stock method.

A reconciliation of the shares used in the computation of (loss) earnings per share follows (shares in thousands):

	Three Months Ended July 31,	
	2026	2025
Weighted average shares outstanding	50,752	53,377
Shares used for basic (loss) earnings per share	50,752	53,377
Dilutive effect of unvested restricted stock units and other stock awards	—	589
Shares used for diluted (loss) earnings per share	50,752	53,966
Antidilutive options to purchase Class A common shares, restricted shares, and contingently issuable restricted stock which are excluded from the table above	1,243	858

In calculating diluted net loss per common share for the three months ended July 31, 2026, our diluted weighted average number of common shares outstanding excludes the effect of unvested restricted stock units and other stock awards as the effect was antidilutive. This occurs when a net loss is reported and the effect of using dilutive shares is antidilutive.

Note 9 — Restructuring and Related Charges

Global Restructuring Program

Beginning in fiscal year 2023, the Company initiated the Global Restructuring Program. The program was expanded in fiscal year 2024 to focus on our strongest and most profitable businesses and largest market opportunities in Research and Learning, streamline our organization, and rightsize our cost structure. Under this program, we reduced our real estate square footage occupancy by approximately 35%. The program was further expanded in the fourth quarter of fiscal year 2025 to align technology costs and other corporate expenses following the completion of our divestitures, and again in the first quarter of fiscal year 2027 to include additional portfolio and cost optimization actions. As a result of these initiatives, this expanded program will include severance related charges, consulting, facility-related, and other costs.

The following tables summarize the pretax restructuring and related charges related to the Global Restructuring Program:

	Three Months Ended July 31,		Total Charges Incurred to Date
	2026	2025	
Charges by Segment:			
Research	\$ 2,545	\$ 252	\$ 23,934
Learning	1,067	124	24,774
Held for Sale or Sold	—	—	12,995
Corporate Expenses	12,913	2,683	113,911
Total Restructuring and Related Charges	<u>\$ 16,525</u>	<u>\$ 3,059</u>	<u>\$ 175,614</u>
Charges by Activity:			
Severance and termination benefits	\$ 12,272	\$ 1,962	96,430
Impairment of operating lease ROU assets and technology, property, and equipment	—	—	23,395
Acceleration of expense related to operating lease ROU assets, technology, property, and equipment, and intangible assets	—	—	8,074
Facility related charges, net	1,108	992	18,129
Consulting costs	2,773	62	19,704
Other activities	372	43	9,882
Total Restructuring and Related Charges	<u>\$ 16,525</u>	<u>\$ 3,059</u>	<u>\$ 175,614</u>

The severance related charges are for certain employees affected by the reduction in force under this program who are entitled to severance payments and certain termination benefits.

In the three months ended July 31, 2026, we incurred ongoing facility-related costs associated with certain properties. Consulting costs primarily relate to third-party advisors engaged for aligning technology costs, and operational and performance improvement services. In the three months ended July 31, 2025, we incurred ongoing facility-related costs associated with certain properties, consulting costs, and other costs for other activities, which includes other employee related costs.

The following table summarizes the activity for the Global Restructuring Program liability for the three months ended July 31, 2026:

	April 30, 2026	Charges	Payments	Foreign Translation & Other Adjustments	July 31, 2026
Severance and termination benefits	\$ 3,461	\$ 12,272	\$ (7,063)	\$ 2	\$ 8,672
Consulting costs	717	2,773	(2,656)	(132)	702
Other activities	998	372	(993)	(1)	376
Total	<u>\$ 5,176</u>	<u>\$ 15,417</u>	<u>\$ (10,712)</u>	<u>\$ (131)</u>	<u>\$ 9,750</u>

Approximately \$8.3 million of the restructuring liability for accrued severance and termination benefits is reflected in Accrued employment costs and approximately \$0.4 million is reflected in Other long-term liabilities on our Unaudited Condensed Consolidated Statement of Financial Position. The liabilities for Consulting costs and Other activities are reflected in Other accrued liabilities on our Unaudited Condensed Consolidated Statement of Financial Position.

Note 10 — Segment Information

We report our segment information in accordance with the provisions of ASC Topic 280, “Segment Reporting.” These segments reflect the way our chief operating decision maker (CODM) evaluates our business performance, manages the operations, makes operating decisions, and allocates resources.

Our segment reporting structure consists of two operating and reportable segments, which are listed below, as well as a Corporate expense category, which includes certain costs that are not allocated to the reportable segments:

- Research
- Learning

Our President and Chief Executive Officer is the Company’s CODM. The performance metric used by our CODM to evaluate performance of our reportable segments is Adjusted Operating Income. The CODM uses Adjusted Operating Income during the annual budgeting process and evaluates budget and forecast-to-actual variances on a monthly basis to make decisions about the allocation of resources to our segments.

Our significant expense categories that are included within Adjusted Operating Income include cost of sales, direct expenses, allocated expenses from our Corporate expense category, and amortization of intangible assets. The significant expense categories and amounts align with the segment-level information that is regularly provided to the CODM.

The following tables present a summary of our Adjusted Operating Income by segment and the reconciliation to (Loss) Income before taxes:

	Three Months Ended July 31, 2026		
	Research	Learning	Total
Revenue	\$ 293,490	\$ 92,871	\$ 386,361
Cost of sales	75,956	24,915	100,871
Direct expenses	94,729	35,843	130,572
Allocated Corporate expenses	47,685	25,311	72,996
Amortization of intangible assets	14,143	1,908	16,051
Adjusted Operating Income by segment	\$ 60,977	\$ 4,894	\$ 65,871
Reconciliation of Adjusted Operating Income by segment to Loss before taxes			
Adjusted unallocated Corporate expenses ⁽¹⁾			(34,966)
Restructuring and related charges ⁽²⁾			(16,525)
Interest expense			(13,926)
Net foreign exchange transaction losses			(397)
Net gain on sale of businesses and assets			1,113
Other expense, net			(2,304)
Acquisition and integration related costs ⁽³⁾			(11,039)
Accelerated amortization of an intangible asset ⁽⁴⁾			(404)
Loss before taxes			\$ (12,577)

	Three Months Ended July 31, 2025		
	Research	Learning	Total
Revenue	\$ 281,692	\$ 115,108	\$ 396,800
Cost of sales	80,753	28,506	109,259
Direct expenses	88,587	34,581	123,168
Allocated Corporate expenses	44,981	28,279	73,260
Amortization of intangible assets	11,123	2,087	13,210
Adjusted Operating Income by segment	\$ 56,248	\$ 21,655	\$ 77,903
Reconciliation of Adjusted Operating Income by segment to Income before taxes			
Adjusted unallocated Corporate expenses ⁽¹⁾			(43,902)
Restructuring and related charges ⁽²⁾			(3,038)
Interest expense			(11,042)
Net foreign exchange transaction losses			(971)
Net loss on sale of businesses and assets			(1,116)
Other expense, net			(127)
Income before taxes			\$ 17,707

(1) Corporate expenses include certain costs that are not allocated to the reportable segments.

(2) See [Note 9](#), “Restructuring and Related Charges” for these charges by segment.

(3) See [Note 3](#), “Acquisition and Divestitures” for more details on the acquisition and integration related costs.

(4) As a result of our decision to discontinue the use of an intangible asset in the Research segment, we revised the asset's estimated useful life and recognized \$0.4 million of accelerated amortization expense during the three months ended July 31, 2026. This amortization expense was an adjustment to the Research Adjusted Operating Income. In addition, it was included in Depreciation and amortization in the table below.

See [Note 4](#), “Revenue Recognition, Contracts with Customers,” for revenue from contracts with customers disaggregated by segment and product type for the three months ended July 31, 2026 and 2025.

The following tables present a summary of depreciation and amortization expense by segment:

	Three Months Ended July 31,	
	2026	2025
Research	\$ 26,323	\$ 23,385
Learning	9,136	9,844
Total depreciation and amortization	\$ 35,459	\$ 33,229
Corporate depreciation and amortization	1,862	3,217
Total depreciation and amortization	\$ 37,321	\$ 36,446

Note 11 — Inventories

Inventories, net consisted of the following:

	July 31, 2026	April 30, 2026
Finished goods	\$ 23,085	\$ 23,924
Work-in-process	534	448
Paper and other materials	12	44
Total inventories before estimated sales returns and LIFO reserve	\$ 23,631	\$ 24,416
Inventory value of estimated sales returns	3,077	3,085
LIFO reserve	(8,236)	(8,236)
Inventories, net	\$ 18,472	\$ 19,265

Note 12 — Goodwill and Intangible Assets
Goodwill

The following table summarizes the activity in goodwill by segment as of July 31, 2026:

	April 30, 2026 ⁽¹⁾	Acquisition ⁽²⁾	Foreign Translation Adjustment	July 31, 2026
Research	\$ 639,367	\$ 263,165	\$ (3,304)	\$ 899,228
Learning	493,025	—	(1,496)	491,529
Total	\$ 1,132,392	\$ 263,165	\$ (4,800)	\$ 1,390,757

(1) As of April 30, 2026, goodwill includes accumulated pretax noncash goodwill impairments of \$318.2 million which were recognized in our Held for Sale or Sold segment at that time.

(2) Refer to [Note 3](#), “Acquisition and Divestitures,” for more information related to the acquisition that occurred in the three months ended July 31, 2026.

Intangible Assets

Intangible assets, net were as follows:

	July 31, 2026	April 30, 2026
<u>Intangible assets with definite lives, net⁽¹⁾:</u>		
Content and publishing rights	\$ 588,750	\$ 414,216
Customer relationships	121,308	26,391
Developed technology ⁽²⁾	8,161	6,839
Brands and trademarks	9,358	4,338
Total intangible assets with definite lives, net	727,577	451,784
<u>Intangible assets with indefinite lives:</u>		
Brands and trademarks ⁽²⁾	37,000	37,000
Publishing rights	88,726	90,175
Total intangible assets with indefinite lives	125,726	127,175
Total intangible assets, net	\$ 853,303	\$ 578,959

(1) Refer to [Note 3](#), “Acquisition and Divestitures,” for more information related to the acquisition that occurred in the three months ended July 31, 2026.

(2) The developed technology balance as of April 30, 2026 is presented net of accumulated impairments and write-offs of \$2.8 million. The indefinite-lived brands and trademarks balance as of April 30, 2026 is net of accumulated impairments of \$93.1 million.

Note 13 — Income Taxes

The Company's effective income tax rate for the three months ended July 31, 2026 was 6.8% compared with 33.9% for the three months ended July 31, 2025.

The change in the effective income tax rate for the three months ended July 31, 2026 compared to the three months ended July 31, 2025 was primarily due to a change in jurisdictional mix of earnings and acquisition and integration related costs incurred this quarter in connection with the acquisition of Emerald Publishing.

Enactment of the "One Big Beautiful Bill Act" (OBBBA)

On July 4, 2025, President Trump signed into law the OBBBA. Key corporate tax provisions of the OBBBA include a handful of elective tax measures such as restoration of 100% bonus depreciation, the introduction of new Section 174A permitting immediate expensing of domestic research and experimental (R&E) expenditures. Other tax measures include modifications to Section 163(j) interest expense limitations, updates to the rules governing global intangible low-taxed income (GILTI) and foreign-derived intangible income (FDII), amendments to energy credit provisions, and the expansion of Section 162(m) aggregation requirements.

Under US GAAP, the effects of changes in tax laws are recognized in the period in which the new law is enacted. Upon assessment of the OBBBA, we determined the impact of these to be insignificant and reflected these in our financial statements using management's best estimate starting in the first quarter of fiscal year 2026. Certain provisions of OBBBA became effective in fiscal year 2027, which we reflected this quarter using management's best estimate but are deemed to be insignificant. We are continuing to evaluate the impact of the OBBBA on future periods.

Note 14 — Retirement Plans

The components of net pension expense for our defined benefit plans were as follows:

	Three Months Ended July 31,	
	2026	2025
Service cost	\$ 90	\$ 117
Interest cost	7,538	7,080
Expected return on plan assets	(7,187)	(6,749)
Amortization of prior service cost	(24)	(24)
Amortization of net actuarial loss	2,018	2,109
Net pension expense	<u>\$ 2,435</u>	<u>\$ 2,533</u>

The service cost component of net pension expense is reflected in Operating and administrative expenses on our Unaudited Condensed Consolidated Statements of Net (Loss) Income. The other components of net pension expense are reported separately from the service cost component and below Operating income. Such amounts are reflected in Other expense, net on our Unaudited Condensed Consolidated Statements of Net (Loss) Income.

Employer defined benefit pension plan contributions were \$1.1 million for both the three months ended July 31, 2026 and 2025.

Defined Contribution Savings Plans

The expense for employer defined contribution savings plans was \$5.8 million and \$6.7 million for the three months ended July 31, 2026 and 2025, respectively.

Note 15 — Debt and Available Credit Facilities

Our total debt outstanding consisted of the amounts set forth in the following table:

	July 31, 2026	April 30, 2026
Short-term portion of long-term debt ⁽¹⁾	\$ 13,750	\$ 12,500
Term loan A - Amended and Restated CA ⁽²⁾	458,091	162,243
Revolving credit facility - Amended and Restated CA	819,425	508,654
Total long-term debt, less current portion	1,277,516	670,897
Total debt	\$ 1,291,266	\$ 683,397

(1) Relates to our term loan A under the Amended and Restated CA.

(2) Amounts are shown net of unamortized issuance costs of \$0.7 million as of July 31, 2026 and \$0.3 million as of April 30, 2026.

Amended and Restated CA

On May 15, 2026, we entered into the third amendment (Third Amendment) to the Third Amended and Restated Credit Agreement (collectively, the Amended and Restated CA). The Amended and Restated CA provides for senior unsecured credit facilities comprised of (i) a revolving credit facility in an aggregate principal amount up to \$1.115 billion and (ii) a term loan A facility in an aggregate principal amount of \$500.0 million, reflecting a \$300.0 million increase pursuant to the Third Amendment. Both facilities mature in November 2027.

Under the terms of the Amended and Restated CA, which can be drawn in multiple currencies, we have the option of borrowing at the following floating interest rates depending on the currency borrowed: (i) at a rate based on the US Secured Overnight Financing Rate (SOFR), the Sterling Overnight Index Average Rate (SONIA) or a EURIBOR-based rate, each rate plus an applicable margin ranging from 0.98% to 1.50%, depending on our consolidated net leverage ratio, as defined, or (ii) at the lender's base rate plus an applicable margin ranging from zero to 0.50%, depending on our consolidated net leverage ratio. With respect to SOFR loans, there is a SOFR adjustment of between 0.10% and 0.25% depending on the duration of the loan. The lender's base rate is defined as the highest of (i) the US federal funds effective rate plus a 0.50% margin, (ii) the Daily SOFR rate, as defined, plus a 1.00% margin, or (iii) the Bank of America prime lending rate. In addition, we pay a facility fee for the Amended and Restated CA ranging from 0.15% to 0.25% depending on our consolidated net leverage ratio. We also may request an increase in the aggregate commitments, provided that the total credit exposures of all lenders shall at no time exceed \$2 billion, and any such request shall be in minimum increments of \$50 million, subject to the approval of the lenders.

The Amended and Restated CA contains certain customary affirmative and negative covenants, including a financial covenant in the form of a consolidated net leverage ratio and consolidated interest coverage ratio, which we were in compliance with as of July 31, 2026.

The Third Amendment was accounted for as a debt modification in accordance with ASC Topic 470-50, "Modifications and Extinguishments," and resulted in \$0.5 million of debt issuance costs that were capitalized as a reduction to Long-term debt on our Unaudited Condensed Consolidated Statements of Financial Position in the three months ended July 31, 2026.

The amortization expense of the costs incurred related to the Amended and Restated CA, including both lender and non-lender fees, is recognized over the respective term of the facility. Total amortization expense included in Interest expense on our Unaudited Condensed Consolidated Statements of Net (Loss) Income is as follows:

	Three Months Ended July 31,	
	2026	2025
Amortization expense	\$ 367	\$ 284

Lines of Credit

We have other lines of credit aggregating \$1.0 million at various interest rates. There were no outstanding borrowings under these credit lines at July 31, 2026 and April 30, 2026.

As of July 31, 2026, our total available lines of credit including the Amended and Restated CA were approximately \$1,588.1 million, of which approximately \$296.1 million was unused. We had letters of credit of \$0.4 million outstanding under the Amended and Restated CA, and the aggregate stated amount outstanding of these letter of credits reduces the total borrowing base available under the Amended and Restated CA.

The weighted average interest rates on total debt outstanding during the three months ended July 31, 2026 and 2025 were 5.30% and 5.49%, respectively. As of July 31, 2026 and April 30, 2026, the weighted average interest rates for total debt were 5.24% and 5.48%, respectively.

Based on estimates of interest rates currently available to us for loans with similar terms and maturities, the fair value of our debt approximates its carrying value.

Note 16 — Derivative Instruments and Hedging Activities

From time to time, we enter into foreign exchange forward and interest rate swap contracts as a hedge against foreign currency asset and liability commitments, changes in interest rates, and anticipated transaction exposures, including intercompany purchases. All derivatives are recognized as assets or liabilities and measured at fair value. Derivatives that are not determined to be effective hedges are adjusted to fair value with a corresponding adjustment to earnings. We do not use financial instruments for trading or speculative purposes.

Interest Rate Contracts

As of July 31, 2026, we had total debt outstanding of \$1,291.3 million, net of unamortized issuance costs of \$0.7 million. The \$1,292.0 million of debt outstanding are variable rate loans under the Amended and Restated CA. The carrying value of the debt approximates fair value.

As of July 31, 2026 and April 30, 2026, the interest rate swap agreements we maintained were designated as fully effective cash flow hedges as defined under ASC Topic 815, "Derivatives and Hedging." As a result, the impact on our Unaudited Condensed Consolidated Statements of Net (Loss) Income from changes in the fair value of the interest rate swaps was fully offset by changes in the interest expense on the underlying variable rate debt instruments. It is management's intention that the notional amount of interest rate swaps be less than the variable rate loans outstanding during the life of the derivatives.

As of both July 31, 2026 and April 30, 2026, we had interest rate swaps outstanding with a combined notional amount of \$300.0 million that were designated as cash flow hedges.

We record the fair value of our interest rate swaps on a recurring basis using Level 2 inputs of quoted prices for similar assets or liabilities in active markets. The fair value of our interest rate swaps designated as cash flow hedges are reflected on our Unaudited Condensed Consolidated Statements of Financial Position as follows:

Asset (Liability)	Balance Sheet Location	July 31, 2026	April 30, 2026
Current asset portion	Prepaid expenses and other current assets	\$ 222	\$ —
Current liability portion	Other accrued liabilities	(272)	(156)
Non-current liability portion	Other long-term liabilities	—	(716)
Total cash flow hedges		<u>\$ (50)</u>	<u>\$ (872)</u>

The effect of our interest rate swaps on our Unaudited Condensed Consolidated Statements of Comprehensive (Loss) Income and Unaudited Condensed Consolidated Statements of Net (Loss) Income are as follows:

	Three Months Ended July 31,	
	2026	2025
Amount of pretax gains recognized in Other comprehensive (loss) income	\$ 604	\$ 3,434
Amount of pretax (losses) gains reclassified from Accumulated other comprehensive loss into Interest expense	\$ (218)	\$ 587

Foreign Currency Contracts

We may enter into foreign currency forward contracts to manage our exposure on certain foreign currency denominated assets and liabilities. The foreign currency forward exchange contracts are marked to market through Net foreign exchange transaction losses on our Unaudited Condensed Consolidated Statements of Net (Loss) Income and carried at fair value on our Unaudited Condensed Consolidated Statements of Financial Position. Foreign currency denominated assets and liabilities are remeasured at spot rates in effect on the balance sheet date, with the effects of changes in spot rates reported in Net foreign exchange transaction losses on our Unaudited Condensed Consolidated Statements of Net (Loss) Income.

As of July 31, 2026 and April 30, 2026, we did not maintain any open foreign currency forward contracts. In addition, we did not maintain any open foreign currency forward contracts during the three months ended July 31, 2026 and 2025.

Note 17 — Capital Stock and Changes in Capital Accounts***Share Repurchases***

In fiscal year 2020, our Board of Directors authorized a share repurchase program of up to \$200 million of Class A or B Common Stock, which was fully utilized as of April 30, 2026. In the first quarter of fiscal year 2026, our Board of Directors authorized an additional share repurchase program of up to \$250 million of Class A or B Common Stock. As of July 31, 2026, \$192.4 million of share repurchase authority remained under this authorization.

The following table summarizes the share repurchases (shares in thousands):

	Three Months Ended July 31,	
	2026	2025
Shares repurchased - Class A	330	331
Shares repurchased - Class B	1	1
Average price - Class A and Class B	\$ 45.44	\$ 42.22

The average price per share excludes excise taxes payable on share repurchases and may differ from the share repurchases reflected in Purchases of treasury shares in our Unaudited Condensed Consolidated Statements of Cash Flows. As of July 31, 2026, total shares repurchased include unsettled purchases.

Dividends

We declared and paid quarterly cash dividends on our Class A and Class B Common Stock for a total of \$18.2 million and \$19.0 million in the three months ended July 31, 2026 and 2025, respectively.

Changes in Common Stock

The following is a summary of changes during the three months ended July 31, in shares of our common stock and common stock in treasury (shares in thousands):

Changes in Class A Common Stock:	2026	2025
Number of shares, beginning of year	70,314	70,312
Common stock class conversions	—	—
Number of shares issued, end of period	70,314	70,312
Changes in Class A Common Stock in treasury:		
Number of shares held, beginning of year	28,219	25,687
Restricted shares issued under stock-based compensation plans	(311)	(259)
Impact of tax withholding on stock-based compensation and other	117	92
Purchases of treasury shares	330	331
Number of shares held, end of period	28,355	25,851
Number of Class A Common Stock outstanding, end of period	41,959	44,461
Changes in Class B Common Stock:		
Number of shares, beginning of year	12,868	12,870
Common stock class conversions	—	—
Number of shares issued, end of period	12,868	12,870
Changes in Class B Common Stock in treasury:		
Number of shares held, beginning of year	4,108	4,101
Purchases of treasury shares	1	1
Number of shares held, end of period	4,109	4,102
Number of Class B Common Stock outstanding, end of period	8,759	8,768

Note 18 — Commitments and Contingencies***Legal Proceedings***

We are involved in routine litigation in the ordinary course of our business. A provision for litigation is accrued when information available to us indicates that it is probable a liability has been incurred and the amount of loss can be reasonably estimated. Significant judgment may be required to determine both the probability and estimates of loss. When the amount of the loss can only be estimated within a range, the most likely outcome within that range is accrued. If no amount within the range is a better estimate than any other amount, the minimum amount within the range is accrued. When uncertainties exist related to the probable outcome of litigation and/or the amount or range of loss, we do not record a liability, but disclose facts related to the nature of the contingency and possible losses if management considers the information to be material. Reserves for legal defense costs are recognized when incurred. The accruals for loss contingencies and legal costs are reviewed regularly and may be adjusted to reflect updated information on the status of litigation and advice of legal counsel. In the opinion of management, the ultimate resolution of all pending litigation as of July 31, 2026, will not have a material effect upon our consolidated financial condition or results of operations.

Anthropic Class-Action Lawsuit

In August 2024, certain authors filed a class-action lawsuit against Anthropic in the US District Court for the Northern District of California. They alleged that Anthropic used their copyrighted content, obtained through piracy, to train its AI models. In August 2025, a settlement was reached pursuant to which Anthropic will pay \$1.5 billion into a settlement fund, which will be used to make cash payments to class members and cover certain costs in the case. The court granted final approval of the settlement on July 20, 2026. We are aware that our content is included in the pirated copyrighted content and we have submitted claims for such works with the settlement administrator. The Company's portion of the settlement has not yet been determined.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information in our Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) should be read together with our Condensed Consolidated Financial Statements and related notes set forth in Item 1 of Part I of this Quarterly Report on Form 10-Q, our MD&A set forth in Item 7 of Part II of our 2026 Form 10-K and our Consolidated Financial Statements and related notes set forth in Item 8 of Part II of our 2026 Form 10-K. See Part II, Item 1A, "Risk Factors," below and "Cautionary Notice Regarding Forward-Looking Statements "Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995," above, and the information referenced therein, for a description of risks that we face and important factors that we believe could cause actual results to differ materially from those in our forward-looking statements. All amounts and percentages are approximate due to rounding and all dollars are in thousands, except per share amounts or where otherwise noted. When we cross-reference to a "Note," we are referring to our "Notes to Unaudited Condensed Consolidated Financial Statements," unless the context indicates otherwise.

OVERVIEW

Wiley is a global leader in authoritative content and research intelligence for the advancement of scientific discovery, innovation, and learning. The Company's content, services, platforms, and knowledge networks are tailored to meet the evolving needs of its customers and partners, including institutions, societies, corporations, researchers, students, instructors, and other professionals. Wiley is a predominantly digital company with over 85% of its revenue for the year ended April 30, 2026 generated by digital products and services. For the year ended April 30, 2026, 48% of revenue is recurring which includes revenue that is contractually obligated or set to recur with a high degree of certainty.

We report financial information for the following segments, as well as a Corporate category, which includes certain costs that are not allocated to the reportable segments:

- **Research** includes the reporting lines of Research Publishing and Research Solutions;
- **Learning** includes the Academic and Professional reporting lines and consists of publishing, courseware, and assessments.

On June 1, 2026, we acquired Emerald Publishing, a research publisher headquartered in Leeds, England, with a portfolio of over 480 peer-reviewed journals, 8,000 books, and 3,000 business cases across disciplines with particular emphasis on economics, business, finance, engineering, and the social sciences. The preliminary fair value of the consideration transferred was \$462.7 million which included \$462.1 million of cash at acquisition and \$0.6 million to be paid after the acquisition date. We financed the cash payment with available cash and proceeds from our revolving credit facility. The acquisition was made to extend our scale in our Research business and to strengthen our proprietary content advantage in AI. See [Note 3](#), "Acquisition and Divestitures" for further details.

Through the Research segment, we provide peer-reviewed scientific, technical, and medical (STM) journals, content platforms, and related publishing and audience solutions to academic, corporate, and government customers, academic societies, and individual researchers. As a result of the Emerald Publishing acquisition, the Research segment also includes additional journals, books, and business cases across disciplines, with particular emphasis on economics, business, finance, engineering, and the social sciences. The Learning segment provides scientific, professional, and education print and digital books to researchers, professionals, and students, digital courseware for instructors and students, and assessment services to businesses and professionals.

Wiley's business strategies are tightly aligned with consistent long-term growth trends, including (1) ever-increasing global research and development investment and researcher productivity gains from artificial intelligence (AI), leading to growth in scientific research output and the number of institutions and researchers worldwide, and (2) the ever-increasing need for authoritative content to fuel AI models and applications. These strategies include expanding our publishing program and journal portfolio to meet the global demand for peer-reviewed research, driving additional value in our subscription-based models for universities and corporations, volume-based models for open access, content licensing opportunities for applications in data and AI analytics, and content platform and service offerings for corporations and societies. AI and data analytics is our emerging growth engine, leveraging our proprietary content, data, and partnership ecosystem for corporate models and applications. Learning strategies include selectively scaling high-value digital content, courseware, and assessments to meet targeted opportunities in education and professional development.

RESULTS OF OPERATIONS – THREE MONTHS ENDED JULY 31, 2026**FIRST QUARTER SUMMARY**

- **US GAAP Results:** Consolidated Revenue of \$386.4 million (-3%, compared with the prior year), Operating Income of \$2.9 million (-91%, compared with the prior year), and Diluted Loss per Share of \$(0.23) (compared with the prior year diluted earnings per share of \$0.22).
- **Adjusted Results at Constant Currency:** Revenue of \$386.4 million (-3% compared with the prior year), Adjusted Operating Income of \$30.9 million (-9%, compared with the prior year), Adjusted EBITDA of \$67.8 million (-4%, compared with the prior year), and Adjusted EPS of \$0.44 (-10%, compared with the prior year).

CONSOLIDATED RESULTS OF OPERATIONS**Revenue:**

Revenue for the three months ended July 31, 2026 of \$386.4 million decreased \$10.4 million, or 3%, as compared with the prior year and on a constant currency basis including the contributions from Emerald Publishing of \$13.3 million which was acquired on June 1, 2026.

AI license revenue was \$13.7 million for the three months ended July 31, 2026 as compared with \$28.9 million in the prior year. The period to period comparability of AI license revenue can fluctuate due to timing and the nature of the underlying content.

See the “Segment Operating Results” below for additional details on each segment’s revenue and Adjusted EBITDA performance.

Cost of Sales:

Cost of sales for the three months ended July 31, 2026 of \$100.9 million decreased \$8.4 million, or 8% as compared with the prior year and on a constant currency basis primarily due to lower royalty costs. The prior year included higher royalty costs related to AI license revenue from content licensed from other publishers.

Operating and Administrative Expenses:

Operating and administrative expenses for the three months ended July 31, 2026 of \$238.5 million decreased \$1.8 million, or 1% as compared with the prior year and on a constant currency basis. The decline was primarily due to restructuring and cost savings initiatives resulting in lower employee costs, and lower professional fees due to timing. This was partially offset by the incremental impact from the acquisition of Emerald Publishing and, to a lesser extent, higher bad debt expense.

Acquisition and Integration Related Costs:

We recorded acquisition and integration related costs in the three months ended July 31, 2026 of \$11.0 million in connection with the acquisition of Emerald Publishing. These charges are reflected in Acquisition and integration related costs on our Unaudited Condensed Consolidated Statements of Net (Loss) Income. See [Note 3](#), “Acquisition and Divestitures” for more details on the acquisition and integration related costs. We expect to continue incurring integration-related costs as we complete the integration of Emerald Publishing's operations, and the amount and timing of future costs will depend on the pace of integration activities.

For the impact of acquisition and integration related costs on diluted (loss) earnings per share, see the section below, “Diluted (Loss) Earnings per Share.”

Restructuring and Related Charges:

We recorded restructuring and related charges in the three months ended July 31, 2026 and 2025 of \$16.5 million and \$3.0 million, respectively. These charges are reflected in Restructuring and related charges on our Unaudited Condensed Consolidated Statements of Net (Loss) Income. The three months ended July 31, 2025 includes a credit of \$(0.1) million related to the Business Optimization Program, a prior restructuring initiative.

Global Restructuring Program

Beginning in fiscal year 2023, the Company initiated the Global Restructuring Program. The program was expanded in fiscal year 2024 to focus on our strongest and most profitable businesses and largest market opportunities in Research and Learning, streamline our organization, and rightsize our cost structure. Under this program, we reduced our real estate square footage occupancy by approximately 35%. The program was further expanded in the fourth quarter of fiscal year 2025 to align technology costs and other corporate expenses following the completion of our divestitures, and again in the first quarter of fiscal year 2027 to include additional portfolio and cost optimization actions. As a result of these initiatives, this expanded program will include severance related charges, consulting, facility-related, and other costs.

We anticipate to yield annualized cost savings of approximately \$125 million, with approximately \$120 million of that to be realized in fiscal year 2027 from actions taken starting in fiscal year 2024.

For the three months ended July 31, 2026 and 2025, we recorded pretax restructuring charges of \$16.5 million and \$3.1 million, respectively, related to this program.

See [Note 9](#), “Restructuring and Related Charges” for more details on the Global Restructuring Program charges.

For the impact of our restructuring programs on diluted (loss) earnings per share, see the section below, “Diluted (Loss) Earnings per Share.”

Amortization of Intangible Assets:

Amortization of intangible assets was \$16.5 million for the three months ended July 31, 2026, an increase of \$3.2 million, or 25%, as compared with the prior year and on a constant currency basis. The increase was primarily due to the amortization expense related to acquired definite lived intangible assets, primarily those acquired as part of the Emerald acquisition, partially offset by the completion of amortization of certain acquired intangible assets.

Operating Income, Adjusted Operating Income (OI) and Adjusted EBITDA:

Operating income for the three months ended July 31, 2026 of \$2.9 million decreased \$28.0 million, or 91% as compared with the prior year and on a constant currency basis. The decrease was primarily due to higher restructuring charges, acquisition and integration related costs in fiscal year 2027, and lower revenue. This was partially offset by lower cost of sales.

Adjusted OI on a constant currency basis for the three months ended July 31, 2026 decreased 9%, as compared with the prior year. The decrease was primarily due to lower revenue, partially offset by lower cost of sales and, to a lesser extent, lower operating and administrative expenses.

Adjusted EBITDA on a constant currency basis for the three months ended July 31, 2026 decreased 4%, as compared with the prior year. The decrease was primarily due to lower revenue, partially offset by lower cost of sales.

Adjusted OI

Below is a reconciliation of our consolidated US GAAP Operating Income to Non-GAAP Adjusted OI:

	Three Months Ended July 31,	
	2026	2025
US GAAP Operating Income	\$ 2,937	\$ 30,963
Adjustments:		
Restructuring and related charges	16,525	3,038
Acquisition and integration related costs	11,039	—
Accelerated amortization of an intangible asset	404	—
Non-GAAP Adjusted OI	\$ 30,905	\$ 34,001

Adjusted EBITDA

Below is a reconciliation of our consolidated US GAAP Net (Loss) Income to Non-GAAP EBITDA and Adjusted EBITDA:

	Three Months Ended July 31,	
	2026	2025
Net (Loss) Income	\$ (11,727)	\$ 11,700
Interest expense	13,926	11,042
(Benefit) provision for income taxes	(850)	6,007
Depreciation and amortization	37,321	36,446
Non-GAAP EBITDA	38,670	65,195
Acquisition and integration related costs	11,039	—
Restructuring and related charges	16,525	3,038
Net foreign exchange transaction losses	397	971
Net (gain) loss on sale of businesses and assets	(1,113)	1,116
Other expense, net	2,304	127
Non-GAAP Adjusted EBITDA	\$ 67,822	\$ 70,447

Interest Expense:

Interest expense for the three months ended July 31, 2026 was \$13.9 million compared with the prior year of \$11.0 million. The increase was primarily due to higher debt outstanding primarily due to the funding of the Emerald acquisition, partially offset by a lower weighted average effective interest rate.

Net Foreign Exchange Transaction Losses:

Net foreign exchange transaction losses of \$(0.4) million for the three months ended July 31, 2026 were primarily due to losses on our foreign currency denominated third-party receivable and payable balances due to the impact of the change in average foreign exchange rates as compared to the US dollar.

Net foreign exchange transaction losses of \$(1.0) million for the three months ended July 31, 2025 were primarily due to losses on our foreign currency denominated third-party receivable and payable balances and, to a lesser extent, losses on our foreign currency denominated intercompany accounts receivable and payable balances due to the impact of the change in average foreign exchange rates as compared to the US dollar.

Net Gain (Loss) on Sale of Businesses and Assets:

We recorded net pretax gain (loss) on sale of businesses and assets as follows:

	Three Months Ended July 31,	
	2026	2025
University Services	\$ —	\$ (934)
Other disposition activity	1,113	(182)
Net gain (loss) on sale of businesses and assets	\$ 1,113	\$ (1,116)

These charges are reflected in Net gain (loss) on sale of businesses and assets on our Unaudited Condensed Consolidated Statements of Net (Loss) Income.

Other Expense, Net:

Other expense, net was \$(2.3) million for the three months ended July 31, 2026, compared to \$(0.1) million in the prior year. The increase was primarily due to foregone interest income due to the sale of the University Services Seller Note on June 5, 2025 and the cessation of interest income on the Wiley Edge Seller Note beginning on January 5, 2026.

(Benefit) Provision for Income Taxes:

Below is a reconciliation of our US GAAP (Loss) Income Before Taxes to Non-GAAP Adjusted Income Before Taxes:

	Three Months Ended July 31,	
	2026	2025
US GAAP (Loss) Income Before Taxes	\$ (12,577)	\$ 17,707
Pretax Impact of Adjustments:		
Acquisition and integration related costs	11,039	—
Restructuring and related charges	16,525	3,038
Foreign exchange losses (gains) on intercompany transactions	16	(440)
Amortization of acquired intangible assets	16,455	13,210
Net (gain) loss on sale of businesses and assets	(1,113)	1,116
Non-GAAP Adjusted Income Before Taxes	\$ 30,345	\$ 34,631

Below is a reconciliation of our US GAAP Income Tax (Benefit) Provision to Non-GAAP Adjusted Income Tax Provision, including our US GAAP Effective Tax Rate and our Non-GAAP Adjusted Effective Tax Rate:

	Three Months Ended July 31,	
	2026	2025
US GAAP Income Tax (Benefit) Provision	\$ (850)	\$ 6,007
Income Tax Impact of Adjustments ⁽¹⁾ :		
Acquisition and integration related costs	936	—
Restructuring and related charges	3,313	519
Foreign exchange losses (gains) intercompany transactions	10	(750)
Amortization of acquired intangible assets	4,327	2,068
Net (gain) loss on sale of businesses and assets	(259)	54
Income Tax Adjustments		
Impact of valuation allowance on the US GAAP effective tax rate	—	166
Non-GAAP Adjusted Income Tax Provision	\$ 7,477	\$ 8,064
US GAAP Effective Tax Rate	6.8 %	33.9 %
Non-GAAP Adjusted Effective Tax Rate	24.6 %	23.3 %

(1) For the three months ended July 31, 2026, the tax impact was \$4.0 million of current taxes and \$4.3 million of deferred taxes. For the three months ended and July 31, 2025, substantially all of the tax impact was from deferred taxes.

The US GAAP effective tax rate for the three months ended July 31, 2026 was 6.8% compared to 33.9% for the three months ended July 31, 2025. The US GAAP effective tax rate for the three months ended July 31, 2026 was lower than the prior year primarily due to a change in jurisdictional mix of earnings and acquisition and integration related costs incurred this quarter in connection with the acquisition of Emerald Publishing.

The Non-GAAP Adjusted Effective Tax Rate was 24.6% for the three months ended July 31, 2026 compared to 23.3% for the three months ended July 31, 2025. The increase in the Non-GAAP Adjusted Effective Tax Rate for the three months ended July 31, 2026 compared with the prior year was primarily due to a change in jurisdictional mix of earnings.

Enactment of the "One Big Beautiful Bill Act" (OBBBA)

On July 4, 2025, President Trump signed into law the OBBBA. Key corporate tax provisions of the OBBBA include a handful of elective tax measures such as restoration of 100% bonus depreciation, the introduction of new Section 174A permitting immediate expensing of domestic research and experimental (R&E) expenditures. Other tax measures include modifications to Section 163(j) interest expense limitations, updates to the rules governing global intangible low-taxed income (GILTI) and foreign-derived intangible income (FDII), amendments to energy credit provisions, and the expansion of Section 162(m) aggregation requirements.

Under US GAAP, the effects of changes in tax laws are recognized in the period in which the new law is enacted. Upon assessment of the OBBBA, we determined the impact of these to be insignificant and reflected these in our financial statements using management's best estimate starting in the first quarter of fiscal year 2026. Certain provisions of OBBBA became effective in fiscal year 2027, which we reflected this quarter using management's best estimate but are deemed to be insignificant. We are continuing to evaluate the impact of the OBBBA on future periods.

Diluted (Loss) Earnings per Share:

Diluted loss per share for the three months ended July 31, 2026 was \$(0.23) per share compared with earnings per share of \$0.22 per share for the three months ended July 31, 2025. This decrease was primarily due to a decrease in operating income, partially offset by an income tax benefit in fiscal year 2027 compared to an income tax provision in fiscal year 2026.

Below is a reconciliation of our US GAAP (Loss) Earnings per Share to Non-GAAP Adjusted EPS. The amount of the pretax, and the related income tax impact for the adjustments included in the table below are presented in the section above, "(Benefit) Provision for Income Taxes."

	Three Months Ended July 31,	
	2026	2025
US GAAP (Loss) Earnings Per Share	\$ (0.23)	\$ 0.22
Adjustments:		
Acquisition and integration related costs	0.20	—
Restructuring and related charges	0.26	0.05
Amortization of acquired intangible assets	0.24	0.20
Net (gain) loss on sale of businesses and assets	(0.02)	0.02
EPS impact of using weighted-average dilutive shares for adjusted EPS calculation ⁽¹⁾	(0.01)	—
Non-GAAP Adjusted EPS	\$ 0.44	\$ 0.49

- (1) Represents the impact of using diluted weighted-average number of common shares outstanding (51.5 million for the three months ended July 31, 2026) included in the Non-GAAP Adjusted EPS calculation in order to apply the dilutive impact on adjusted net income due to the effect of unvested restricted stock units and other stock awards. This impact occurs when a US GAAP net loss is reported and the effect of using dilutive shares is antidilutive.

On a constant currency basis, Adjusted EPS decreased 10% primarily due to lower Adjusted Operating Income in Learning, an increase in interest expense and, to a lesser extent, lower interest income.

SEGMENT OPERATING RESULTS

RESEARCH	Three Months Ended July 31,		% Change Favorable (Unfavorable)	Constant Currency % Change Favorable (Unfavorable)
	2026	2025		
Revenue:				
Research Publishing	\$ 258,886	\$ 231,827	12 %	12 %
Research Solutions	34,604	49,865	(31)%	(30)%
Total Research Revenue	293,490	281,692	4 %	4 %
Cost of sales	75,956	80,753	6 %	6 %
Direct expenses	94,729	88,587	(7)%	(7)%
Allocated Corporate expenses	47,685	44,981	(6)%	(6)%
Amortization of intangible assets	14,143	11,123	(27)%	(28)%
Adjusted Operating Income	60,977	56,248	8 %	8 %
Depreciation and amortization	25,919	23,385	(11)%	(11)%
Adjusted EBITDA	\$ 86,896	\$ 79,633	9 %	9 %
Adjusted EBITDA Margin	29.6%	28.3%		

Revenue:

Research revenue for the three months ended July 31, 2026 increased \$11.8 million, or 4%, as compared with the prior year on a reported and constant currency basis including the contributions from Emerald Publishing of \$13.3 million, which was acquired on June 1, 2026.

Research Publishing revenue on a constant currency basis increased 12% as compared with the prior year primarily due to the contributions from Emerald Publishing and, to a lesser extent, an increase in AI license revenue, and continued growth in author-funded open access. Excluding the contributions from the acquisition, Research Publishing revenue increased 6% on a constant currency basis. Research Solutions revenue on a constant currency basis decreased 30% as compared with the prior year primarily due to a decrease in AI license revenue which includes content licensed from other publishers.

Research AI license revenue for the three months ended July 31, 2026 was \$13.7 million, which included \$10.1 million in Research Publishing and \$3.6 million in Research Solutions, as compared with \$15.8 million in the prior year, which included \$0.1 million in Research Publishing and \$15.7 million in Research Solutions. Open access article output growth was approximately 20% as compared with the prior year.

Adjusted EBITDA:

On a constant currency basis, Adjusted EBITDA increased 9% as compared with the prior year. This increase was primarily due to lower royalty costs, and the \$5.0 million contribution from Emerald Publishing. The prior year included higher royalty costs related to AI license revenue from content licensed from other publishers

	Three Months Ended July 31,		% Change Favorable	Constant Currency % Change Favorable
	2026	2025	(Unfavorable)	(Unfavorable)
LEARNING				
Revenue:				
Academic	\$ 44,741	\$ 55,472	(19)%	(20)%
Professional	48,130	59,636	(19)%	(20)%
Total Learning Revenue	92,871	115,108	(19)%	(20)%
Cost of sales	24,915	28,506	13 %	13 %
Direct expenses	35,843	34,581	(4)%	(3)%
Allocated Corporate expenses	25,311	28,279	10 %	11 %
Amortization of intangible assets	1,908	2,087	9 %	9 %
Adjusted Operating Income	4,894	21,655	(77)%	(78)%
Depreciation and amortization	9,136	9,844	7 %	8 %
Adjusted EBITDA	\$ 14,030	\$ 31,499	(55)%	(56)%
Adjusted EBITDA Margin	15.1%	27.4%		

Revenue:

Learning revenue decreased \$22.2 million, or 19%, as compared with the prior year on a reported basis. On a constant currency basis, revenue decreased 20% as compared with the prior year. Excluding AI license revenue, Learning revenue on a constant currency basis decreased 9%.

Academic revenue on a constant currency basis decreased 20% as compared with the prior year primarily due to a decrease in AI license revenue and, to a lesser extent, a decline in print book sales. Professional revenue on a constant currency basis decreased 20% as compared with the prior year primarily due to a decrease in AI license revenue, and a decline in print and digital revenue due to the prior year timing of inventory reductions at an online retailer, along with a continued slowdown in consumer and corporate spending.

Learning AI license revenue for the three months ended July 31, 2026 was zero as compared with \$13.1 million in the prior year, which included \$7.8 million in Academic and \$5.3 million in Professional.

Adjusted EBITDA:

On a constant currency basis, Adjusted EBITDA decreased 56% as compared with the prior year. This decrease was primarily due to lower revenue.

	Three Months Ended July 31,		% Change Favorable	Constant Currency % Change Favorable
	2026	2025	(Unfavorable)	(Unfavorable)
CORPORATE EXPENSES				
Unallocated Corporate expenses	\$ 34,966	\$ 43,902	20 %	20 %
Adjusted Unallocated Corporate Expenses	(34,966)	(43,902)	20 %	20 %
Depreciation and amortization	1,862	3,217	42 %	42 %
Adjusted EBITDA	\$ (33,104)	\$ (40,685)	19 %	19 %

On a constant currency basis, adjusted unallocated corporate expenses of \$33.1 million on an Adjusted EBITDA basis decreased 19% as compared with the prior year. This was primarily due to restructuring initiatives resulting in lower employment costs, and lower professional fees due to timing.

LIQUIDITY AND CAPITAL RESOURCES

Principal Sources of Liquidity

We believe that our operating cash flow, together with our revolving credit facilities and other available debt financing, will be adequate to meet our operating, investing, and financing needs in the next twelve months. Operating cash flow provides the primary source of cash to fund operating needs and capital expenditures. Excess operating cash is used to fund shareholder dividends and share repurchases. Other discretionary uses of cash flow include investments and acquisitions to complement and grow our portfolio of businesses. As necessary, we may supplement operating cash flow with debt to fund these activities. The overall cash position of the Company reflects our durable business results and a global cash management strategy that considers liquidity management, economic factors, and tax considerations. Our cash and cash equivalents are maintained at a number of financial institutions. To mitigate the risk of uninsured balances, we select financial institutions based on their credit ratings and financial strength, and we perform ongoing evaluations of these institutions to limit our concentration risk exposure to any financial institution.

As of July 31, 2026, we had cash and cash equivalents of \$106.4 million, of which approximately all was located outside the US. Maintenance of these cash and cash equivalent balances outside the US does not have a material impact on the liquidity or capital resources of our operations. We intend to repatriate earnings from our non-US subsidiaries, and to the extent we repatriate these funds to the US, we may be required to pay taxes in various US state and local jurisdictions and withholding or similar taxes in applicable non-US jurisdictions in the periods in which such repatriation occurs. Accordingly, as of July 31, 2026 we have recorded a deferred tax liability of approximately \$3.3 million related to the estimated taxes that would be incurred upon repatriating certain non-US earnings to the US.

On May 15, 2026, we entered into the third amendment (Third Amendment) to the Third Amended and Restated Credit Agreement (collectively, the Amended and Restated CA). See [Note 15](#), “Debt and Available Credit Facilities” for more details on the amendment. The Amended and Restated CA provides for senior unsecured credit facilities comprised of (i) a revolving credit facility in an aggregate principal amount up to \$1.115 billion and (ii) a term loan A facility in an aggregate principal amount of \$500.0 million, reflecting a \$300.0 million increase pursuant to the Third Amendment. Both facilities mature in November 2027.

As of July 31, 2026, we had approximately \$1,291.3 million of debt outstanding, net of unamortized issuance costs of \$0.7 million, and approximately \$296.1 million of unused borrowing capacity under our Amended and Restated CA and other facilities. Our Amended and Restated CA contains certain restrictive covenants related to our consolidated leverage ratio and interest coverage ratio, which we were in compliance with as of July 31, 2026.

Analysis of Historical Cash Flows

The following table shows the changes in our Unaudited Condensed Consolidated Statements of Cash Flows.

	Three Months Ended July 31,	
	2026	2025
Net cash used in operating activities	\$ (55,272)	\$ (85,005)
Net cash (used in) provided by investing activities	(465,380)	98,856
Net cash provided by (used in) financing activities	552,878	(16,924)
Effect of foreign currency exchange rate changes on cash, cash equivalents and restricted cash	\$ (1,422)	\$ (959)

Cash flow from operations is seasonally a use of cash in the first half of Wiley’s fiscal year principally due to the timing of collections for annual Journal Subscriptions and Transformational Agreements, which typically occurs in the beginning of the second half of our fiscal year.

Free cash flow less product development spending helps assess our ability, over the long term, to create value for our shareholders, as it represents cash available to repay debt, pay common dividends, and fund share repurchases, and acquisitions. Below are the details of Free cash flow less product development spending.

Free Cash Flow Less Product Development Spending:

	Three Months Ended July 31,	
	2026	2025
Net cash used in operating activities	\$ (55,272)	\$ (85,005)
Less: Additions to technology, property, and equipment	(11,197)	(12,005)
Less: Product development spending	(3,180)	(2,890)
Free cash flow less product development spending	\$ (69,649)	\$ (99,900)

Net Cash Used In Operating Activities

The following is a summary of the \$29.7 million change in Net cash used in operating activities for the three months ended July 31, 2026 compared with the three months ended July 31, 2025 (amounts in millions).

Net cash used in operating activities – Three Months Ended July 31, 2025	\$ (85.0)
Net loss adjusted for items to reconcile net loss to net cash used in operating activities, which would include such noncash items as depreciation and amortization, net loss on sale of businesses and assets, acquisition and integration related costs, restructuring and related charges, and the change in deferred taxes	5.0
Working capital changes:	
Accounts receivable, net and contract liabilities	28.7
Accounts payable and accrued royalties	7.8
Changes in other assets and liabilities	(11.8)
Net cash used in operating activities – Three Months Ended July 31, 2026	\$ (55.3)

The favorable change in accounts receivable, net and contract liabilities was primarily due to the timing of collections from and invoicing to customers, including anticipated delayed fiscal year 2026 billings collected in the first quarter of fiscal year 2027.

The favorable change in accounts payable and accrued royalties was primarily due to the timing of payments and lower royalty costs.

The unfavorable change in other assets and liabilities was primarily due to an increase of \$14 million of payments in fiscal year 2027 related to acquisition and integration related costs due to the Emerald Publishing acquisition, and restructuring.

Our negative working capital (current assets less current liabilities) was \$250.6 million and \$359.3 million as of July 31, 2026 and April 30, 2026, respectively. This \$108.7 million change in negative working capital was primarily due to the seasonality of our business. The primary driver of the negative working capital is the benefit realized from unearned contract liabilities related to subscriptions for which cash has been collected in advance. The contract liabilities will be recognized as revenue when the products are shipped or made available online to the customers over the term of the subscription. Current liabilities as of July 31, 2026 and as of April 30, 2026 includes \$384.3 million and \$451.4 million, respectively, primarily related to deferred subscription revenue for which cash was collected in advance.

Cash collected in advance for subscriptions is used by us for a number of purposes, including funding operations, capital expenditures, acquisitions, debt repayments, dividend payments, and share repurchases.

Net Cash (Used In) Provided By Investing Activities

Net cash used in investing activities for the three months ended July 31, 2026 was \$465.4 million compared to net cash provided by investing activities of \$98.9 million in the prior year. The change in investing activities was primarily due to \$450.4 million of cash used, net of cash acquired for the Emerald Publishing acquisition on June 1, 2026, and the prior year including \$115.3 million in cash received as a result of selling the remaining University Services assets in June 2025. See [Note 3](#), "Acquisition and Divestitures" for further details on the acquisition of Emerald Publishing.

Net Cash Provided By (Used In) Financing Activities

Net cash provided by financing activities was \$552.9 million for the three months ended July 31, 2026 compared to net cash used in financing activities of \$16.9 million for the three months ended July 31, 2025. This change was primarily due to higher net borrowings in fiscal year 2027 of \$578.5 million used to acquire Emerald Publishing.

In the three months ended July 31, 2026, we increased our quarterly dividend to shareholders to \$1.43 per share annualized versus \$1.42 per share annualized in the prior year.

In fiscal year 2020, our Board of Directors authorized a share repurchase program of up to \$200 million of Class A or B Common Stock, which was fully utilized as of April 30, 2026. In the first quarter of fiscal year 2026, our Board of Directors authorized an additional share repurchase program of up to \$250 million of Class A or B Common Stock. As of July 31, 2026, \$192.4 million of share repurchase authority remained under this authorization.

The following table summarizes the shares repurchased (shares in thousands):

	Three Months Ended July 31,	
	2026	2025
Shares repurchased – Class A	330	331
Shares repurchased – Class B	1	1
Average price – Class A and Class B	\$ 45.44	\$ 42.22

During the three months ended July 31, 2026 and 2025, we repurchased \$15.0 million and \$14.0 million, respectively, under these programs.

The total amount repurchased and the average price per share excludes excise taxes payable on share repurchases and may differ from the share repurchases reflected in Purchases of treasury shares in our Unaudited Condensed Consolidated Statements of Cash Flows. For the three months ended July 31, 2026, the total amount repurchased and the total shares repurchased includes unsettled purchases, and such amount differs from the amount reflected in Purchases of treasury shares in our Unaudited Condensed Consolidated Statements of Cash Flows.

ACCOUNTING STANDARDS UPDATE

We are required to prepare our Unaudited Condensed Consolidated Financial Statements in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) which is the source for all authoritative US GAAP. The FASB ASC is subject to updates by the FASB, which are known as Accounting Standards Updates (ASU). See Note 2, "Recent Accounting Standards" of Part I, Item 1, "Notes to Unaudited Condensed Consolidated Financial Statements" for further information.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk primarily related to interest rates, foreign exchange, and credit risk. It is our policy to monitor these exposures and to use derivative financial investments and/or insurance contracts from time to time to reduce fluctuations in earnings and cash flows when it is deemed appropriate to do so. We do not use derivative financial instruments for trading or speculative purposes.

Interest Rates

From time to time, we may use interest rate swaps, collars, or options to manage our exposure to fluctuations in interest rates. It is management's intention that the notional amount of interest rate swaps be less than the variable rate loans outstanding during the life of the derivatives.

The information set forth in [Note 16](#), "Derivative Instruments and Hedging Activities," of the Notes to Unaudited Condensed Consolidated Financial Statements under the caption "Interest Rate Contracts," is incorporated herein by reference.

On an annual basis, a hypothetical one percent change in interest rates for the \$991.9 million of unhedged variable rate debt as of July 31, 2026 would affect net income and cash flow by approximately \$7 million.

Foreign Exchange Rates

Fluctuations in the currencies of countries where we operate outside the US may have a significant impact on financial results. We are primarily exposed to movements in British pound sterling, euros, Canadian and Australian dollars, and certain currencies in Asia. The statements of financial position of non-US business units are translated into US dollars using period-end exchange rates for assets and liabilities and the statements of income are translated into US dollars using weighted-average exchange rates for revenues and expenses.

Our significant investments in non-US businesses are exposed to foreign currency risk. Adjustments resulting from translating assets and liabilities are reported as a separate component of Accumulated other comprehensive loss, net of tax within Total shareholders' equity under the caption Foreign currency translation adjustment.

During the three months ended July 31, 2026, we recorded foreign currency translation losses in Accumulated other comprehensive loss, net of tax of approximately \$(8.0) million, primarily as a result of the fluctuations of the US dollar relative to the British pound sterling and, to a lesser extent, the euro.

During the three months ended July 31, 2025, we recorded foreign currency translation losses in Accumulated other comprehensive loss, net of tax of approximately \$(5.9) million primarily as a result of the fluctuations of the US dollar relative to the British pound sterling.

Exchange rate gains or losses related to foreign currency transactions are recognized as transaction gains or losses on the Unaudited Condensed Consolidated Statements of Net (Loss) Income as incurred. Under certain circumstances, we may enter into derivative financial instruments in the form of foreign currency forward contracts to hedge against specific transactions, including intercompany purchases and loans.

The information set forth in [Note 16](#), "Derivative Instruments and Hedging Activities," of the Notes to Unaudited Condensed Consolidated Financial Statements under the caption "Foreign Currency Contracts," is incorporated herein by reference.

Sales Return Reserves

The estimated allowance for print book sales returns is based upon an analysis of actual historical return experience in the various markets and geographic regions in which we do business. We collect, maintain, and analyze significant amounts of sales returns data for large volumes of homogeneous transactions. This allows us to make reasonable estimates of the amount of future returns. All available data is utilized to identify the returns by market and to which fiscal year the sales returns apply. This enables management to track the returns in detail and identify and react to trends occurring in the marketplace, with the objective of being able to make the most informed judgments possible in setting reserve rates. Associated with the estimated sales return reserves, we also include a related increase to inventory and a reduction to accrued royalties as a result of the expected returns. Print book sales return reserves amounted to a net liability balance of \$7.1 million and \$7.1 million as of July 31, 2026 and April 30, 2026, respectively.

The reserves are reflected in the following accounts of our Unaudited Condensed Consolidated Statements of Financial Position:

	July 31, 2026	April 30, 2026
Increase in Inventories, net	\$ 3,077	\$ 3,085
Decrease in Accrued royalties	\$ (1,675)	\$ (1,661)
Increase in Contract liabilities	\$ 11,858	\$ 11,825
Print book sales return reserve net liability balance	\$ (7,106)	\$ (7,079)

A one percent change in the estimated sales return rate could affect net income by approximately \$0.4 million. A change in the pattern or trends in returns could affect the estimated allowance.

Customer Credit Risk

In the journal publishing business, some subscriptions are sourced through journal subscription agents who, acting as agents for library customers, facilitate ordering by consolidating the subscription orders/billings of each subscriber with various publishers. Cash is generally collected in advance from subscribers by the subscription agents and is principally remitted to us between the months of December and April. Although currently we have minimal credit risk exposure to these agents, future calendar-year subscription receipts from these agents are highly dependent on their financial condition and liquidity. Subscription agents account for approximately 19% of total revenue for the year ended April 30, 2026, and no one affiliated group of subscription agents accounts for more than 10% of total revenue for the year ended April 30, 2026.

Our book business is not dependent upon a single customer; however, the industry is concentrated in national, regional, and online bookstore chains. Although no single book customer accounts for more than 4% of total consolidated revenue and 6% of accounts receivable, net at July 31, 2026, the top 10 book customers account for approximately 8% of total consolidated revenue and approximately 13% of accounts receivable, net at July 31, 2026.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures: The Company's Chief Executive Officer and Chief Financial Officer, together with the Chief Accounting Officer and other members of the Company's management, have conducted an evaluation of the Company's disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the Exchange Act) as of the end of the period covered by this report. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective to ensure that information required to be disclosed by the Company in reports filed or submitted under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified by the Securities and Exchange Commission's rules and forms and (ii) accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting: There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) during the quarter ended July 31, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

On June 1, 2026, we completed the acquisition of Emerald Publishing. Under guidelines established by the SEC, companies are permitted to exclude acquisitions from their assessment of internal control over financial reporting during the first year of an acquisition while integrating the acquired company. Accordingly, we intend to exclude the acquired Emerald Publishing business from our assessment and report on internal control over financial reporting for the fiscal year ending April 30, 2027. We are in the process of integrating Emerald Publishing into our system of internal control over financial reporting and this process may result in additions or changes to our internal control over financial reporting. Emerald Publishing represented less than 1% of total consolidated assets, excluding goodwill and intangible assets which are included within the scope of assessment, and represented 3% of total consolidated revenues of the Company for the three months ended July 31, 2026.

PART II - OTHER INFORMATION**ITEM 1. LEGAL PROCEEDINGS**

There have been no significant developments related to legal proceedings during the three months ended July 31, 2026. For information regarding legal proceedings, see our Annual Report on Form 10-K for the fiscal year ended April 30, 2026 Note 16, “Commitment and Contingencies”.

ITEM 1A. RISK FACTORS

There have been no material changes from the risk factors previously disclosed in our Annual Report on Form 10-K for the fiscal year ended April 30, 2026, that if they were to occur, could materially adversely affect our businesses, consolidated financial condition, and results of operations. For a discussion of our risk factors, refer to Item 1A. “Risk Factors” contained in our Annual Report on Form 10-K for the fiscal year ended April 30, 2026.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

In the first quarter of fiscal year 2026, our Board of Directors authorized a share repurchase program of up to \$250 million of Class A or B Common Stock. During the three months ended July 31, 2026, we made the following purchases of Class A and Class B Common Stock under our publicly announced stock repurchase program:

	Total Number of Shares Purchased	Average Price Paid Per Share ⁽¹⁾	Total Number of Shares Purchased as Part of a Publicly Announced Program	Maximum Number of Shares that May Be Purchased Under the Program	Maximum Dollar Value of Shares that May Yet Be Purchased Under Additional Plans or Programs (Dollars in Millions)
May 2026	116,515	\$ 41.07	116,515	—	\$ 202.6
June 2026	112,215	44.79	112,215	—	197.6
July 2026	102,003	51.16	102,003	—	192.4
Total	330,733	\$ 45.44	330,733	—	\$ 192.4

(1) Average price per share excludes excise taxes payable on share repurchases.

ITEM 5. OTHER INFORMATION**Directors and Executive Officers Trading Arrangements**

During the period covered by this Quarterly Report on Form 10-Q, none of our directors or officers adopted, modified or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement” as such terms are defined under Item 408 of Regulation S-K.

ITEM 6. EXHIBITS

Material Contracts

- 10.1*** [Fiscal Year 2027 Restricted Share Unit Grant Agreement under the Executive Long-Term Incentive Plan, Under the Business Officer Equity Program, Pursuant to the 2022 Omnibus Stock Plan and Long-Term Incentive Plan](#) •
- 10.2*** [Fiscal Year 2027 Performance Share Unit Grant Agreement under the Executive Long-Term Incentive Plan, under the Business Officer Equity Program, Pursuant to the 2022 Omnibus Stock Plan and Long-Term Incentive Plan](#) •
- 10.3*** [Fiscal Year 2027 Restricted Share Unit Grant Agreement under the Executive Long-Term Incentive Plan, Under the Business Officer Equity Program, Pursuant to the 2022 Omnibus Stock Plan and Long-Term Incentive Plan \(Matthew Kissner\)](#) •
- 10.4*** [Fiscal Year 2027 Performance Share Unit Grant Agreement under the Executive Long-Term Incentive Plan, under the Business Officer Equity Program, Pursuant to the 2022 Omnibus Stock Plan and Long-Term Incentive Plan \(Matthew Kissner\)](#) •
- 10.5*** [Non-Qualified Premium Stock Option Grant Agreement, Pursuant to the 2022 Omnibus Stock Plan and Long-Term Incentive Plan](#) •
- 10.6*** [Fiscal Year 2027 Executive Long Term Incentive Plan](#) •
- 10.7*** [Fiscal Year 2027 Executive Annual Incentive Plan](#) •
- 10.8*** [Employment Letter dated May 7, 2021 between Andrew Weber, Senior Vice President, Business Management & Operations and the Company](#) •
- 10.9*** [Defined Contribution Plan CARES/SECURE Acts Interim Amendment](#) •
- 10.10*** [Defined Contribution Plan SECURE 2.0 Act Interim Amendment](#) •

Certifications Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

- [31.1*](#)** Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- [31.2*](#)** Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Certifications Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

- [32.1**](#)** Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- [32.2**](#)** Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Inline XBRL

- 101.INS*** Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).
- 101.SCH*** Inline XBRL Taxonomy Extension Schema Document.
- 101.CAL*** Inline XBRL Taxonomy Extension Calculation Linkbase Document.
- 101.DEF*** Inline XBRL Taxonomy Extension Definition Linkbase Document.

[INDEX](#)

101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

* Filed herewith

** Furnished herewith

● Indicates management compensatory plan, contract, or arrangement

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

JOHN WILEY & SONS, INC.

Registrant

By /s/ Matthew S. Kissner
Matthew S. Kissner
President and Chief Executive Officer

By /s/ Craig Albright
Craig Albright
Executive Vice President and Chief Financial Officer

By /s/ Frank Scognamiglio
Frank Scognamiglio
Corporate Vice President, Chief Accounting Officer

Dated: September 4, 2026

WILEY

**RESTRICTED SHARE UNIT GRANT AGREEMENT
UNDER THE EXECUTIVE LONG-TERM INCENTIVE PLAN,
UNDER THE BUSINESS OFFICER EQUITY PROGRAM,
PURSUANT TO THE 2022 OMNIBUS STOCK PLAN AND LONG-TERM INCENTIVE PLAN**

TO: <<Participant>>

To recognize and reward your contribution toward the long-term success of John Wiley & Sons, Inc. (*Company*), you have been granted this restricted share unit award (*Award*) under the Executive Long-Term Incentive Plan or the Business Officer Equity Program (together herein defined as *Program*), pursuant to the Company's 2022 Omnibus Stock Plan and Long-Term Incentive Plan (*Plan*). The Award represents the right to receive shares of the Company's Class A Common Stock (*Shares*) that are subject to the vesting conditions set forth in this agreement (*Agreement*).

The details of your Award are summarized below:

Grant ID: <<Grant ID>>

Grant Date: <<Grant Date>>

Number of Restricted Share Units: <<Number of RSUs>> _____

Vesting Schedule: <<Vesting Schedule>>

The terms of the Award are as set forth in this Agreement and in the Plan, a copy of which is available on the UBS One Source Website. The Plan is incorporated into this Agreement by reference, which means that this Agreement is limited by and subject to the express terms and provisions of the Plan. In the event of a conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall govern.

- 1. Issuance of Shares and Shareholder Rights.** You shall not have any right in, to, or with respect to any of the Shares (including any voting rights or rights with respect to dividends paid on the Common Stock) issuable under the Award until the Award is settled by the issuance of such Shares to you. The restricted share units shall vest in accordance with the above Vesting Schedule. One Share shall be issuable for each restricted share unit that vests on such vesting date subject to the terms and provisions of the Plan and this Agreement. On or promptly following those dates, the Company shall transfer such Shares to you upon satisfaction of any required minimum tax withholding obligations. Following settlement of the Award, and upon satisfaction of all minimum tax withholding obligations, you become a shareholder of record, and shall receive voting rights and rights with respect to dividends paid thereafter on the Shares awarded.

2. Termination of Employment.

- a. Retirement, Resignation or Termination with or without Cause or Constructive Discharge. Except as otherwise provided in this Section or in a written agreement approved by the Executive Compensation and Development Committee (*Committee*), if you retire, or if you resign, or if your employment is terminated by the Company with or without Cause or Constructive Discharge before the Award vests, you shall forfeit the right to receive an Award.
- b. Death or Disability. In the event of your death or Disability while in employment prior to the vesting of the Shares, all unvested Shares shall immediately become fully vested and payable to you (or, in the event of your death, your estate). "Disability" for this purpose shall be determined by the Committee pursuant to Section 22(e) (3) of the Code.
- c. Change in Control. In the event of a Change in Control, as that term is defined in the Plan, in cases where:
 - i. the acquiring company is not publicly traded, or
 - ii. where the acquiring company is publicly traded and the company does not assume or replace the outstanding equity, or
 - iii. your employment is terminated due to a without Cause termination or Constructive Discharge within twenty-four (24) months following a Change in Control where the awards were assumed or replaced,all unvested Shares granted pursuant to this Agreement shall immediately become fully vested and settled through the issuance of Shares promptly following such event.

Cause is defined as: (A) your refusal or willful and continued failure to substantially perform your material duties to the best of your ability (for reasons other than death or disability), in any such case after written notice thereof and your failure to remedy such refusal or failure; (B) your gross negligence in the performance of your material duties; (C) any act of fraud, misappropriation, material dishonesty, embezzlement, willful misconduct or similar conduct; (D) your conviction of or plea of guilty or nolo contendere to a felony or any crime involving moral turpitude; (E) your engagement in conduct that brings or is reasonably likely to bring the Company negative publicity or into public disgrace, embarrassment or disrepute; or (F) your material and willful violation of any of the Company's reasonable rules, regulations, policies, directions and restrictions.

Constructive Discharge is defined as: (A) any material reduction of your base salary or total compensation opportunity other than a general reduction in base salary and/or total compensation opportunity that affects all substantially similar executives in substantially the same proportion; (B) a material and adverse change to, or a material reduction of, your duties and responsibilities to the Company (other than temporarily while you are physically or mentally incapacitated, or as required by applicable law); or (C) the relocation of your primary office to any location more than fifty (50) miles from the Company's principal executive offices, resulting in a materially longer commute for you.

Retirement is defined as a participant's retirement after attaining a minimum of age 55 with 10 or more years of continuous employment with the Company, or any Subsidiary or Affiliate.

3. **Restrictions.** Except as otherwise provided for in this Agreement or in the Plan, the restricted share units or rights granted hereunder may not be sold, pledged or otherwise transferred.

4. **Non-Compete, Non-Solicitation**

- a. During your employment with the Company, you have and will become familiar with the Company's trade secrets, information related to the operations, products and services of the Company, and with other Confidential Information concerning the Company, its subsidiaries, affiliates, and companies acquired by the Company. Therefore, during your employment and for a period of one year thereafter, you agree that you shall not directly or indirectly own any interest in, manage, control, participate in, consult with, or render services for any Competing Business.

A "Competing Business" is any person or entity that (i) conducts or is planning to conduct a business similar to and/or in competition with any Company business unit to which you rendered services during the two year period prior to the date at issue or (ii) creates, develops, distributes, produces, offers for sale or sells a product or service that can be used as a substitute for, or is generally intended to satisfy the same customer needs for, any one or more products or services created, developed, distributed, produced or offered for sale or sold by the Company business unit to which you rendered services during the two year period prior to the date at issue. In the event that you have an enterprise role at the Company, you will be deemed to render services to all Company business units.

- b. During your employment and for a period of one year thereafter, you agree that you shall not directly, or indirectly through another entity, (i) induce or attempt to induce any employee of the Company or any affiliate to leave the employ of the Company or such affiliate, or in any way interfere with the relationship between the Company or any affiliate and any employee thereof, (ii) solicit, induce, recruit or hire any person who was an employee of the Company or any affiliate at any time during your employment with the Company, or (iii) induce or attempt to induce any customer, supplier, licensee, licensor, franchisee or other business relation of the Company or any affiliate to cease doing business with the Company or such affiliate, or in any way interfere with the relationship between any such customer, supplier, licensee, licensor, franchisee or business relation and the Company or any affiliate (including, without limitation, making any negative statements or communications about the Company or its affiliates).
- c. Forfeiture of Awards. By accepting the Award, you expressly agree and acknowledge that the forfeiture provisions will apply if the Committee determines, in its sole judgment, that you have engaged in an act that violates paragraph (a) and/or (b). In such a determination, your outstanding Restricted Share Units will immediately be rescinded, and you will forfeit any rights you have with respect to these Restricted Share Units as of the date of the Committee's determination. In addition, you hereby agree and promise immediately to deliver to the Company an amount equal to the value of any Restricted Share Units you received under this Award during the period beginning twelve (12) months prior to your Termination of Employment and ending on the date of the Committee's determination.

5. **Taxes.**

- a. Generally. You are ultimately liable and responsible for all taxes owed in connection with the Award and dividend payments arising from this Award, regardless of any action the Company or UBS takes with respect to any tax withholding obligations that arise in connection with the Award. Neither the Company nor UBS makes any representation or undertaking regarding the treatment of any tax withholding in connection with the grant or vesting of the Award or the subsequent sale of Shares issuable pursuant to the Award. The Company does not commit and is under no obligation to structure the Award to reduce or eliminate your tax liability. The Company may refuse to issue any Shares to you until you satisfy the tax withholding obligation. For purposes hereof, "UBS" includes the Plan third party administrator and any successor thereto.
- b. Payment of Withholding Taxes. Prior to each vesting date in connection with the Award that results in any domestic or foreign tax withholding obligation, whether national, federal, state or local, including any social tax obligation, you must arrange for the satisfaction of the minimum amount of such tax withholding obligation, as required, in a manner acceptable to the Company. You are responsible for obtaining professional advice as appropriate. Prior to the vesting dates in connection with the Award, you shall be notified by UBS of any minimum tax withholding obligation. You have the option of satisfying your minimum tax withholding obligation in one of two ways:
 - i. *By Surrendering Shares.* Unless you choose to satisfy the minimum tax withholding obligation by some other means in accordance with clause (ii) below, your acceptance of this Award constitutes your instruction and authorization to the Company and UBS to withhold a whole number of Shares from those Shares issuable to you as the Company and UBS determine to be appropriate to satisfy your minimum tax withholding obligation on each vesting date.
 - ii. *By Check (U.S. participants only), Wire Transfer or Other Means.* You may elect to satisfy your minimum tax withholding obligation by remitting to UBS as instructed an amount that the Company and UBS determine is sufficient to satisfy the minimum tax withholding obligation.

6. **Plan Information.** You agree to receive stockholder information, including copies of any annual report, proxy statement and other periodic reports, from the Investor Relations section of <http://www.wiley.com>. You acknowledge that copies of the Plan and stockholder information are available upon written or telephonic request to the Corporate Secretary.
7. **Limitation on Rights; No Right to Future Grants; Extraordinary Item.** By entering into this Agreement and accepting the Award, you acknowledge that: (a) the Plan is discretionary and may be modified, suspended or terminated by the Company at any time as provided in the Plan; (b) the grant of the Award is a one-time benefit and does not create any contractual or other right to receive future grants of awards or benefits in lieu of awards; (c) all determinations with respect to any such future grants, including, but not limited to, the times when awards shall be granted, the number of shares subject to each award, the award price, if any, and the time or times when each award shall be settled, shall be at the sole discretion of the Company; (d) your participation in the Plan is voluntary; (e) the value of this Award on an ongoing basis is an extraordinary item which is outside the scope of your terms of employment or your employment contract, if any; (f) the Award is not part of normal or expected compensation for

any purpose, including without limitation for calculating any benefits, severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; (g) the future value of the Common Stock subject to the Award is unknown and cannot be predicted with certainty, (h) neither the Plan, the Award nor the issuance of the Shares confers upon you any right to continue in the employ of (or any other relationship with) the Company or any Subsidiary, nor do they limit in any respect the right of the Company or any Subsidiary to terminate your employment or other relationship with the Company or any Subsidiary, as the case may be, at any time.

8. **Acceptance and Acknowledgment.** I accept and agree to the terms of the restricted share unit Award described in this Agreement and in the Plan, acknowledge receipt of a copy of this Agreement and the Plan, and acknowledge that I have read them carefully and that I fully understand their contents.

WILEY

**PERFORMANCE SHARE UNIT GRANT AGREEMENT
UNDER THE EXECUTIVE LONG-TERM INCENTIVE PLAN,
UNDER THE BUSINESS OFFICER EQUITY PROGRAM
PURSUANT TO THE 2022 OMNIBUS STOCK PLAN AND LONG-TERM INCENTIVE PLAN**

TO: <<Participant>>

To recognize and reward your contribution toward the long-term success of John Wiley & Sons, Inc. (*Wiley or Company*), you have been granted this performance share unit award (*Award*) under the Executive Long-Term Incentive Plan or the Business Officer Equity Program (together herein defined as *Program*), pursuant to the Company's 2022 Omnibus Stock Plan and Long-Term Incentive Plan (*Plan*). The Award represents the right to receive shares of the Company's Class A Common Stock (*Shares*) that are subject to achievement of the performance criteria and of the vesting conditions set forth in this agreement (*Agreement*).

The details of your Award are summarized below:

Grant ID: <<Grant ID>>

Grant Date: <<Grant Date>>

Target Number of Performance Share Units: <<Number of RPSUs>>

Performance Period: Fiscal Years 2027-2029 (May 1, 2026-April 30, 2029)

Vesting Date: 100% on June 30, 2029, except as otherwise provided in Section 3.

The terms of the Award are as set forth in this Agreement and in the Plan, a copy of which is available on the UBS One Source Website. The Plan is incorporated into this Agreement by reference, which means that this Agreement is limited by and subject to the express terms and provisions of the Plan. In the event of a conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall govern.

1. **Performance Criteria.** The Performance Period for this Award is three (3) fiscal years. Adjusted Revenue (weighted at 40%), Adjusted EBITDA Margin % (weighted at 30%), and Free Cash Flow (weighted at 30%) are the financial performance measures used for this Performance Period. The non-achievement of the threshold performance level for one of the financial criteria does not preclude a payout for that other financial criterion.

Adjusted Revenue Cumulative gross adjusted revenue, net of provision for returns, cancellations, etc., calculated consistently with the Company's adjusted results reported publicly for each year of the Performance Period

Adjusted EBITDA Margin % calculated by dividing EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization in the Company's Summary of Operations) by total Adjusted Revenue for each year of the Performance Period, calculated consistently with the Company's results reported publicly for each year of the Performance Period

Free Cash Flow Cumulative net cash provided by operating activities less capital expenditures (includes technology, property and equipment and product development spending), calculated consistently with the Company's results reported publicly for each year of the Performance Period

The following table outlines the cumulative financial performance measures for this Performance Period.

Amounts in millions		Target	Threshold (50% Funding)		Outstanding (200% Funding)	
Unit & Measure	Weight	Amount	Level	Amount	Level	Amount
Adjusted Revenue	40%	XXXX	90%	XXXX	110%	XXXX
Adjusted EBITDA Margin %	30%					
<i>FY27 Adj. EBITDA Margin</i>		XXXX	95%	XXXX	110%	XXXX
<i>FY28 Adj. EBITDA Margin</i>		XXXX	95%	XXXX	110%	XXXX
<i>FY29 Adj. EBITDA Margin</i>		XXXX	95%	XXXX	110%	XXXX
Free Cash Flow	30%	XXXX	90%	XXXX	110%	XXXX

<u>Performance Level for</u>	<u>Payout Range for Such Goal</u>
<Threshold	No performance share units are earned
Threshold	50% of the Target Number of performance share units are earned
>Threshold and <Target	between 50% and 100% of the Target Number of performance share units are earned on a pro-rata basis
Target	the Target Number of performance share units are earned
>Target and <Outstanding	between 100% and 200% of the Target Number of performance share units are earned on a pro-rata basis
Outstanding or above	200% of the Target Number of performance share units are earned

Discretion: Regardless of any provision of the Plan to the contrary, the Committee will not exercise its discretion to adjust any award downward below the amount that would otherwise be payable except in extraordinary circumstances.

2. **Issuance of Shares and Shareholder Rights.** Following the Performance Period, any performance share units earned for the Performance Period remain subject to vesting as described herein. You shall not have any right in, to, or with respect to any of the Shares (including any voting rights or rights with respect to dividends paid on the Common Stock) issuable under the Award until the Award is settled by the issuance of such Shares to you. One Share shall be issuable for each performance share unit that vests on such vesting date subject to the terms and provisions of the Plan and this Agreement. On or promptly following that date, the Company shall transfer such Shares to you upon satisfaction of any required minimum tax withholding obligations. No fractional shares shall be issued under this Agreement. Following settlement of the Award, and upon satisfaction of all minimum tax withholding obligations, you become a shareholder of record, and shall receive voting rights and rights with respect to dividends paid thereafter on the Shares awarded.
3. **Termination of Employment.**
- a. Resignation or Termination with Cause. Except as otherwise provided in this Section or in a written agreement approved by the Executive Compensation and Development Committee (Committee), if you resign, or if your employment is terminated by the Company with Cause before the Award is vested, you shall forfeit the right to receive an Award (whether or not the performance criteria have been met).
 - b. Retirement, Termination without Cause. Except as otherwise provided in this Section or in a written agreement approved by the Committee, if you Retire, or if your employment is terminated by the Company without Cause, and you have been an active participant in the Performance Period for at least one (1) year or more, you shall receive a prorated Award, which shall be paid out in Shares based upon actual performance upon the conclusion of the Performance Period.
 - c. Death or Disability. In the event of your death or Disability while in employment prior to the end of the Performance Period, you (or, in the event of your death, your estate) shall receive a prorated Award which shall be paid out in Shares based upon actual performance upon the conclusion of the Performance Period. In the event of your death or Disability following the end of the Performance Period but prior to full vesting of the Shares, you (or, in the event of your death, your estate) shall receive an Award which shall be paid out in Shares based upon actual performance upon the conclusion of the Performance Period. "Disability" for this purpose shall be determined by the Committee pursuant to Section 22(e) (3) of the Code.
 - d. Change in Control. In the event of a Change in Control, as that term is defined in the Plan, in cases where:
 - i. the acquiring company is not publicly traded, or
 - ii. where the acquiring company is publicly traded and the company does not assume or replace the outstanding equity, or
 - iii. your employment is terminated due to a without Cause termination or Constructive Discharge within twenty-four (24) months following a Change in Control where the awards were assumed or replaced,

the target Award (determined as if performance were at the target level) granted pursuant to this Agreement shall immediately become fully vested, and all Shares

granted pursuant to this Agreement that are earned but unvested shall immediately become fully vested and settled through the issuance of Shares promptly following such event.

Cause is defined as: (A) your refusal or willful and continued failure to substantially perform your material duties to the best of your ability (for reasons other than death or disability), in any such case after written notice thereof and your failure to remedy such refusal or failure; (B) your gross negligence in the performance of your material duties; (C) any act of fraud, misappropriation, material dishonesty, embezzlement, willful misconduct or similar conduct; (D) your conviction of or plea of guilty or nolo contendere to a felony or any crime involving moral turpitude; (E) your engagement in conduct that brings or is reasonably likely to bring the Company negative publicity or into public disgrace, embarrassment or disrepute; or (F) your material and willful violation of any of the Company's reasonable rules, regulations, policies, directions and restrictions.

Constructive Discharge is defined as: (A) any material reduction of your base salary or total compensation opportunity other than a general reduction in base salary and/or total compensation opportunity that affects all substantially similar executives in substantially the same proportion; (B) a material and adverse change to, or a material reduction of, your duties and responsibilities to the Company (other than temporarily while you are physically or mentally incapacitated, or as required by applicable law); or (C) the relocation of your primary office to any location more than fifty (50) miles from the Company's principal executive offices, resulting in a materially longer commute for you.

Retirement is defined as a participant's retirement after attaining a minimum of age 55 with 10 or more years of continuous employment with the Company, or any Subsidiary or Affiliate.

4. **Restrictions.** Except as otherwise provided for in this Agreement or in the Plan, the performance share units or rights granted hereunder may not be sold, pledged or otherwise transferred.
5. **Non-Compete, Non-Solicitation**
 - a. During your employment with the Company, you have and will become familiar with the Company's trade secrets, information related to the operations, products and services of the Company, and with other Confidential Information concerning the Company, its subsidiaries, affiliates, and companies acquired by the Company. Therefore, during your employment and for a period of one year thereafter, you agree that you shall not directly or indirectly own any interest in, manage, control, participate in, consult with, or render services for any Competing Business.

A "Competing Business" is any person or entity that (i) conducts or is planning to conduct a business similar to and/or in competition with any Company business unit to which you rendered services during the two year period prior to the date at issue or (ii) creates, develops, distributes, produces, offers for sale or sells a product or service that can be used as a substitute for, or is generally intended to satisfy the same customer needs for, any one or more products or services created, developed, distributed, produced or offered for sale or sold by the Company business unit to which you rendered services during the two year period prior to the date at issue. In the event

that you have an enterprise role at the Company, you will be deemed to render services to all Company business units.

- b. During your employment and for a period of one year thereafter, you agree that you shall not directly, or indirectly through another entity, (i) induce or attempt to induce any employee of the Company or any affiliate to leave the employ of the Company or such affiliate, or in any way interfere with the relationship between the Company or any affiliate and any employee thereof, (ii) solicit, induce, recruit or hire any person who was an employee of the Company or any affiliate at any time during your employment with the Company, or (iii) induce or attempt to induce any customer, supplier, licensee, licensor, franchisee or other business relation of the Company or any affiliate to cease doing business with the Company or such affiliate, or in any way interfere with the relationship between any such customer, supplier, licensee, licensor, franchisee or business relation and the Company or any affiliate (including, without limitation, making any negative statements or communications about the Company or its affiliates).
 - c. Forfeiture of Awards. By accepting the Award, you expressly agree and acknowledge that the forfeiture provisions will apply if the Committee determines, in its sole judgment, that you have engaged in an act that violates paragraph (a) and/or (b). In such a determination, your outstanding Performance Share Units will immediately be rescinded, and you will forfeit any rights you have with respect to these Performance Share Units as of the date of the Committee's determination. In addition, you hereby agree and promise immediately to deliver to the Company an amount equal to the value of any Performance Share Units you received under this Award during the period beginning twelve (12) months prior to your Termination of Employment and ending on the date of the Committee's determination.
6. **Clawback.** In the event that the Company is required to file a restatement of its financial results due to fraud, gross negligence or intentional misconduct by one or more employees and/or material non-compliance with Securities laws, the Company shall cancel the unvested performance share units previously granted to you in the amount by which such performance share units exceed any lower number of performance share units that would have been earned based on the restated financial results, for the performance period in which the restatement was required, and if applicable, any gain associated with the Award for that performance period shall be repaid to the Company by you in the amount by which such gain exceeds any lower gain that would have been made based on the restated financial results, to the full extent required or permitted by law.

If you are directly responsible for or involved in fraud, gross negligence or intentional misconduct that causes the Company to file a restatement of its financial results, the Company shall cancel the unvested performance share units previously granted to you, for the performance period in which the restatement was required, and if applicable, any gain associated with the Award for that performance period shall be repaid to the Company by you, to the full extent required or permitted by law.

This Section 6 shall be deemed to be automatically revised if the Company amends its clawback policy, and such amended clawback policy shall apply in lieu hereof. The action permitted to be taken by the Company under this section 6 is in addition to, and not in lieu of, any and all other

rights of the Company and/or the Committee under applicable law (including any Securities and Exchange Commission and listing exchange rules) and shall apply notwithstanding anything to the contrary in this plan.

7. Taxes.

- a. Generally. You are ultimately liable and responsible for all taxes owed in connection with the Award and dividend payments arising from this Award, regardless of any action the Company or UBS takes with respect to any tax withholding obligations that arise in connection with the Award. Neither the Company nor UBS makes any representation or undertaking regarding the treatment of any tax withholding in connection with the grant or vesting of the Award or the subsequent sale of Shares issuable pursuant to the Award. The Company does not commit and is under no obligation to structure the Award to reduce or eliminate your tax liability. The Company may refuse to issue any Shares to you until you satisfy the tax withholding obligation. For purposes hereof, "UBS" includes the Plan third party administrator and any successor thereto.
- b. Payment of Withholding Taxes. Prior to each vesting date in connection with the Award that results in any domestic or foreign tax withholding obligation, whether national, federal, state or local, including any social tax obligation, you must arrange for the satisfaction of the minimum amount of such tax withholding obligation, as required, in a manner acceptable to the Company. You are responsible for obtaining professional advice as appropriate. Prior to the vesting dates in connection with the Award, you shall be notified by UBS of any minimum tax withholding obligation. You have the option of satisfying your minimum tax withholding obligation in one of two ways:
 - i. *By Surrendering Shares.* Unless you choose to satisfy the minimum tax withholding obligation by some other means in accordance with clause (ii) below, your acceptance of this Award constitutes your instruction and authorization to the Company and UBS to withhold a whole number of Shares from those Shares issuable to you as the Company and UBS determine to be appropriate to satisfy your minimum tax withholding obligation on each vesting date.
 - ii. *By Check (U.S. participants only), Wire Transfer or Other Means.* You may elect to satisfy your minimum tax withholding obligation by remitting to UBS as instructed an amount that the Company and UBS determine is sufficient to satisfy the minimum tax withholding obligation.

8. **Plan Information.** You acknowledge that you have received the Fiscal Year 2027-2029 (May 1, 2026-April 30, 2029) performance criteria and the Program summary from the Company, and you agree to receive stockholder information, including copies of any annual report, proxy statement and other periodic reports, from the Investor Relations section of <http://www.wiley.com>. You acknowledge that copies of the Plan and stockholder information are available upon written or telephonic request to the Corporate Secretary.

9. **Limitation on Rights; No Right to Future Grants; Extraordinary Item.** By entering into this Agreement and accepting the Award, you acknowledge that: (a) the Plan is discretionary and may be modified, suspended or terminated by the Company at any time as provided in the Plan; (b) the grant of the Award is a one-time benefit and does not create any contractual or other right to receive future grants of awards or benefits in lieu of awards; (c) all determinations with

respect to any such future grants, including, but not limited to, the times when awards shall be granted, the number of shares subject to each award, the award price, if any, and the time or times when each award shall be settled, shall be at the sole discretion of the Company; (d) your participation in the Plan is voluntary; (e) the value of this Award on an ongoing basis is an extraordinary item which is outside the scope of your terms of employment or your employment contract, if any; (f) the Award is not part of normal or expected compensation for any purpose, including without limitation for calculating any benefits, severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; (g) the future value of the Common Stock subject to the Award is unknown and cannot be predicted with certainty, (h) neither the Plan, the Award nor the issuance of the Shares confers upon you any right to continue in the employ of (or any other relationship with) the Company or any Subsidiary, nor do they limit in any respect the right of the Company or any Subsidiary to terminate your employment or other relationship with the Company or any Subsidiary, as the case may be, at any time.

10. **Acceptance and Acknowledgment.** I accept and agree to the terms of the Performance Share Unit Award described in this Agreement and in the Plan, acknowledge receipt of a copy of this Agreement, the Plan and the applicable Program Summary, and acknowledge that I have read them carefully and that I fully understand their contents.



**RESTRICTED SHARE UNIT GRANT AGREEMENT
UNDER THE EXECUTIVE LONG-TERM INCENTIVE PLAN,
PURSUANT TO THE 2022 OMNIBUS STOCK PLAN AND LONG-TERM INCENTIVE PLAN**

TO: <<Participant>>

To recognize and reward your contribution toward the long-term success of John Wiley & Sons, Inc. (*Company*), you have been granted this restricted share unit award (*Award*) under the Executive Long-Term Incentive Plan or the Business Officer Equity Program (together herein defined as *Program*), pursuant to the Company's 2022 Omnibus Stock Plan and Long-Term Incentive Plan (*Plan*). The Award represents the right to receive shares of the Company's Class A Common Stock (*Shares*) that are subject to the vesting conditions set forth in this agreement (*Agreement*).

The details of your Award are summarized below:

Grant ID: <<Grant ID>>

Grant Date: <<Grant Date>>

Number of Restricted Share Units: <<Number of RSUs>> _____

Vesting Schedule: <<Vesting Schedule>>

The terms of the Award are as set forth in this Agreement and in the Plan, a copy of which is available on the UBS One Source Website. The Plan is incorporated into this Agreement by reference, which means that this Agreement is limited by and subject to the express terms and provisions of the Plan. In the event of a conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall govern.

1. **Issuance of Shares and Shareholder Rights.** You shall not have any right in, to, or with respect to any of the Shares (including any voting rights or rights with respect to dividends paid on the Common Stock) issuable under the Award until the Award is settled by the issuance of such Shares to you. The restricted share units shall vest in accordance with the above Vesting Schedule. One Share shall be issuable for each restricted share unit that vests on such vesting date subject to the terms and provisions of the Plan and this Agreement. On or promptly following those dates, the Company shall transfer such Shares to you upon satisfaction of any required minimum tax withholding obligations. Following settlement of the Award, and upon satisfaction of all minimum tax withholding obligations, you become a shareholder of record, and shall receive voting rights and rights with respect to dividends paid thereafter on the Shares awarded.

2. Termination of Employment.

- a. Resignation or Termination with Cause. Except as otherwise provided in this Section or in a written agreement approved by the Executive Compensation and Development Committee (*Committee*), if you resign, or if your employment is terminated by the Company with Cause before the Award vests, you shall forfeit the right to receive an Award.
- b. Termination without Cause or Constructive Discharge. If your employment is terminated by the Company without Cause or Constructive Discharge before the Award vests, your Award shall continue to vest as provided in the above Vesting Schedule.
- c. Death or Disability. In the event of your death or Disability while in employment prior to the vesting of the Shares, all unvested Shares shall immediately become fully vested and payable to you (or, in the event of your death, your estate). "Disability" for this purpose shall be determined by the Committee pursuant to Section 22(e) (3) of the Code.
- d. Change in Control. In the event of a Change in Control, as that term is defined in the Plan, in cases where:
 - i. the acquiring company is not publicly traded, or
 - ii. where the acquiring company is publicly traded and the company does not assume or replace the outstanding equity, or
 - iii. your employment is terminated due to a without Cause termination or Constructive Discharge within twenty-four (24) months following a Change in Control where the awards were assumed or replaced,all unvested Shares granted pursuant to this Agreement shall immediately become fully vested and settled through the issuance of Shares promptly following such event.

Cause is defined as: (A) your refusal or willful and continued failure to substantially perform your material duties to the best of your ability (for reasons other than death or disability), in any such case after written notice thereof and your failure to remedy such refusal or failure; (B) your gross negligence in the performance of your material duties; (C) any act of fraud, misappropriation, material dishonesty, embezzlement, willful misconduct or similar conduct; (D) your conviction of or plea of guilty or nolo contendere to a felony or any crime involving moral turpitude; (E) your engagement in conduct that brings or is reasonably likely to bring the Company negative publicity or into public disgrace, embarrassment or disrepute; or (F) your material and willful violation of any of the Company's reasonable rules, regulations, policies, directions and restrictions.

Constructive Discharge is defined as: (A) any material reduction of your base salary or total compensation opportunity other than a general reduction in base salary and/or total compensation opportunity that affects all substantially similar executives in substantially the same proportion; (B) a material and adverse change to, or a material reduction of, your duties and responsibilities to the Company (other than temporarily while you are physically or mentally incapacitated, or as required by applicable law); or (C) the relocation of your primary office to any location more than fifty (50) miles from the Company's principal executive offices, resulting in a materially longer commute for you.

3. **Restrictions.** Except as otherwise provided for in this Agreement or in the Plan, the restricted share units or rights granted hereunder may not be sold, pledged or otherwise transferred.

4. **Non-Compete, Non-Solicitation**

- a. During your employment with the Company, you have and will become familiar with the Company's trade secrets, information related to the operations, products and services of the Company, and with other Confidential Information concerning the Company, its subsidiaries, affiliates, and companies acquired by the Company. Therefore, during your employment and for a period of one year thereafter, you agree that you shall not directly or indirectly own any interest in, manage, control, participate in, consult with, or render services for any Competing Business.

A "Competing Business" is any person or entity that (i) conducts or is planning to conduct a business similar to and/or in competition with any Company business unit to which you rendered services during the two year period prior to the date at issue or (ii) creates, develops, distributes, produces, offers for sale or sells a product or service that can be used as a substitute for, or is generally intended to satisfy the same customer needs for, any one or more products or services created, developed, distributed, produced or offered for sale or sold by the Company business unit to which you rendered services during the two year period prior to the date at issue. In the event that you have an enterprise role at the Company, you will be deemed to render services to all Company business units.

- b. During your employment and for a period of one year thereafter, you agree that you shall not directly, or indirectly through another entity, (i) induce or attempt to induce any employee of the Company or any affiliate to leave the employ of the Company or such affiliate, or in any way interfere with the relationship between the Company or any affiliate and any employee thereof, (ii) solicit, induce, recruit or hire any person who was an employee of the Company or any affiliate at any time during your employment with the Company, or (iii) induce or attempt to induce any customer, supplier, licensee, licensor, franchisee or other business relation of the Company or any affiliate to cease doing business with the Company or such affiliate, or in any way interfere with the relationship between any such customer, supplier, licensee, licensor, franchisee or business relation and the Company or any affiliate (including, without limitation, making any negative statements or communications about the Company or its affiliates).
- c. Forfeiture of Awards. By accepting the Award, you expressly agree and acknowledge that the forfeiture provisions will apply if the Committee determines, in its sole judgment, that you have engaged in an act that violates paragraph (a) and/or (b). In such a determination, your outstanding Restricted Share Units will immediately be rescinded, and you will forfeit any rights you have with respect to these Restricted Share Units as of the date of the Committee's determination. In addition, you hereby agree and promise immediately to deliver to the Company an amount equal to the value of any Restricted Share Units you received under this Award during the period beginning twelve (12) months prior to your Termination of Employment and ending on the date of the Committee's determination.

5. **Taxes.**

- a. Generally. You are ultimately liable and responsible for all taxes owed in connection with the Award and dividend payments arising from this Award, regardless of any action the Company or UBS takes with respect to any tax withholding obligations that arise in connection with the Award. Neither the Company nor UBS makes any representation or undertaking regarding the treatment of any tax withholding in connection with the grant or vesting of the Award or the subsequent sale of Shares issuable pursuant to the Award. The Company does not commit and is under no obligation to structure the Award to reduce or eliminate your tax liability. The Company may refuse to issue any Shares to you until you satisfy the tax withholding obligation. For purposes hereof, "UBS" includes the Plan third party administrator and any successor thereto.
- b. Payment of Withholding Taxes. Prior to each vesting date in connection with the Award that results in any domestic or foreign tax withholding obligation, whether national, federal, state or local, including any social tax obligation, you must arrange for the satisfaction of the minimum amount of such tax withholding obligation, as required, in a manner acceptable to the Company. You are responsible for obtaining professional advice as appropriate. Prior to the vesting dates in connection with the Award, you shall be notified by UBS of any minimum tax withholding obligation. You have the option of satisfying your minimum tax withholding obligation in one of two ways:
 - i. *By Surrendering Shares.* Unless you choose to satisfy the minimum tax withholding obligation by some other means in accordance with clause (ii) below, your acceptance of this Award constitutes your instruction and authorization to the Company and UBS to withhold a whole number of Shares from those Shares issuable to you as the Company and UBS determine to be appropriate to satisfy your minimum tax withholding obligation on each vesting date.
 - ii. *By Check (U.S. participants only), Wire Transfer or Other Means.* You may elect to satisfy your minimum tax withholding obligation by remitting to UBS as instructed an amount that the Company and UBS determine is sufficient to satisfy the minimum tax withholding obligation.

6. **Plan Information.** You agree to receive stockholder information, including copies of any annual report, proxy statement and other periodic reports, from the Investor Relations section of <http://www.wiley.com>. You acknowledge that copies of the Plan and stockholder information are available upon written or telephonic request to the Corporate Secretary.
7. **Limitation on Rights; No Right to Future Grants; Extraordinary Item.** By entering into this Agreement and accepting the Award, you acknowledge that: (a) the Plan is discretionary and may be modified, suspended or terminated by the Company at any time as provided in the Plan; (b) the grant of the Award is a one-time benefit and does not create any contractual or other right to receive future grants of awards or benefits in lieu of awards; (c) all determinations with respect to any such future grants, including, but not limited to, the times when awards shall be granted, the number of shares subject to each award, the award price, if any, and the time or times when each award shall be settled, shall be at the sole discretion of the Company; (d) your participation in the Plan is voluntary; (e) the value of this Award on an ongoing basis is an extraordinary item which is outside the scope of your terms of employment or your employment contract, if any; (f) the Award is not part of normal or expected compensation for

any purpose, including without limitation for calculating any benefits, severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; (g) the future value of the Common Stock subject to the Award is unknown and cannot be predicted with certainty, (h) neither the Plan, the Award nor the issuance of the Shares confers upon you any right to continue in the employ of (or any other relationship with) the Company or any Subsidiary, nor do they limit in any respect the right of the Company or any Subsidiary to terminate your employment or other relationship with the Company or any Subsidiary, as the case may be, at any time.

8. **Acceptance and Acknowledgment.** I accept and agree to the terms of the restricted share unit Award described in this Agreement and in the Plan, acknowledge receipt of a copy of this Agreement and the Plan, and acknowledge that I have read them carefully and that I fully understand their contents.

WILEY

**PERFORMANCE SHARE UNIT GRANT AGREEMENT
UNDER THE EXECUTIVE LONG-TERM INCENTIVE PLAN,
UNDER THE BUSINESS OFFICER EQUITY PROGRAM
PURSUANT TO THE 2022 OMNIBUS STOCK PLAN AND LONG-TERM INCENTIVE PLAN**

TO: <<Participant>>

To recognize and reward your contribution toward the long-term success of John Wiley & Sons, Inc. (*Wiley or Company*), you have been granted this performance share unit award (*Award*) under the Executive Long-Term Incentive Plan or the Business Officer Equity Program (together herein defined as *Program*), pursuant to the Company's 2022 Omnibus Stock Plan and Long-Term Incentive Plan (*Plan*). The Award represents the right to receive shares of the Company's Class A Common Stock (*Shares*) that are subject to achievement of the performance criteria and of the vesting conditions set forth in this agreement (*Agreement*).

The details of your Award are summarized below:

Grant ID: <<Grant ID>>

Grant Date: <<Grant Date>>

Target Number of Performance Share Units: <<Number of RPSUs>>

Performance Period: Fiscal Years 2027-2029 (May 1, 2026-April 30, 2029)

Vesting Date: 100% on June 30, 2029, except as otherwise provided in Section 3.

The terms of the Award are as set forth in this Agreement and in the Plan, a copy of which is available on the UBS One Source Website. The Plan is incorporated into this Agreement by reference, which means that this Agreement is limited by and subject to the express terms and provisions of the Plan. In the event of a conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall govern.

1. **Performance Criteria.** The Performance Period for this Award is three (3) fiscal years. Adjusted Revenue (weighted at 40%), Adjusted EBITDA Margin % (weighted at 30%), and Free Cash Flow (weighted at 30%) are the financial performance measures used for this Performance Period. The non-achievement of the threshold performance level for one of the financial criteria does not preclude a payout for that other financial criterion.

Adjusted Revenue Cumulative gross adjusted revenue, net of provision for returns, cancellations, etc., calculated consistently with the Company's adjusted results reported publicly for each year of the Performance Period

Adjusted EBITDA Margin % calculated by dividing EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization in the Company's Summary of Operations) by total Adjusted Revenue for each year of the Performance Period, calculated consistently with the Company's results reported publicly for each year of the Performance Period

Free Cash Flow Cumulative net cash provided by operating activities less capital expenditures (includes technology, property and equipment and product development spending), calculated consistently with the Company's results reported publicly for each year of the Performance Period

The following table outlines the cumulative financial performance measures for this Performance Period.

Amounts in millions		Target	Threshold (50% Funding)		Outstanding (200% Funding)	
Unit & Measure	Weight	Amount	Level	Amount	Level	Amount
Adjusted Revenue	40%	XXXX	90%	XXXX	110%	XXXX
Adjusted EBITDA Margin %	30%					
<i>FY27 Adj. EBITDA Margin</i>		XXXX	95%	XXXX	110%	XXXX
<i>FY28 Adj. EBITDA Margin</i>		XXXX	95%	XXXX	110%	XXXX
<i>FY29 Adj. EBITDA Margin</i>		XXXX	95%	XXXX	110%	XXXX
Free Cash Flow	30%	XXXX	90%	XXXX	110%	XXXX
Amounts in millions		Target	Threshold (50% Funding)		Outstanding (200% Funding)	
Unit & Measure	Weight	Amount	Level	Amount	Level	Amount

<u>Performance Level for</u>	<u>Payout Range for Such Goal</u>
<Threshold	No performance share units are earned
Threshold	50% of the Target Number of performance share units are earned
>Threshold and <Target	between 50% and 100% of the Target Number of performance share units are earned on a pro-rata basis
Target	the Target Number of performance share units are earned
>Target and <Outstanding	between 100% and 200% of the Target Number of performance share units are earned on a pro-rata basis
Outstanding or above	200% of the Target Number of performance share units are earned

Discretion: Regardless of any provision of the Plan to the contrary, the Committee will not exercise its discretion to adjust any award downward below the amount that would otherwise be payable except in extraordinary circumstances.

2. **Issuance of Shares and Shareholder Rights.** Following the Performance Period, any performance share units earned for the Performance Period remain subject to vesting as described herein. You shall not have any right in, to, or with respect to any of the Shares (including any voting rights or rights with respect to dividends paid on the Common Stock) issuable under the Award until the Award is settled by the issuance of such Shares to you. One Share shall be issuable for each performance share unit that vests on such vesting date subject to the terms and provisions of the Plan and this Agreement. On or promptly following that date, the Company shall transfer such Shares to you upon satisfaction of any required minimum tax withholding obligations. No fractional shares shall be issued under this Agreement. Following settlement of the Award, and upon satisfaction of all minimum tax withholding obligations, you become a shareholder of record, and shall receive voting rights and rights with respect to dividends paid thereafter on the Shares awarded.
3. **Termination of Employment.**
- a. Resignation or Termination with Cause. Except as otherwise provided in this Section or in a written agreement approved by the Executive Compensation and Development Committee (Committee), if you resign, or if your employment is terminated by the Company with Cause before the Award is vested, you shall forfeit the right to receive an Award (whether or not the performance criteria have been met).
 - b. Termination without Cause or Constructive Discharge. If your employment is terminated by the Company without Cause or Constructive Discharge before the Award vests you shall be eligible for full participation for the Performance Period, and your Award shall be paid out in Shares based upon actual performance upon the conclusion of the Performance Period.
 - c. Death or Disability. In the event of your death or Disability while in employment prior to the end of the Performance Period, you (or, in the event of your death, your estate) shall be eligible for full participation for the Performance Period, and your Award shall be paid out in Shares based upon actual performance upon the conclusion of the Performance Period. In the event of your death or Disability following the end of the Performance Period but prior to full vesting of the Shares, you (or, in the event of your death, your estate) shall receive an Award which shall be paid out in Shares based upon actual performance upon the conclusion of the Performance Period. "Disability" for this purpose shall be determined by the Committee pursuant to Section 22(e) (3) of the Code.
 - d. Change in Control. In the event of a Change in Control, as that term is defined in the Plan, in cases where:
 - i. the acquiring company is not publicly traded, or
 - ii. where the acquiring company is publicly traded and the company does not assume or replace the outstanding equity, or
 - iii. your employment is terminated due to a without Cause termination or Constructive Discharge within twenty-four (24) months following a Change in Control where the awards were assumed or replaced,

the target Award (determined as if performance were at the target level) granted pursuant to this Agreement shall immediately become fully vested, and all Shares

granted pursuant to this Agreement that are earned but unvested shall immediately become fully vested and settled through the issuance of Shares promptly following such event.

Cause is defined as: (A) your refusal or willful and continued failure to substantially perform your material duties to the best of your ability (for reasons other than death or disability), in any such case after written notice thereof and your failure to remedy such refusal or failure; (B) your gross negligence in the performance of your material duties; (C) any act of fraud, misappropriation, material dishonesty, embezzlement, willful misconduct or similar conduct; (D) your conviction of or plea of guilty or nolo contendere to a felony or any crime involving moral turpitude; (E) your engagement in conduct that brings or is reasonably likely to bring the Company negative publicity or into public disgrace, embarrassment or disrepute; or (F) your material and willful violation of any of the Company's reasonable rules, regulations, policies, directions and restrictions.

Constructive Discharge is defined as: (A) any material reduction of your base salary or total compensation opportunity other than a general reduction in base salary and/or total compensation opportunity that affects all substantially similar executives in substantially the same proportion; (B) a material and adverse change to, or a material reduction of, your duties and responsibilities to the Company (other than temporarily while you are physically or mentally incapacitated, or as required by applicable law); or (C) the relocation of your primary office to any location more than fifty (50) miles from the Company's principal executive offices, resulting in a materially longer commute for you.

Retirement is defined as a participant's retirement after attaining a minimum of age 55 with 10 or more years of continuous employment with the Company, or any Subsidiary or Affiliate.

4. **Restrictions.** Except as otherwise provided for in this Agreement or in the Plan, the performance share units or rights granted hereunder may not be sold, pledged or otherwise transferred.
5. **Non-Compete, Non-Solicitation**
 - a. During your employment with the Company, you have and will become familiar with the Company's trade secrets, information related to the operations, products and services of the Company, and with other Confidential Information concerning the Company, its subsidiaries, affiliates, and companies acquired by the Company. Therefore, during your employment and for a period of one year thereafter, you agree that you shall not directly or indirectly own any interest in, manage, control, participate in, consult with, or render services for any Competing Business.

A "Competing Business" is any person or entity that (i) conducts or is planning to conduct a business similar to and/or in competition with any Company business unit to which you rendered services during the two year period prior to the date at issue or (ii) creates, develops, distributes, produces, offers for sale or sells a product or service that can be used as a substitute for, or is generally intended to satisfy the same customer needs for, any one or more products or services created, developed, distributed, produced or offered for sale or sold by the Company business unit to which you rendered services during the two year period prior to the date at issue. In the event

that you have an enterprise role at the Company, you will be deemed to render services to all Company business units.

- b. During your employment and for a period of one year thereafter, you agree that you shall not directly, or indirectly through another entity, (i) induce or attempt to induce any employee of the Company or any affiliate to leave the employ of the Company or such affiliate, or in any way interfere with the relationship between the Company or any affiliate and any employee thereof, (ii) solicit, induce, recruit or hire any person who was an employee of the Company or any affiliate at any time during your employment with the Company, or (iii) induce or attempt to induce any customer, supplier, licensee, licensor, franchisee or other business relation of the Company or any affiliate to cease doing business with the Company or such affiliate, or in any way interfere with the relationship between any such customer, supplier, licensee, licensor, franchisee or business relation and the Company or any affiliate (including, without limitation, making any negative statements or communications about the Company or its affiliates).
 - c. Forfeiture of Awards. By accepting the Award, you expressly agree and acknowledge that the forfeiture provisions will apply if the Committee determines, in its sole judgment, that you have engaged in an act that violates paragraph (a) and/or (b). In such a determination, your outstanding Performance Share Units will immediately be rescinded, and you will forfeit any rights you have with respect to these Performance Share Units as of the date of the Committee's determination. In addition, you hereby agree and promise immediately to deliver to the Company an amount equal to the value of any Performance Share Units you received under this Award during the period beginning twelve (12) months prior to your Termination of Employment and ending on the date of the Committee's determination.
6. **Clawback.** In the event that the Company is required to file a restatement of its financial results due to fraud, gross negligence or intentional misconduct by one or more employees and/or material non-compliance with Securities laws, the Company shall cancel the unvested performance share units previously granted to you in the amount by which such performance share units exceed any lower number of performance share units that would have been earned based on the restated financial results, for the performance period in which the restatement was required, and if applicable, any gain associated with the Award for that performance period shall be repaid to the Company by you in the amount by which such gain exceeds any lower gain that would have been made based on the restated financial results, to the full extent required or permitted by law.

If you are directly responsible for or involved in fraud, gross negligence or intentional misconduct that causes the Company to file a restatement of its financial results, the Company shall cancel the unvested performance share units previously granted to you, for the performance period in which the restatement was required, and if applicable, any gain associated with the Award for that performance period shall be repaid to the Company by you, to the full extent required or permitted by law.

This Section 6 shall be deemed to be automatically revised if the Company amends its clawback policy, and such amended clawback policy shall apply in lieu hereof. The action permitted to be taken by the Company under this section 6 is in addition to, and not in lieu of, any and all other

rights of the Company and/or the Committee under applicable law (including any Securities and Exchange Commission and listing exchange rules) and shall apply notwithstanding anything to the contrary in this plan.

7. Taxes.

- a. Generally. You are ultimately liable and responsible for all taxes owed in connection with the Award and dividend payments arising from this Award, regardless of any action the Company or UBS takes with respect to any tax withholding obligations that arise in connection with the Award. Neither the Company nor UBS makes any representation or undertaking regarding the treatment of any tax withholding in connection with the grant or vesting of the Award or the subsequent sale of Shares issuable pursuant to the Award. The Company does not commit and is under no obligation to structure the Award to reduce or eliminate your tax liability. The Company may refuse to issue any Shares to you until you satisfy the tax withholding obligation. For purposes hereof, "UBS" includes the Plan third party administrator and any successor thereto.
- b. Payment of Withholding Taxes. Prior to each vesting date in connection with the Award that results in any domestic or foreign tax withholding obligation, whether national, federal, state or local, including any social tax obligation, you must arrange for the satisfaction of the minimum amount of such tax withholding obligation, as required, in a manner acceptable to the Company. You are responsible for obtaining professional advice as appropriate. Prior to the vesting dates in connection with the Award, you shall be notified by UBS of any minimum tax withholding obligation. You have the option of satisfying your minimum tax withholding obligation in one of two ways:
 - i. *By Surrendering Shares.* Unless you choose to satisfy the minimum tax withholding obligation by some other means in accordance with clause (ii) below, your acceptance of this Award constitutes your instruction and authorization to the Company and UBS to withhold a whole number of Shares from those Shares issuable to you as the Company and UBS determine to be appropriate to satisfy your minimum tax withholding obligation on each vesting date.
 - ii. *By Check (U.S. participants only), Wire Transfer or Other Means.* You may elect to satisfy your minimum tax withholding obligation by remitting to UBS as instructed an amount that the Company and UBS determine is sufficient to satisfy the minimum tax withholding obligation.

8. **Plan Information.** You acknowledge that you have received the Fiscal Year 2027-2029 (May 1, 2026-April 30, 2029) performance criteria and the Program summary from the Company, and you agree to receive stockholder information, including copies of any annual report, proxy statement and other periodic reports, from the Investor Relations section of <http://www.wiley.com>. You acknowledge that copies of the Plan and stockholder information are available upon written or telephonic request to the Corporate Secretary.

9. **Limitation on Rights; No Right to Future Grants; Extraordinary Item.** By entering into this Agreement and accepting the Award, you acknowledge that: (a) the Plan is discretionary and may be modified, suspended or terminated by the Company at any time as provided in the Plan; (b) the grant of the Award is a one-time benefit and does not create any contractual or other right to receive future grants of awards or benefits in lieu of awards; (c) all determinations with

respect to any such future grants, including, but not limited to, the times when awards shall be granted, the number of shares subject to each award, the award price, if any, and the time or times when each award shall be settled, shall be at the sole discretion of the Company; (d) your participation in the Plan is voluntary; (e) the value of this Award on an ongoing basis is an extraordinary item which is outside the scope of your terms of employment or your employment contract, if any; (f) the Award is not part of normal or expected compensation for any purpose, including without limitation for calculating any benefits, severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; (g) the future value of the Common Stock subject to the Award is unknown and cannot be predicted with certainty, (h) neither the Plan, the Award nor the issuance of the Shares confers upon you any right to continue in the employ of (or any other relationship with) the Company or any Subsidiary, nor do they limit in any respect the right of the Company or any Subsidiary to terminate your employment or other relationship with the Company or any Subsidiary, as the case may be, at any time.

10. **Acceptance and Acknowledgment.** I accept and agree to the terms of the Performance Share Unit Award described in this Agreement and in the Plan, acknowledge receipt of a copy of this Agreement, the Plan and the applicable Program Summary, and acknowledge that I have read them carefully and that I fully understand their contents.

WILEY

NON-QUALIFIED PREMIUM STOCK OPTION GRANT AGREEMENT PURSUANT TO THE 2022 OMNIBUS STOCK PLAN AND LONG-TERM INCENTIVE PLAN

TO: <<Participant>>

To recognize and reward your contribution toward the long-term success of John Wiley & Sons, Inc. (*Company*), and in consideration of the services to be rendered by you to the Company, you have been granted this extraordinary non-qualified premium stock option award (*Option*), pursuant to the Company's 2022 Omnibus Stock Plan and Long-Term Incentive Plan (*Plan*). The Option represents the right for you to purchase from the Company shares of the Company's \$1 par value Class A Common Stock (*Shares*) at the Grant Price noted below, subject to the vesting conditions set forth in this agreement (*Agreement*). The Option is intended to be a non-qualified Stock Option and not an incentive Stock Option within the meaning of Section 422 of the Internal Revenue Code.

The details of your Option are summarized below:

Grant ID: <<Grant ID>>

Grant Date: <<Grant Date>>

Number of Non-Qualified Premium Stock Options: <<Number of Options>>

Grant Price: \$50.12 _____

The Options will become vested and exercisable according to the following schedule: <<Vesting Schedule

Expiration Date: <<Expiration Date>>

The terms of this Option are as set forth in this Agreement and in the Plan, a copy of which is available on the UBS One Source Website. The Plan is incorporated into this Agreement by reference, which means that this Agreement is limited by and subject to the express terms and provisions of the Plan. In the event of a conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall govern. The express terms contained in this Agreement exclusively govern the vesting schedule and conditions for this Option and this Option is expressly limited to the vesting term and schedule contained in this Agreement which supersedes any additional, different or contrary terms that may be contained in any employment letter, employment agreement or addendum.

- 1. Issuance of Shares and Shareholder Rights.** You shall not have any right in, to, or with respect to any of the Shares (including any voting rights or rights with respect to dividends paid on the Common Stock) issuable under this Agreement until you exercise a vested Option and purchase the Shares and such Shares are settled by issuance to you. The Option shall vest in accordance with the above Vesting Schedule. One Share shall be issuable for each Option you exercise, subject to the terms and provisions of the Plan and this Agreement. On or promptly following

the date you elect to exercise the Option, the Company shall transfer such Shares to you upon satisfaction of any required minimum tax withholding obligations. Following settlement of the Option, and upon satisfaction of all minimum tax withholding obligations, you become a shareholder of record, and shall receive voting rights and rights with respect to dividends paid thereafter on the Shares purchased.

2. Termination of Employment.

- a. Retirement, Resignation or Termination with or without Cause or Constructive Discharge. Except as otherwise expressly provided in this Section, or in a written agreement approved by the Executive Compensation and Development Committee (*Committee*), vested Options may be exercised and Shares may be purchased only while you are employed by the Company, or with respect only to vested Options, within 90 days after your retirement, resignation, or termination without Cause or Constructive Discharge. If your employment is terminated by the Company with Cause, vested Options shall be forfeited and cancelled and may not be exercised after the notice of termination.

All unvested Options shall be forfeited and cancelled upon your retirement, resignation, or termination with or without Cause or Constructive Discharge.

- b. Death or Disability. In the event of your death or Disability while in employment prior to the vesting of the Option, all unvested Options shall immediately become fully vested and may be exercised by you (or, in the event of your death, your estate) for up to 12 months following the date of death or Disability. "Disability" for this purpose shall be determined by the Committee pursuant to Section 22(e) (3) of the Code.
- c. Change in Control. In the event of a Change in Control, as that term is defined in the Plan, in cases where:
 - i. the acquiring company is not publicly traded, or
 - ii. where the acquiring company is publicly traded and the company does not assume or replace the outstanding equity, or
 - iii. your employment is terminated due to a without Cause termination or Constructive Discharge within twenty-four (24) months following a Change in Control where the awards were assumed or replaced,all unvested Options granted pursuant to this Agreement shall immediately become fully vested and may be exercised for up to 90 days.

Cause is defined as: (A) your refusal or willful and continued failure to substantially perform your material duties to the best of your ability (for reasons other than death or disability), in any such case after written notice thereof and your failure to remedy such refusal or failure; (B) your gross negligence in the performance of your material duties; (C) any act of fraud, misappropriation, material dishonesty, embezzlement, willful misconduct or similar conduct; (D) your conviction of or plea of guilty or nolo contendere to a felony or any crime involving moral turpitude; (E) your engagement in conduct that brings or is reasonably likely to bring the Company negative publicity or into public disgrace, embarrassment or disrepute; or (F) your material and willful violation of any of the Company's reasonable rules, regulations, policies, directions and restrictions.

Constructive Discharge is defined as: (A) any material reduction of your base salary or total compensation opportunity other than a general reduction in base salary and/or total compensation opportunity that affects all substantially similar executives in substantially the same proportion; (B) a material and adverse change to, or a material reduction of, your duties and responsibilities to the Company (other than temporarily while you are physically or mentally incapacitated, or as required by applicable law); or (C) the relocation of your primary office to any location more than fifty (50) miles from the Company's principal executive offices, resulting in a materially longer commute for you.

Retirement is defined as a participant's retirement after attaining a minimum of age 55 with 10 or more years of continuous employment with the Company, or any Subsidiary or Affiliate.

3. **Restrictions.** Except as otherwise provided for in this Agreement or in the Plan, the Option granted hereunder may not be sold, pledged or otherwise transferred.
4. **Non-Compete, Non-Solicitation**
 - a. During your employment with the Company, you have and will become familiar with the Company's trade secrets, information related to the operations, products and services of the Company, and with other Confidential Information concerning the Company, its subsidiaries, affiliates, and companies acquired by the Company. Therefore, during your employment period and for a period of one year thereafter, you agree that you shall not directly or indirectly own any interest in, manage, control, participate in, consult with, or render services for any Competing Business.

A "Competing Business" is any person or entity that (i) conducts or is planning to conduct a business similar to and/or in competition with any Company business unit to which you rendered services during the two year period prior to the date at issue or (ii) creates, develops, distributes, produces, offers for sale or sells a product or service that can be used as a substitute for, or is generally intended to satisfy the same customer needs for, any one or more products or services created, developed, distributed, produced or offered for sale or sold by the Company business unit to which you rendered services during the two year period prior to the date at issue. In the event that you have an enterprise role at the Company, you will be deemed to render services to all Company business units.
 - b. During your employment and for a period of one year thereafter, you agree that you shall not directly, or indirectly through another entity, (i) induce or attempt to induce any employee of the Company or any affiliate to leave the employ of the Company or such affiliate, or in any way interfere with the relationship between the Company or any affiliate and any employee thereof, (ii) solicit, induce, recruit or hire any person who was an employee of the Company or any affiliate at any time during your employment with the Company, or (iii) induce or attempt to induce any customer, supplier, licensee, licensor, franchisee or other business relation of the Company or any affiliate to cease doing business with the Company or such affiliate, or in any way interfere with the relationship between any such customer, supplier, licensee, licensor, franchisee or business relation and the Company or any affiliate (including, without limitation, making any negative statements or communications about the Company or its affiliates).

- c. **Forfeiture of Awards.** By accepting the Option, you expressly agree and acknowledge that the forfeiture provisions will apply if the Committee determines, in its sole judgment, that you have engaged in an act that violates paragraph (a) and/or (b). In such a determination, your outstanding Options will immediately be rescinded, and you will forfeit any rights you have with respect to these Options as of the date of the Committee's determination. In addition, you hereby agree and promise immediately to deliver to the Company, an amount equal to the value of any Options you received under this award during the period beginning twelve (12) months prior to your Termination of Employment and ending on the date of the Committee's determination.

5. Taxes.

- a. **Generally.** You are ultimately liable and responsible for all taxes owed in connection with the Option, regardless of any action the Company or UBS takes with respect to any tax withholding obligations that arise in connection with the Option. Neither the Company nor UBS makes any representation or undertaking regarding the treatment of any tax withholding in connection with the grant or vesting of the Option or the subsequent sale of Shares issuable pursuant to the Option. The Company does not commit and is under no obligation to structure the Option to reduce or eliminate your tax liability. The Company may refuse to issue any Shares to you until you satisfy the tax withholding obligation. For purposes hereof, "UBS" includes the Plan third party administrator and any successor thereto.
- b. **Payment of Withholding Taxes.** Prior to purchase of the Option in connection with the award that results in any domestic or foreign tax withholding obligation, whether national, federal, state or local, including any social tax obligation, you must arrange for the satisfaction of the minimum amount of such tax withholding obligation, as required, in a manner acceptable to the Company. You are responsible for obtaining professional advice as appropriate. You shall be notified by UBS of any minimum tax withholding obligation. You have the option of satisfying your minimum tax withholding obligation in one of two ways:
 - i. **By Surrendering Shares.** Unless you choose to satisfy the minimum tax withholding obligation by some other means in accordance with clause (ii) below, your acceptance of this Option constitutes your instruction and authorization to the Company and UBS to withhold a whole number of Shares from those Shares issuable to you as the Company and UBS determine to be appropriate to satisfy your minimum tax withholding obligation upon purchase of the Options pursuant to this award.
 - ii. **By Check (U.S. participants only), Wire Transfer or Other Means.** You may elect to satisfy your minimum tax withholding obligation by remitting to UBS as instructed an amount that the Company and UBS determine is sufficient to satisfy the minimum tax withholding obligation.

- 6. **Plan Information.** You agree to receive stockholder information, including copies of any annual report, proxy statement and other periodic reports, from the Investor Relations section of <http://www.wiley.com>. You acknowledge that copies of the Plan and stockholder information are available upon written or telephonic request to the Corporate Secretary.

7. **Limitation on Rights; No Right to Future Grants; Extraordinary Item.** By entering into this Agreement and accepting the Option, you acknowledge that: (a) the Plan is discretionary and may be modified, suspended or terminated by the Company at any time as provided in the Plan; (b) the grant of the Option is a one-time benefit and does not create any contractual or other right to receive future grants of awards or benefits in lieu of awards; (c) all determinations with respect to any such future grants, including, but not limited to, the times when awards shall be granted, the number of shares subject to each award, the award price, if any, and the time or times when each award shall be settled, shall be at the sole discretion of the Company; (d) your participation in the Plan is voluntary; (e) the value of this Option on an ongoing basis is an extraordinary item which is outside the scope of your terms of employment or your employment contract, if any; (f) the Option is not part of normal or expected compensation for any purpose, including without limitation for calculating any benefits, severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; (g) the future value of the Common Stock subject to the Option is unknown and cannot be predicted with certainty, (h) neither the Plan, the Option nor the issuance of the Shares confers upon you any right to continue in the employ of (or any other relationship with) the Company or any Subsidiary, nor do they limit in any respect the right of the Company or any Subsidiary to terminate your employment or other relationship with the Company or any Subsidiary, as the case may be, at any time.
8. **Acceptance and Acknowledgment.** I accept and agree to the terms of the Option described in this Agreement and in the Plan, acknowledge receipt of a copy of this Agreement and the Plan, and acknowledge that I have read them carefully and that I fully understand their contents.

JOHN WILEY & SONS, INC.

FY 2027 EXECUTIVE LONG TERM INCENTIVE PLAN

PLAN DOCUMENT

CONFIDENTIAL

May 1, 2026

WILEY

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I. DEFINITIONS

Following are definitions for words and phrases used in this document. Unless the context clearly indicates otherwise, these words and phrases are considered to be defined terms and appear in this document in italicized print:

business criteria An indicator of financial performance, consistent with Section 9.1 of the *shareholder plan*. The following *business criteria* are used in this *plan*:

adjusted revenue Cumulative gross adjusted *revenue*, net of provision for returns, cancellations, etc., calculated consistently with the *Company's* adjusted results reported publicly for each year of the *plan period*

free cash flow Cumulative net cash provided by operating activities less capital expenditures (includes technology, property and equipment and product development spending), calculated consistently with the *Company's* results reported publicly for each year of the *plan period*

adjusted EBITDA margin % calculated by dividing EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization in the *Company's* Summary of Operations) by total Adjusted revenue for each year of the *plan period*, calculated consistently with the *Company's* results reported publicly

business unit The *Company*, a business or subsidiary of the *Company*, or a global unit of the *Company*.

Company John Wiley & Sons, Inc.

Executive Compensation and Development Committee (Committee) The committee of the *Company's* Board of Directors responsible for the review and approval of executive compensation.

financial goal A targeted level of attainment of a given *business criteria*.

financial results The published, audited financial results of the *Company*.

participant An employee of the *Company* selected to participate in the *plan*.

performance levels

threshold The minimum acceptable level of achievement of a *financial goal* in order to earn a *payout*, expressed as a percentage of *target* e.g., 90% of *target*).

target Achievement of the assigned *financial goal*

outstanding Superior achievement of a *financial goal*, earning the maximum *payout*, expressed as a percentage of *target* (e.g., 110% of *target*).

performance share unit The contingent right given by the *Company* to a *participant* to receive a share of *stock* issued pursuant to this *plan* and the *shareholder plan* that is subject to forfeiture. In the *shareholder plan*, such *stock* is referred to as “Performance Awards.”

plan This FY 2027 Executive Long Term Incentive Plan.

plan-end adjusted performance share unit award The number of *performance share units* earned by a *participant* at the end of the *plan period* after adjustments, if any, are made, as set forth in Sections V and VIII.

plan period The three year period from May 1, 2026 to April 30, 2029, or a portion of this period, at the discretion of the *Committee*.

restricted share unit The contingent right given by the *Company* to a *participant* to receive a share of *stock* issued pursuant to this *plan* and the *shareholder plan* that is subject to forfeiture. In the *shareholder plan*, such *stock* is referred to as “Restricted Stock Units.”

shareholder plan The John Wiley & Sons, Inc. 2022 Omnibus Stock Plan and Long-Term Incentive Plan.

stock Class A Common Stock (par value \$1 per share) of the *Company*.

target award The targeted number of *performance share units* that a *participant* is eligible to receive if 100% of his/her applicable *performance targets* are achieved and the *participant* remains employed by the *Company* through the June 30, 2029 vesting date, except as otherwise provided in Section VIII.

II. PLAN OBJECTIVES

The *plan* is intended to provide the officers and other key colleagues of the *Company* and of its subsidiaries, affiliates and certain joint venture companies, upon whose judgment, initiative and efforts the *Company* depends for its growth and for the profitable conduct of its business, with additional incentive to promote the success of the *Company*.

III. ELIGIBILITY

A *participant* is selected by the President and CEO and recommended for participation to the *Committee*, which has sole discretion for determining eligibility, from among those colleagues in key management positions deemed able to make the most significant contributions to the growth and profitability of the *Company*. The President and CEO of the *Company* is a *participant*. Designation of a *participant* eligible to receive an incentive hereunder for a particular *plan year* shall not require designation of such participant eligible to receive a *payout* in any subsequent *plan year*.

IV. PERFORMANCE TARGETS AND MEASUREMENT

The President and CEO recommends and the *Committee* adopts, in its sole discretion, *financial goals* and *performance levels* for each *participant* to be used in the *plan period*.

- A. Each *financial goal* is assigned a weight, such that the sum of the weights of all *financial goals* equals 100%.
- B. Each *financial goal* is assigned *performance levels* (threshold, target and outstanding).

V. PERFORMANCE EVALUATION

A. Financial Results

- 1. At the end of the *plan period*, *financial results* are compared with *financial goals* to determine the *payout* for each *participant*.
- 2. In determining the attainment of *financial results*, the impact of any of the events (a) through (o) listed in Section 9.1.(b) of the *shareholder plan* will be excluded from the *financial results*.
- 3. Award Determination

Achievement of *threshold* performance of at least one *financial goal* is necessary for a *participant* to receive a *payout*.

The unweighted payout factor for each *financial goal* is determined as follows:

- For performance below the *threshold* level, the payout factor is zero.
- For performance at the *threshold* level, the payout factor is 50%.
- For performance between the *threshold* and *target* levels, the payout factor is between 50% and 100%, determined on a pro-rata basis.
- For performance at the *target* level, the payout factor is 100%.
- For performance between the *target* and *outstanding* levels, the payout factor is between 100% and 200%, determined on a pro-rata basis.
- For performance at or above the *outstanding* level, the payout factor is 200%.
- For *adjusted EBITDA margin %*, the average unweighted payout factor of the three individual years of the *plan period* will be used as the unweighted *adjusted EBITDA margin %* payout factor.

A participant's plan-end adjusted performance share unit award is determined as follows:

- Each *financial goal's* unweighted payout factor determined above times the weighting of that *financial goal* equals the weighted payout factor for that *financial goal*.
- The sum of the weighted payout factors for the *financial goals* equals the payout factor for that *business unit*.
- The participant's target award times the *business unit* payout factor equals the *participant's* total *plan-end adjusted performance share unit award*.
- The *Committee* may, in its sole discretion, reduce a *participant's* payout to any level it deems appropriate.

VI. PERFORMANCE SHARE UNIT AWARD PROVISIONS

The *plan-end adjusted performance share unit award* will be compared to the *target award*, and the appropriate amount of *performance share units* will be awarded or forfeited, as required, to bring the *performance share unit award* to the number of shares designated as the *plan-end adjusted performance share unit award*.

VII. RESTRICTED SHARE UNITS

The *participant* may be granted *restricted share units* pursuant to the *shareholder plan* at the beginning of the *plan period*, representing another incentive vehicle by which the *participant* is able to share in the long-term growth of the *Company*. The terms and conditions of the *restricted share unit award* are contained in the *shareholder plan* and in the *restricted share unit award grant agreement*.

VIII. PAYOUTS

- A. Normal Payout. *Plan-end adjusted performance share units awards* will be made within 2-1/2 months after the end of the plan period.
- B. Resignation or Termination with Cause. Except as otherwise provided in this Section VIII or in a written agreement approved by the *Committee*, a *participant* who resigns, or whose employment is terminated by the *Company*, with Cause before the *award* is vested, will forfeit the right to receive an *award*.
- C. Death or Disability. Solely to the extent provided by the *Committee* in the award summary or in a written agreement, in the event of a *participant's* death or disability while in employment prior to the end of the *plan period*, the *participant* (or, in the event of death,

his or her estate) will receive a prorated *plan-end adjusted performance share unit award* which shall be paid out in shares based upon actual performance upon the conclusion of the *plan period*, within 2-1/2 months after the end of the *plan period*. "Disability" for this purpose will be determined by the *Committee* under a definition permitted under Code Section 409A.

- D. Retirement or Termination without Cause. Except as otherwise provided in this Section VIII or in a written agreement approved by the *Committee*, in the event of a *participant's* retirement as that term is defined in the *shareholder plan*, or if a *participant's* employment is terminated by the *Company* without Cause, prior to the end of the *plan period*, and the *participant* has been an active *participant* in the performance period for at least one (1) year or more, the *participant* will receive a prorated *plan-end adjusted performance share unit award* (as determined by the *Committee*) which shall be paid out in shares based upon actual performance upon the conclusion of the *plan period*, within 2-1/2 months after the end of the *plan period*.
- E. Change of Control. In the event of a Change of Control, as that term is defined in the *shareholder plan*, in cases where:
- the acquiring company is not publicly traded, or
- where the acquiring company is publicly traded and the company does not assume or replace the outstanding equity, or *participant's* employment is terminated due to a "without cause termination" or "constructive discharge" within twenty-four months following a change of control,
- all then outstanding "*target*" *performance share units* shall immediately become fully vested, and all *plan-end adjusted performance share unit awards* that are not yet vested shall immediately become fully vested.
- F. Performance Share Units Earned for Completed Plan Periods. In the event of the *participant's* death, Disability, or retirement as that term is defined in the *shareholder plan* or *performance share unit* grant agreement, following the end of the *plan period* but prior to full vesting of the *plan-end adjusted performance share unit awards*, such *performance share units* shall immediately become fully vested.
- G. Change in Position. A *participant* who is hired or promoted into an eligible position during the *plan period* may receive a prorated *plan-end adjusted performance share unit award* as determined by the *Committee*, in its sole discretion.

IX. ADMINISTRATION AND OTHER MATTERS

- A. The *plan* will be administered by the *Committee*, which shall have authority in its sole discretion to interpret and administer this *plan*, including, without limitation, all questions regarding eligibility and status of any *participant*, and no *participant* shall have any right

to receive a payout or payment of any kind whatsoever, except as determined by the *Committee* hereunder.

- B. The *Company* will have no obligation to reserve or otherwise fund in advance any amount which may become payable under the *plan*.
- C. In the event that the *Company* is required to file a restatement of its financial results due to fraud, gross negligence or intentional misconduct by one or more employees and/or material non-compliance with Securities laws, the *Company* will cancel the unvested *performance share units* previously granted to all *participants* in the amount by which such shares exceeded any lower number of shares that would have been earned based on the restated financial results, for the plan cycle in which the restatement was required, and if applicable, any gain associated with the award for that plan cycle will be repaid to the *Company* by the participant in the amount by which such gain exceeded any lower gain that would have been made based on the restated financial results, to the full extent required or permitted by law. This provision extends beyond the clawback requirements under Sarbanes-Oxley that are limited to our Chief Executive Officer and Chief Financial Officer.

If a *participant* is directly responsible for or involved in fraud, gross negligence or intentional misconduct that causes the *Company* to file a restatement of its financial results, the *Company* will cancel the unvested *performance share units* previously granted to such *participant*, for the plan cycle in which the restatement was required, and if applicable, any gain associated with the award for that plan cycle will be repaid to the *Company* by the *participant*, to the full extent required or permitted by law.

The action permitted to be taken by the *Company* under this section (c) is in addition to, and not in lieu of, any and all other rights of the *Company* and/or the *Committee* under applicable law (including any Securities and Exchange Commission and listing exchange rules) and shall apply notwithstanding anything to the contrary in this *plan*.

- D. This *plan* may not be modified or amended except with the approval of the *Committee*, in accordance with the provisions of the *shareholder plan*.
- E. In the event of a conflict between the provisions of this *plan* and the provisions of the *shareholder plan*, the provisions of the *shareholder plan* shall apply.
- F. In the event that any provision of this *plan* shall be considered illegal or invalid for any reason, such illegality and invalidity shall not affect the remaining provisions of the *plan*, but shall be fully severable, and the *plan* shall be construed and enforced as if such illegal or invalid provision had never been contained therein.
- G. No awards of any type under this *plan* shall be considered as compensation for purposes of defining compensation for retirement, savings or supplemental executive retirement plans, statutory indemnity or any other benefit.

FY2027

EXECUTIVE ANNUAL INCENTIVE PLAN

PLAN DOCUMENT

CONFIDENTIAL

MAY 1, 2026

WILEY

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I. DEFINITIONS

Following are definitions for words and phrases used in this document. Unless the context clearly indicates otherwise, these words and phrases are considered to be defined terms and appear in this document in italicized print:

base salary A participant's annualized *base salary* as of July 1, 2026 (excluding any temporary pay reductions), or the date of hire or promotion into the *plan*, if later, adjusted for any amount of time the *participant* may not be in the *plan* for reasons of hire, death, disability, retirement and/or termination.

business criteria An indicator of business performance. The following *business criteria* are used in this *plan*:

adjusted operating income Net revenue less cost of sales, amortization of intangibles and operating and administrative expenses, calculated consistently with the *Company's* adjusted results reported publicly.

adjusted revenue Gross annual *revenue*, net of provision for returns, cancellations, etc., calculated consistently with the *Company's* adjusted results reported publicly.

business unit A business or subsidiary of the *Company*.

Company John Wiley & Sons, Inc.

Executive Compensation and Development Committee (Committee) The committee of the *Company's* Board of Directors responsible for the review and approval of executive compensation.

financial goal A targeted level of attainment of a given *business criteria*.

financial results Actual achievement of *Company financial goals* for the *plan year* and the business financial results derived therefrom.

funding The percentage of *financial results* against *financial goals* deemed achieved for the *Company*, relative to the *performance levels* set, used to determine the aggregate amount available for annual incentives to be allocated to *participants* under the *plan*.

objectives Assignment of strategic and measurable goals and objectives for each participant for the *plan year*, made by the President & CEO, and in the case of the President & CEO, the *Committee*.

participant An employee of the *Company* selected to participate in the *plan*.

payout Actual gross dollar amount paid to a *participant* under the *plan*, if any, based on achievement of *objectives* within the context of business *funding*.

performance levels

threshold The minimum acceptable level of achievement of a *financial goal* in order to earn a *payout*, expressed as a percentage of *target* (e.g., 95% of *target*).

target Achievement of the assigned *financial goal*-100%.

outstanding Superior achievement of a *financial goal*, earning the maximum *payout*, expressed as a percentage of *target* (e.g., 105% of *target*).

personal performance modifier The assessment of each *participant's* objectives for the *plan year*, made by the President & CEO, and in the case of the President & CEO, the *Committee*, expressed as a percentage between 0 and 200%.

plan This FY 2027 Executive Annual Incentive Plan.

plan year The twelve-month period from May 1, 2026 to April 30, 2027, or a portion of this period, at the discretion of the *Committee*.

shareholder plan The John Wiley & Sons, Inc. 2022 Omnibus Stock Plan and Long-Term Incentive Plan.

target incentive amount The amount that a *participant* is eligible to receive if *financial goals* are achieved at the *target performance level* and objectives are at 100%.

target incentive percent The percent applied to the *participant's base salary* to determine the *target incentive amount* for this *plan*.

II. PLAN OBJECTIVES

The *plan* is intended to provide the officers and other key colleagues of the *Company* and of its subsidiaries, affiliates and certain joint venture companies, upon whose judgement, initiative and efforts the *Company* depends for its growth and for the profitable conduct of its business, with additional incentive to promote the success of the *Company*.

III. ELIGIBILITY

A *participant* is selected by the President & CEO and recommended for participation to the *Committee*, which has sole discretion for determining eligibility, from among those colleagues in key management positions deemed able to make the most significant contributions to the growth and profitability of the *Company*. The President and CEO of the *Company* is a *participant*. Designation of a *participant* eligible to receive an incentive hereunder for a particular *plan year* shall not require designation of such participant eligible to receive a *payout* in any subsequent *plan year*.

IV. PERFORMANCE MEASUREMENT

The *plan* uses two categories for performance measurement: *Company* financial performance and personal performance.

A. Financial Performance

1. The CEO recommends and the *Committee* adopts, in its sole discretion, *financial goals* and *performance levels* for the *Company* to be used in the *plan year*.
2. Each *financial goal* are assigned a weight, such that the sum of the weights of all *financial goals* equals 100%.

B. Personal Performance

1. Each *participant's objectives* are determined at the beginning of the *plan year* by the *participant* and the President & CEO. The President & CEO's *objectives* are determined by the President & CEO and the *Committee*.
2. *Objectives* may be revised during the *plan year*, as appropriate.

V. PERFORMANCE EVALUATION

A. Financial Performance

1. Actual *financial results* achieved by the *Company* will be determined at the end of the *plan year*, by comparing *financial results* with previously set *financial goals*.
2. In determining the attainment of *financial results*, the impact of any of the events (a) through (o) listed in Section 9.1.(b) of the *shareholder plan* will be excluded from the *financial results*.
3. **Funding**
 - a. *Funding* under the *plan* is determined on a continuum, as follows:
 1. For performance below the *threshold* level, the *funding* is zero.
 2. For performance at the *threshold* level, the *funding* is 50%.
 3. For performance between the *threshold* and *target* levels, the *funding* is between 50% and 100%, determined on a pro-rata basis.
 4. For performance at the *target* level, the *funding* is 100%.
 5. For performance between the *target* and *outstanding* levels, the *funding* is between 100% and 150%, determined on a pro-rata basis.
 6. For performance at or above the *outstanding* level, the *funding* is 150%.
 - b. In the case where the *Company* misses *threshold performance* for one or both *financial goals*, but achieves 85% of the *Company's* full-year operating income target, a minimum *funding* of 40% will be available for *payout* under the *plan*.

B. Personal Performance

1. At the end of the *plan year*, each *participant's* performance will be measured by achievement of his/her *objectives*, with a *personal performance modifier* in the range of 0-200%. This assessment will be made by the President & CEO, and in the case of the President & CEO, by the *Committee*. The *personal performance modifier* is multiplied by the *funding* to determine *payout* under the *plan*.
2. The *Committee* approves *payouts* made to all *participants* under the *plan*.

VI. PAYOUTS

- A. *Payouts* will be made within 90 days after the end of the *plan year*.
- B. In the event of a *participant's* death, disability, retirement or leave of absence prior to the *payout* for the *plan year*, the *payout*, if any, will be determined by the *Committee*. Any such *payout* will be calculated as noted in Section V.
- C. A *participant* must be actively employed by the *Company* on the date of *payout* without having given notice or having been given notice of termination to be eligible for a *payout* for the *plan year*. Exceptions to this provision shall be made with the approval of the *Committee*, in its sole discretion.
- D. A *participant* who is hired or promoted into an eligible position during the *plan year* may receive a prorated *payout* as determined by the *Committee*, in its sole discretion.

VII. ADMINISTRATION AND OTHER MATTERS

- A. The *plan* will be administered by the *Committee*, which shall have authority in its sole discretion to interpret and administer this *plan*, including, without limitation, all questions regarding eligibility and status of any *participant*, and no *participant* shall have any right to receive a payout or payment of any kind whatsoever, except as determined by the *Committee* hereunder.
- B. The *Company* will have no obligation to reserve or otherwise fund in advance any amount which may become payable under the *plan*.
- C. In the event that the *Company* is required to file a restatement of its financial results due to fraud, gross negligence or intentional misconduct by one or more employees, and/or material non-compliance with Securities laws, the *Company* will require reimbursement of any annual incentive compensation awarded to all *participants* in the amount by which such compensation exceeded any lower payment that would have been made based on the restated *financial results*, for the fiscal year in which the restatement was required, to the full extent required or permitted by law.

If a *participant* is directly responsible for or involved in fraud, gross negligence or intentional misconduct that causes the *Company* to file a restatement of its financial results, the *Company* will require reimbursement of all annual incentive compensation awarded to such *participant*, for the fiscal year in which the restatement was required, to the full extent required or permitted by law.

The action permitted to be taken by the *Company* under this section (C) is in addition to, and not in lieu of, any and all other rights of the *Company* and/or the *Committee* under applicable law (including any Securities and Exchange Commission and listing exchange rules) and shall apply notwithstanding anything to the contrary in this *plan*.

- D. This *plan* may not be modified or amended except with the approval of the *Committee*.
- E. In the event that any provision of this *plan* shall be considered illegal or invalid for any reason, such illegality and invalidity shall not affect the remaining provisions of the *plan*, but shall be fully severable, and the *plan* shall be construed and enforced as if such illegal or invalid provision had never been contained therein.

WILEY

May 7, 2021

Andrew Weber

Dear Andrew,

I am very pleased to confirm our offer of employment with John Wiley & Sons, Inc. as SVP, Business Management & Operations for our Research business, reporting to our EVP & GM, Research. This offer is contingent upon a satisfactory background check and your attestation that you are not bound by any contractual restrictions or conflicting obligations and your execution of the attached Confidentiality and Proprietary Rights Agreements and Restrictive Covenants. By signing this offer letter, you confirm that your employment with Wiley will not breach any agreement you have with any third party.

Your employment start date will be on or before June 30, 2021. Your salary will be \$380,000 annually.

Beginning in fiscal year 2022, which starts May 1, 2021, you will be eligible to participate in the Wiley Annual Incentive Plan, with a target incentive equal to 75% of your base salary. Payout will be based on individual and business performance, in accordance with Plan provisions.

You will be eligible to receive annual equity grants under the Business Officer Equity Program, with a target long-term incentive value equal to 75% of your base salary. Your first grants will be made in June 2021, for fiscal year 2022. Equity awards under this Plan are granted based upon the recommendation of the EVP & GM, Research; and subject to the approval of the President & CEO and the Executive Compensation and Development Committee of the Board of Directors. All grants and payouts under the Business Officer Equity Program are subject to and in accordance with Plan provisions.

All compensation is subject to withholding and payroll taxes.

You will be eligible to participate in Wiley's benefits plans in accordance with Company policy.

While we look forward to a mutually beneficial relationship, your employment is "at-will." This offer letter is not a contract and does not guarantee any employment duration, terms, or conditions. Should your employment be involuntarily terminated without cause, you will receive as severance one month of base salary for each year of employment, subject to a minimum of six months and a maximum of twelve months. If, within the first 24 months following a change in control, your employment is involuntarily terminated without cause or due to constructive discharge, you will receive as severance twelve months of base salary and your target annual incentive. In a severance eligible event under this paragraph, you will also receive continued health insurance for the number of months of the cash severance period. All severance described in this paragraph is

payable under the Executive Severance Plan, and subject to your signing a release and waiver of claims in a form provided by the Company, and your compliance with the restrictive covenants included in the attached document, which apply as material terms of your employment in any event. For the avoidance of doubt, you will be entitled to any applicable benefits under the Executive Severance Plan, the relevant equity plan or grant agreement to the extent not covered in or greater than the benefits set forth in this letter.

Andrew, I know that you will contribute significantly to the success of the Company. I am sure you will find this position challenging and rewarding, and I look forward to working with you.

Please sign and return this letter, and the Agreements and Restrictive Covenants document, to me via email at shyland@wiley.com on or before May 10th.

Sincerely,

Acknowledged and Agreed:

s/Suzanne Hyland
Suzanne Hyland
Director, Executive Compensation

/s/Andrew Weber May 12, 2021
Andrew Weber Date

CONFIDENTIALITY AND PROPRIETARY RIGHTS AGREEMENTS AND RESTRICTIVE COVENANTS

As a condition of your employment with John Wiley & Sons, its subsidiaries, affiliates, successors or assigns (together "Wiley" or the "Company"), and in consideration of your employment with the Company and your receipt of the compensation now and hereafter paid to you by the Company, you agree to the following:

Intellectual Property and Rights

You hereby confirm that inventions, trade secrets and other work product produced by you or with your participation during the term of your employment with Wiley, in any form (collectively the "Work Product") shall be deemed work for hire on behalf of Wiley and you agree that Wiley shall be the sole owner of the Work Product, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to you. If the Work Product, or any portion thereof, is deemed not to be Work for Hire, you hereby irrevocably convey, transfer and assign to Wiley, all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Work Product, including without limitation, all of your right, title and interest in the copyrights and patents thereto, free and clear of all liens and other encumbrances. You shall make such applications, sign such papers (including without limitation assignments), take all rightful oaths, and perform all acts as may be reasonably requested, during or after the term of your employment, with respect to evidencing ownership of the Work Product. You shall assist Wiley to obtain any registrations covering Work Product assigned hereunder to Wiley and you hereby irrevocably designate and appoint Wiley and its duly authorized officers and agents as your attorney in fact, to act for and in your behalf and stead, to execute and further the prosecution and issuance of registrations thereon with the same legal force and effect as if executed by you.

You acknowledge that the Company may from time to time create – or commission the creation of- photographs, audio-visual recordings, audio recordings, text materials and/or other works for use in connection with both internal and external Company promotional, recruitment, publicity or teaching materials and/or other Company purposes (collectively, "Company Works"). You hereby grant the Company the worldwide, perpetual, royalty-free right and release to use and/or authorize the use of your name, likeness, image, appearance and/or voice in connection with the Company Works and in any and all media now known or hereafter created including, but not limited to, print, television, radio, film and social media. You also hereby release the Company from all claims of any kind on account of such use, and you hereby waive the right to inspect and approve the use of your name, likeness, and/or voice as they may appear in Company Works.

Protection of Confidential Information

You acknowledge that during the course of employment with Wiley, you may be privy to certain confidential information which may be communicated to you verbally or in writing, relating to Wiley, its information, sales and marketing plans, financials, business plans and information, technology, products, current and potential business partners, customers or other third parties (collectively, "Third Parties"), trade secrets, trade practices, know-how, or other information which is not known to the public, and which may include material developed by you. You acknowledge that all such information is and shall be deemed to be "Confidential Information" belonging to Wiley or Third Parties. You agree to protect such Confidential Information from disclosure with the

same degree of care that you normally use to protect your own confidential information, but not less than reasonable care, shall not divulge any such Confidential Information to anyone and shall not make use of the same without prior written consent of Wiley. All Confidential Information is and shall remain the property of Wiley (or the applicable Third Party), and you shall not acquire any rights therein. At the conclusion of your employment by Wiley, you shall promptly return all Wiley materials, including Confidential Information, in your possession and shall not retain any copies of any such material. In addition, both parties agree that this agreement is confidential and that neither of us shall disclose its contents to others without the other's prior approval.

Business Opportunities

Should your role with Wiley expose you to business opportunities that might be attractive to Wiley as well as to others (including yourself), you agree to give Wiley consideration of any opportunity before you allow others to consider the opportunity.

Non-Compete, Non-Solicitation

During your employment with Wiley, you have and will become familiar with Wiley's trade secrets, information related to the operations, products and services of the Wiley, and with other Confidential Information concerning Wiley, its subsidiaries, affiliates, and companies acquired by Wiley. Therefore, during your employment period and for a period of one year thereafter, you agree that you shall not directly or indirectly own any interest in, manage, control, participate in, consult with, or render services for any Competing Business.

A "Competing Business" is any person or entity that (i) conducts or is planning to conduct a business similar to and/or in competition with any Wiley business unit to which you rendered services during the two year period prior to the date at issue or (ii) creates, develops, distributes, produces, offers for sale or sells a product or service that can be used as a substitute for, or is generally intended to satisfy the same customer needs for, any one or more products or services created, developed, distributed, produced or offered for sale or sold by the Wiley business unit to which you rendered services during the two year period prior to the date at issue. In the event that you have an enterprise role at Wiley, you will be deemed to render services to all Wiley business units.

During your employment and for a period of one year thereafter, you agree that you shall not directly, or indirectly through another entity, (i) induce or attempt to induce any employee of Wiley or any affiliate to leave the employ of Wiley or such affiliate, or in any way interfere with the relationship between Wiley or any affiliate and any employee thereof, (ii) solicit, induce, recruit or hire any person who was an employee of Wiley or any affiliate at any time during your employment with Wiley or (iii) induce or attempt to induce any customer, supplier, licensee, licensor, franchisee or other business relation of Wiley or any affiliate to cease doing business with Wiley or such affiliate, or in any way interfere with the relationship between any such customer, supplier, licensee, licensor, franchisee or business relation and Wiley or any affiliate (including, without limitation, making any negative statements or communications about Wiley or its affiliates).

You agree that during the term of your employment with Wiley, you will devote full time to the business of Wiley and will not engage in any activity that conflicts with your obligations to Wiley.

Representations

You hereby represent and warrant that: (a) you have the right to enter into this Agreement, to grant the rights granted in this Agreement and to perform fully all their obligations under this Agreement. No consent of any other person or entity is necessary for you to enter into and fully perform this Agreement and you have not done and shall not do any act and have not made and shall not make any grant, assignment or agreement which shall or would likely conflict or interfere with the complete enjoyment of all of Wiley's rights under this Agreement; (b) the material contributed by you, including without limitation, any Work Product, (i) shall not violate or infringe in any way upon the rights of others, including, without limitation, any copyright, patent, trademark or other proprietary right or the right of privacy or publicity, (ii) shall not contain any libelous, obscene or other unlawful matter, and (iii) shall not violate any applicable law.

Modification

It is the intention of the parties to make these restrictive covenants and agreements binding to the fullest extent permitted under existing applicable laws. In the event that any part of any of these restrictive covenants and agreements is determined by a court of law of competent jurisdiction to be overly broad or too long in duration or otherwise objectionable, thereby making the covenants unenforceable, the parties hereto agree, and it is their desire, that such a court shall substitute a reasonable judicial enforceable limitation in place of the offensive part of the covenant, and that as so modified the covenant shall be as fully enforceable as if set forth herein by the parties themselves in the modified form.

General

This document, those documents expressly referred to herein and other documents of even date herewith embody the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way. This document may be signed in one or more counterparts, each of which once signed shall be deemed to be an original. All such counterparts together shall constitute one and the same instrument.

Nothing in this Agreement shall be construed to in any way terminate, supersede, undermine, or otherwise modify the at-will status of the employment relationship between the you and the Company, pursuant to which either you or the Company may terminate the employment relationship at any time, with or without cause, with or without notice.

By s/Suzanne Hyland
Suzanne Hyland
Director, Executive Compensation

/s/Andrew Weber May 12, 2021
Andrew Weber Date

**PRE-APPROVED CYCLE 3 DEFINED CONTRIBUTION PLAN
CARES/SECURE ACTS INTERIM AMENDMENT**

**ARTICLE I
PURPOSE OF INTERIM AMENDMENT**

- 1.01 Adoption by Pre-Approved Plan Provider.** Pursuant to Revenue Procedure 2017-41 and Section 14.01(a) of the Plan (Section 11.01(a) in the Cycle 3 Pre-Approved Owners-Only Profit Sharing/401(k) Defined Contribution Plan), the Pre-Approved Plan Provider ("Provider") is amending the Plan on behalf of all adopting Employers. This Pre-Approved Cycle 3 Defined Contribution Plan CARES/SECURE Acts Interim Amendment ("Interim Amendment" or "IA") is intended to qualify as a "good-faith" amendment to document the Plan's compliance with various laws, as listed under Article II, and other guidance issued by the Internal Revenue Service. The Plan Administrator will interpret the provisions consistent with any current or future guidance related to the applicable provisions. A copy of this amendment will be provided to all adopting Employers and made a part of their Plans.
- 1.02 Application.** To the extent that this Interim Amendment applies to a Plan, it supersedes any contrary provisions under the Plan, except as provided under IA §1.03. Unless the Employer wishes to override the pre-selected elections (defaults), if any, made by the Provider as elected under the Interim Amendment Elective Provisions ("Elective Provisions") in Article VI, no signature is required by the Employer to adopt this Interim Amendment. This Interim Amendment applies to the Employer and any Participating Employers of the Plan.
- 1.03 Prior Amendments.** If the Employer previously amended the Plan to implement one or more of the provisions addressed by this Interim Amendment, such amendment(s) shall remain in effect and shall not be superseded, unless otherwise provided under the Elective Provisions. The Employer may use the Elective Provisions of this Interim Amendment to memorialize prior amendments.

If a Provider previously adopted the Provider-level CARES/Disaster Interim Amendment, the provisions of such amendment are also incorporated into this CARES/SECURE Acts Interim Amendment.

**ARTICLE II
APPLICABLE LAWS AND PLANS COVERED BY INTERIM AMENDMENT**

- 2.01 Applicable Laws.** This Interim Amendment includes provisions that are required or allowed under the following laws:
- (a) Bipartisan American Miners Act of 2019 ("Miners Act")
 - (b) Consolidated Appropriations Act, 2021 ("CAA")
 - (c) Coronavirus Aid, Relief, and Economic Security Act ("CARES Act")
 - (d) COVID-Related Tax Relief Act of 2020 ("CRTRA")
 - (e) Setting Every Community Up for Retirement Enhancement Act of 2019 ("SECURE Act")
 - (f) Taxpayer Certainty and Disaster Tax Relief Act of 2019 ("Disaster Tax Relief Act of 2019")
 - (g) Taxpayer Certainty and Disaster Tax Relief Act of 2020 ("Disaster Tax Relief Act of 2020")
- 2.02 Application to Cycle 3 Defined Contribution Plans.** The Interim Amendment applies to the following types of ASC Institute Cycle 3 Pre-Approved Plans: the Defined Contribution Plan, the Governmental Defined Contribution Plan ("Governmental Plan"), the Employee Stock Ownership Plan ("ESOP"), the Church Defined Contribution Plan ("Church Plan") and the Owners-Only Profit Sharing/401(k) Defined Contribution Plan ("Owners-Only Plan"). Certain provisions of this Interim Amendment may not be applicable to all types of Plans or a specific adopting Employer.

**ARTICLE III
AMENDMENT RELATING TO THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT**

- 3.01 In General.** On March 27, 2020, the CARES Act became law. Provisions of the CARES Act may have affected certain Plan provisions. The provisions of the CARES Act were effective at various times, as reflected in the provisions under this Article III. The Plan Administrator administered the provisions of this Article III consistent with a "good-faith" interpretation of the CARES Act. To the extent this Article III applies to the Plan, the provisions of this Article III supersede any inconsistent provisions of the Plan.

3.02 Coronavirus-Related Distributions and Loans from the Plan. This IA §3.02 incorporates CARES Act §2202 relating to special disaster-related rules for retirement plans. The provisions of this IA §3.02 apply only to the extent a distribution or loan was made to a qualified individual as provided under CARES Act §2202. If the Plan did not operationally apply the rules under this IA §3.02, such provisions do not apply to the Plan. The Plan Administrator documented through administrative procedures (including designating accounts from which Coronavirus-Related Distributions and loans could have been taken) or otherwise the manner in which the Plan operationally applied the rules under this IA §3.02. To the extent this IA §3.02 applies to the Plan, the provisions supersede any inconsistent provisions of the Plan or loan program. The Plan administered this IA §3.02 consistent with the guidance provided under IRS Notice 2020-50.

(a) **Coronavirus-Related Distributions.** As provided under CARES Act §2202(a), and as amended by CRTRA §280, the Plan (including a money purchase pension plan) could (but was not required to) make Coronavirus-Related Distributions, subject to the limits under IA §3.02(a)(4), without regard to certain distribution restrictions otherwise applicable under the Plan.

(1) **Definition of Coronavirus-Related Distribution.** The term Coronavirus-Related Distribution means a distribution from the Plan made:

- (i) on or after January 1, 2020, and before December 31, 2020,
- (ii) to an individual:
 - (A) who was diagnosed with the virus SARS-CoV-2 or with coronavirus disease 2019 (collectively referred to herein as "COVID-19") by a test approved by the Centers for Disease Control and Prevention, including a test authorized under the Federal Food, Drug, and Cosmetic Act; or
 - (B) whose spouse or dependent (as defined in Code §152) was diagnosed with COVID-19 by such a test; and
 - (C) who experienced adverse financial consequences as a result of:
 - (I) the individual being quarantined, being furloughed or laid off or having work hours reduced due to COVID-19;
 - (II) the individual being unable to work due to lack of childcare due to COVID-19;
 - (III) closing or reducing hours of a business owned or operated by the individual due to COVID-19;
 - (IV) the individual having pay or self-employment income reduced due to COVID-19;
 - (V) the individual having a job offer rescinded or start date for a job delayed due to COVID-19;
 - (VI) the individual's spouse or a member of the individual's household (i.e., someone who shares the individual's principal residence) being quarantined, being furloughed or laid off or having work hours reduced due to COVID-19, being unable to work due to lack of childcare due to COVID-19, having pay or self-employment income reduced due to COVID-19, or having a job offer rescinded or start date for a job delayed due to COVID-19; or
 - (VII) closing or reducing hours of a business owned or operated by the individual's spouse or a member of the individual's household due to COVID-19.

(2) **Amounts not treated as Coronavirus-Related Distributions.** The following amounts were not treated as Coronavirus-Related Distributions:

- (i) corrective distributions of Elective Deferrals and After-Tax Employee Contributions that were returned to the Employee (together with the income allocable thereto) in order to comply with the Code §415 limitations;
- (ii) Excess Deferrals under Code §402(g);
- (iii) Excess Contributions and Excess Aggregate Contributions;
- (iv) loans that were treated as deemed distributions pursuant to Code §72(p);
- (v) dividends paid on applicable employer securities under Code §404(k);

- (vi) the costs of current life insurance protection;
 - (vii) prohibited allocations that were treated as deemed distributions pursuant to §409(p);
 - (viii) distributions that were permissible withdrawals from an Eligible Automatic Contribution Arrangement within the meaning of Code §414(w); and
 - (ix) distributions of premiums for accident or health insurance under Treas. Reg. §1.402(a)-1(e)(1)(i).
- (3) **Employee certification.** The Plan Administrator could have relied on an Employee's certification that the Employee satisfied the conditions of IA §3.02(a)(1) in determining whether any distribution was a Coronavirus-Related Distribution unless the Plan Administrator had actual knowledge to the contrary. The Plan Administrator had no obligation to inquire into whether an individual had satisfied the conditions for a Coronavirus-Related Distribution.
- (4) **Limit on amount of Coronavirus-Related Distributions.** The aggregate amount of Coronavirus-Related Distributions received by an individual for any taxable year (from all plans maintained by the Employer and any member of a controlled group under Code §§414(b), (c), (m) or (o) which included the Employer) could not exceed \$100,000.
- (5) **Repayment of Coronavirus-Related Distribution.** A Participant who received a Coronavirus-Related Distribution from the Plan may, at any time during the three-year period beginning on the day after the receipt of such distribution, make one or more Rollover Contributions to an Eligible Retirement Plan (including this Plan, if the Participant is otherwise eligible to make Rollover Contributions) in an aggregate amount that does not exceed the amount of such Coronavirus-Related Distribution. In accepting a Rollover Contribution under this IA §3.02(a)(5), the Plan Administrator is entitled to the relief under Q&A-14 of Treas. Reg. §1.401(a)(31)-1. The Plan Administrator in accepting the Rollover Contribution must reasonably conclude that the recontribution is eligible for direct rollover treatment under CARES Act §2202(a)(3). The Plan Administrator may rely on an Employee's certification that the Employee satisfies the conditions for making such a Rollover Contribution unless the Plan Administrator has actual knowledge to the contrary.
- (6) **Exemption from certain transfer and withholding rules.** For purposes of the Direct Rollover rules of Code §401(a)(31), the notice requirements of Code §402(f) and withholding rules of Code §3405, a Coronavirus-Related Distribution was not treated as an Eligible Rollover Distribution.
- (b) **Special Loan Rules.** As provided under CARES Act §2202(b), the Plan Administrator was authorized (but not required) to revise the applicable loan requirements under the Plan to reflect (1) and/or (2) below. For purposes of this IA §3.02(b), a Qualified Individual means any individual who is described in IA §3.02(a)(1)(ii) above.
- (1) **Increased Participant loan limits.** Notwithstanding the Participant loan limitations under the Plan, for purposes of determining the permissible Participant loans for Qualified Individuals made during the 180-day period beginning on March 27, 2020, the loan limit under Code §72(p)(2)(A) could have been applied by substituting "\$100,000" for "\$50,000" and the adequate security requirement under Code §72(p)(2)(A)(ii) could have been applied using "the Participant's vested Account Balance" rather than "one-half (½) of the Participant's vested Account Balance."
- (2) **Delayed loan repayment date.** If a Qualified Individual had an outstanding Participant loan on or after March 27, 2020:
- (i) if the due date pursuant to Code §§72(p)(2)(B) or (C) for any repayment with respect to such loan occurred during the period beginning on March 27, 2020 and ending on December 31, 2020, such due date could have been delayed for one year;
 - (ii) any subsequent repayments with respect to such loan could have been appropriately adjusted to reflect the delay in the due date under IA §3.02(b)(2)(i) above and any interest accrued during such delay; and
 - (iii) in determining the five-year period and the term of the loan under Code §72(p)(2)(B) and (C), the one-year delay period described in IA §3.02(b)(2)(i) above could have been disregarded.

3.03 Required Minimum Distributions for 2020.

- (a) **Temporary waiver of required minimum distribution rules for 2020.** As provided under Code §401(a)(9)(I), added by CARES Act §2203 and effective as of January 1, 2020 (or such later date designated under the Elective Provisions), the applicable required minimum distribution rules of the Plan did not apply for the 2020 calendar year. A Participant or beneficiary who would have been required to receive a required minimum distribution for the 2020 calendar year (or a Participant with a Required Beginning Date of April 1, 2021 who would have received a required minimum distribution in 2021 for the 2020 calendar year) ("2020 RMD"), but for the enactment of Code §401(a)(9)(I), and who would have satisfied that requirement by receiving a distribution that is either (1) equal to the 2020 RMD, or (2) one or more payments (that include the 2020 RMD) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the Participant's Designated Beneficiary, or for a period of at least 10 years ("2020 Extended RMD"), may have elected whether to receive the 2020 RMD or the 2020 Extended RMD. If a Participant did not specifically elect to take the 2020 RMD or 2020 Extended RMD from the Plan, such distribution was not made for the 2020 calendar year. The Employer may modify this default rule under the Elective Provisions, provided such modification satisfies the requirements under Code §401(a)(9)(I) and any applicable IRS guidance.

In addition, solely for purposes of applying the Direct Rollover provisions of the Plan, certain additional distributions in 2020, as elected by the Employer under the Elective Provisions, were treated as Eligible Rollover Distributions. If no election is made by the Employer in the Elective Provisions, the Plan offered a Direct Rollover only for distributions that were Eligible Rollover Distributions in the absence of Code §401(a)(9)(I).

If all or any portion of a distribution made during 2020 was treated as an Eligible Rollover Distribution, but would not have been treated as such if the applicable required minimum distribution requirements of the Plan had applied during 2020, such distribution could not be treated as an Eligible Rollover Distribution for purposes of the Direct Rollover rules under Code §401(a)(31), Code §402(f) and Code §3405(c).

- (b) **Special rules regarding the temporary waiver of required minimum distribution rules for 2020.** In applying the provisions of the applicable section of the Plan for the 2020 calendar year, the following special rules apply:
- (1) The Required Beginning Date with respect to any individual shall be determined without regard to this IA §3.03 for purposes of applying Section 8.12 of the Plan (Section 8 of the Governmental Plan; Section 6.10 of the Owners-Only Plan) for calendar years after 2020;
 - (2) If Code §401(a)(9)(B)(ii) applies, the five-year period described in such provision was determined without regard to the 2020 calendar year;
 - (3) If the Plan permitted a Participant or beneficiary to elect whether the 5-year rule or the life expectancy rule applied in determining required minimum distributions and the election period ended in the 2020 calendar year, the Plan Administrator could have extended the election deadline to the end of 2021;
 - (4) The Plan Administrator and Participants could have applied the transitional relief and special rules under Code §401(a)(9)(I) and IRS Notice 2020-51 relating to the temporary waiver of required minimum distributions for 2020 in any reasonable and consistent manner; and
 - (5) The Employer may describe any special rules that were applicable to the temporary waiver of the required minimum distribution rules for 2020 under the Elective Provisions, provided such special rules are consistent with CARES Act §2203, Code §401(a)(9)(I) and IRS Notice 2020-51.

ARTICLE IV AMENDMENT RELATING TO THE CONSOLIDATED APPROPRIATIONS ACT, 2021

- 4.01 **In General.** On December 27, 2020, the Disaster Tax Relief Act of 2020 and the CRTRA, which were enacted as part of the Consolidated Appropriations Act, 2021, became law. Provisions of the Disaster Tax Relief Act of 2020 and CRTRA may have affected certain Plan provisions. The provisions of the Disaster Tax Relief Act of 2020 and CRTRA are effective as reflected in the provisions under this Article IV. The Plan Administrator administered the provisions of this Article IV consistent with a "good-faith" interpretation of the Disaster Tax Relief Act of 2020 and CRTRA. To the extent this Article IV applies to the Plan, these provisions supersede any inconsistent provisions of the Plan.
- 4.02 **Special Disaster-Related Rules.** This IA §4.02 incorporates the provisions of the Disaster Tax Relief Act of 2020 §302 relating to special disaster-related rules for retirement plans. The provisions of this IA §4.02 apply only to the extent a distribution or loan was made to a qualified individual as provided under the Disaster Tax Relief Act of 2020 §302. If the Plan did not operationally apply the rules under this IA §4.02, such provisions do not apply to the Plan. The Plan Administrator documented through administrative procedures (including designating accounts from which special disaster-related distributions and loans could have

been taken) or otherwise the manner in which the Plan operationally applied the rules under this IA §4.02. To the extent this IA §4.02 applies to the Plan, these provisions supersede any inconsistent provisions of the Plan or loan program.

- (a) **Eligibility for Qualified Disaster Distribution.** If administratively permitted by the Plan Administrator, a Participant could have taken a Qualified Disaster Distribution without regard to any distribution restrictions otherwise applicable under the Plan.
- (1) **Definitions.**
- (i) **Qualified Disaster Distribution.** A Qualified Disaster Distribution (as defined under the Disaster Tax Relief Act of 2020 §302(a)(4)(A)) is a distribution from the Plan made:
- (A) on or after the first day of the Incident Period of a Qualified Disaster and before June 25, 2021; and
- (B) to an individual whose principal place of abode at any time during the Incident Period of such Qualified Disaster was located in the Qualified Disaster Area with respect to such Qualified Disaster and who had sustained an economic loss by reason of such Qualified Disaster.
- (ii) **Qualified Disaster Area.** A Qualified Disaster Area is any area with respect to which a major disaster was declared, during the period that began on January 1, 2020, and ended on February 25, 2021, by the President under Robert T. Stafford Disaster Relief and Emergency Assistance Act §401 if the Incident Period of the disaster with respect to which such declaration was made began on or after December 28, 2019, and ended on or before December 27, 2020. Such term did not include any area with respect to which such a major disaster had been so declared only by reason of COVID-19.
- (iii) **Qualified Disaster.** A Qualified Disaster is, with respect to any Qualified Disaster Area, the disaster by reason of which a major disaster was declared with respect to such area.
- (iv) **Incident Period.** An Incident Period is, with respect to any Qualified Disaster, the period specified by the Federal Emergency Management Agency as the period during which such disaster occurred (except that such period shall not be treated as ending after January 26, 2021).
- (2) **Limit on amount of Qualified Disaster Distributions.** The aggregate amount of Qualified Disaster Distributions received by an individual for any taxable year (from all plans maintained by the Employer and any member of a controlled group which included the Employer) could not have exceeded the excess (if any) of \$100,000, over the aggregate amounts treated as Qualified Disaster Distributions received by such individual for all prior taxable years.
- (3) **Qualified Disaster Distributions treated as meeting certain Plan distribution requirements.** A Qualified Disaster Distribution is treated as meeting the requirements of Code §401(k)(2)(B)(i) and, in the case of a money purchase pension plan, a Qualified Disaster Distribution which was an in-service withdrawal is treated as meeting the distribution rules under Code §401(a).
- (b) **Repayment of Qualified Disaster Distribution.** As provided under the Disaster Tax Relief Act of 2020 §302(a)(3), a Participant who received a Qualified Disaster Distribution from the Plan or another Eligible Retirement Plan (as defined in Code §402(c)(8)(B)) may, at any time during the three-year period beginning on the day after the receipt of such distribution, make one or more Rollover Contributions to the Plan in an aggregate amount that does not exceed the amount of such Qualified Disaster Distribution. This IA §4.02(b) only applies if the Plan permits Rollover Contributions.
- (c) **Recontributions of Withdrawals for Home Purchases.** As provided under the Disaster Tax Relief Act of 2020 §302(b), a Participant who received a Qualified Disaster Distribution may make one or more Rollover Contributions to the Plan during the applicable period in an aggregate amount not to exceed the amount of such Qualified Disaster Distribution. For this purpose, a Qualified Disaster Distribution is any Hardship Distribution which was to be used to purchase or construct a principal residence in a Qualified Disaster Area, but which was not so used on account of the Qualified Disaster with respect to such area, and which was received during the period beginning on the date which is 180 days before the first day of the Incident Period of such Qualified Disaster and ending on the date which is 30 days after the last day of such Incident Period. This IA §4.02(c) only applies if the Plan permits Rollover Contributions.
- (d) **Special Loan Rules.** As provided under the Disaster Tax Relief Act of 2020 §302(c), the Plan Administrator could (but was not required to) revise the applicable loan requirements under the Plan to reflect IA §4.02(d)(1) and §4.02(d)(2).
- (1) **Increased Participant loan limits.** Notwithstanding the Participant loan limitations under the Plan, for purposes of determining the permissible Participant loans for a Qualified Individual during the 180-day period beginning on December 27, 2020, the loan limit under Code §72(p)(2)(A) could have been applied by substituting “\$100,000” for “\$50,000” and the adequate security requirement under Code §72(p)(2)(A)(ii) could have been applied using “the Participant’s vested Account Balance” rather than “one-half (½) of the Participant’s vested Account Balance.”

A Qualified Individual for this purpose was any Participant whose principal place of abode at any time during the Incident Period of any Qualified Disaster was located in the Qualified Disaster Area with respect to such Qualified Disaster, and who had sustained an economic loss by reason of such Qualified Disaster.

- (2) **Delayed loan repayment date.** If a Qualified Individual (as defined in IA §4.02(d)(1) above) had an outstanding Participant loan on or after the first day of the Incident Period of a Qualified Disaster and ending on the date which is 180 days after the last day of the Incident Period:
- (i) the due date for repayment of the Participant loan could have been delayed for one year;
 - (ii) any subsequent repayments with respect to such loan could have been appropriately adjusted to reflect the delay in the due date under IA §4.02(d)(2)(i) and any interest accruing during such delay; and
 - (iii) in determining the five-year period and the term of the loan under Code §72(p)(2)(B) and (C), the one-year delay period described in IA §4.02(d)(2)(i) could have been disregarded.

4.03 Temporary Rule Preventing Partial Plan Termination. Under the Disaster Tax Relief Act of 2020 §209, the Plan was not treated as having a partial termination (within the meaning of Code §411(d)(3)) during any Plan Year which included the period that began on March 13, 2020, and ended on March 31, 2021, if the number of active Participants covered by the Plan on March 31, 2021 was at least 80% of the number of active Participants covered by the Plan on March 13, 2020. This IA §4.03 does not apply to Governmental Plans or non-electing church plans, which are exempt from the requirements of Code §411. In applying this temporary rule, the following special rules apply:

- (a) A reasonable, good-faith interpretation of the term “active participant covered by the plan,” applied in a consistent manner, was used when determining the number of active participants covered by a plan on March 13, 2020 and on March 31, 2021.
- (b) If any part of the Plan Year fell within the period that began on March 13, 2020, and ended on March 31, 2021, then the temporary rules preventing partial plan termination applied to any partial plan termination determination for that entire plan year. For example, if the Plan had a calendar year Plan Year, the 80% partial termination test under the temporary rule applied to both the January 1 to December 31, 2020 Plan Year and the January 1 to December 31, 2021 Plan Year, because both Plan Years included a part of the statutory determination period of March 13, 2020 to March 31, 2021.
- (c) The number of active participants covered by the Plan who were counted on March 31, 2021, included all individuals who were active Participants covered by the Plan on that date, regardless of whether those same individuals were active Participants covered by the Plan on March 13, 2020.
- (d) The Plan Administrator could reasonably interpret the application of this IA §4.03 to the Plan.

4.04 Coronavirus-Related Distributions in Money Purchase Pension Plans and Money Purchase Pension Assets. Under CRTRA §280, a Coronavirus-Related Distribution as described in IA §3.02, if made from a money purchase pension plan or related assets, and which is an in-service withdrawal, is treated as meeting the distribution rules under Code §401(a). If the Plan Administrator allowed Coronavirus-Related Distributions, the rules under IA §3.02 apply.

ARTICLE V

AMENDMENT RELATING TO THE SECURE ACT, MINERS ACT AND DISASTER TAX RELIEF ACT OF 2019

5.01 In General. On December 20, 2019, the Further Consolidated Appropriations Act, 2020, which includes the SECURE Act, the Miners Act and the Disaster Tax Relief Act of 2019 became law. The provisions of these three Acts are effective at various times, as reflected in the provisions under this Article V. The Plan Administrator shall administer the provisions of this Article V consistent with a “good-faith” interpretation of these laws.

5.02 Modification of required minimum distribution rules.

- (a) **Increase in age for Required Beginning Date for mandatory distributions.** As provided under Code §401(a)(9)(C)(i)(I) as amended by SECURE Act §114, effective for distributions required to be made after December 31, 2019, with respect to Participants who attain age 70½ after such date, all references to “age 70½” under the applicable required minimum distribution provisions of the Plan are replaced with “age 72.” For purposes of determining required minimum distributions for calendar years beginning on or after January 1, 2022 (or such later date as specified in applicable regulations or guidance), the Plan Administrator must apply the provisions of this IA §5.02(a) consistent with proposed Treas. Reg §§1.401(a)(9)-1 through 1.401(a)(9)-9 issued on February 24, 2022 (or subsequent applicable final regulations).
- (b) **Modifications of required minimum distribution rules for Designated Beneficiaries.** As provided under Code §401(a)(9)(H) as amended by SECURE Act §401, effective for distributions with respect to Participants who die after

December 31, 2019 (or such later effective date applicable to the Plan), the required minimum distribution rules of the Plan must be administered consistent with the following rules as provided under SECURE Act §401. (See IA §5.02(b)(1)(v) for effective date rules applicable to plans maintained pursuant to a collective bargaining agreement and for Governmental Plans.) For purposes of determining required minimum distributions for calendar years beginning on or after January 1, 2022 (or such later date as specified in applicable final regulations or guidance), the Plan Administrator must apply the provisions of this IA §5.02(b) consistent with proposed Treas. Reg §§1.401(a)(9)-1 through 1.401(a)(9)-9 issued on February 24, 2022 (or subsequent applicable final regulations or guidance).

(1) **10-year rule.** As provided under Code §401(a)(9)(H)(i), if a Participant dies before the distribution of the Participant's entire vested Account Balance (regardless of whether the Participant dies before, on or after beginning required minimum distributions under the Plan), the entire vested Account Balance of the Participant will be distributed by the end of the calendar year that includes the 10th anniversary of the date of the Participant's death. This is referred to as the "10-year rule."

(i) **Exception to 10-year rule for Eligible Designated Beneficiaries.** As provided under Code §401(a)(9)(H)(ii) and Code §401(a)(9)(B)(iii), if any portion of the Participant's interest is payable to an Eligible Designated Beneficiary, such portion may be distributed (in accordance with applicable regulations) over the life of such Eligible Designated Beneficiary (or over a period not extending beyond the life expectancy of such Eligible Designated Beneficiary), provided such distribution begins not later than one year after the date of the Participant's death (except as provided under Code §401(a)(9)(B)(iv) relating to a surviving spouse) or such later date as the Secretary of Treasury may prescribe by regulations. This is referred to as the "life expectancy rule." If the conditions of this exception are not satisfied, the 10-year rule under IA §5.02(b)(1) applies.

(ii) **Elective provisions for Eligible Designated Beneficiaries.** Unless the Employer elects otherwise under the Elective Provisions, required minimum distributions under the Plan to an Eligible Designated Beneficiary when the Participant dies prior to the Required Beginning Date shall be made by applying the pre-SECURE Act elections under the Cycle 3 plan document (including the default election if the Employer made no actual elections in the Cycle 3 plan document), except that the 10-year rule under IA §3.02(b)(1) shall be substituted for the pre-SECURE Act 5-year rule as appropriate. For example, if the pre-SECURE Act Plan allowed the Participant or Designated Beneficiary to elect between the life expectancy rule and the 5-year rule prior to the SECURE Act effective date, then the Plan allows the Eligible Designated Beneficiary to elect between the life expectancy rule and the 10-year rule on or after the SECURE Act effective date.

Alternatively, the Employer may elect under the Elective Provisions to (1) apply the life expectancy rule, (2) apply the 10-year rule (including a fixed number of years than less than 10), or (3) allow the Participant or the Eligible Designated Beneficiary to elect whether the 10-year rule or the life expectancy rule applies. If the Participant or Eligible Designated Beneficiary is allowed to elect whether the life expectancy rule or the 10-year rule applies and such Participant or Eligible Designated Beneficiary does not timely make such an election, then the Employer must elect under the Elective Provisions whether the life expectancy rule or the 10-year rule applies.

(A) **Timing of election.** Any Participant or Eligible Designated Beneficiary election permitted under this IA §5.02(b)(1)(ii) must be made no later than the end of the earlier of the calendar year by which distributions must be made in order to satisfy the 10-year rule and the calendar year in which distributions would be required to begin in order to satisfy the requirements of the life expectancy rule or, if applicable, by the time of the permitted delay if the surviving Spouse is the sole beneficiary as provided under Code §401(a)(9)(B)(iv).

(B) **Irrevocable election.** If a Participant or Eligible Designated Beneficiary elects under this IA §5.02(b)(1)(ii) to apply either the 10-year rule or the life expectancy rule, then, as of the last date the election may be made, the election is irrevocable with respect to the Eligible Designated Beneficiary (and all subsequent Designated Beneficiaries) and applies to all subsequent calendar years.

(iii) **Rules upon death of an Eligible Designated Beneficiary.** Generally, if an Eligible Designated Beneficiary dies before the Participant's entire vested Account Balance is distributed, the exception under IA §5.02(b)(1)(i) above shall not apply to any beneficiary of such Eligible Designated Beneficiary and the remainder of such portion shall be distributed by the end of the 10th calendar year following the calendar year of the death of such Eligible Designated Beneficiary.

(iv) **Special rule in case of certain trusts for disabled or chronically ill Eligible Designated Beneficiary.** The Plan may apply the special rules for certain "applicable multi-beneficiary trusts" as described under Code §§401(a)(9)(H)(iv) and (v), as added by SECURE Act §401.

(v) **Special effective date rules.**

- (A) **Collective bargaining agreements.** In the case of a Plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more Employers that were ratified before December 20, 2019, the amendments to Code §§401(a)(9)(E) and (H) and under this IA §5.02(b) apply to distributions with respect to Employees who die in calendar years beginning after December 31, 2021, or if earlier, the later of: (1) the date on which the last of the collective bargaining agreements terminated (without regard to any extension of the agreement to which the parties agree) on or after December 20, 2019, or (2) December 31, 2019.
- (B) **Governmental Plans.** In the case of a Governmental Plan, the amendments to Code §§401(a)(9)(E) and (H) and this IA §5.02(b) apply to distributions with respect to Employees who die after December 31, 2021.

(2) **Definitions for purposes of this IA §5.02(b).**

- (i) **Designated Beneficiary.** The term Designated Beneficiary means any individual designated as a beneficiary by the Participant or under the terms of the Plan.
- (ii) **Eligible Designated Beneficiary.** The term Eligible Designated Beneficiary means, with respect to any Participant, any Designated Beneficiary who is:
 - (A) the surviving Spouse of the Participant;
 - (B) subject to IA §5.02(b)(2)(iii) below, a child of the Participant who has not reached age 21;
 - (C) disabled (within the meaning of Code §72(m)(7));
 - (D) a chronically ill individual (within the meaning of Code §7702B(c)(2), except that the requirements of Code §7702B(c)(2)(A)(i) thereof shall only be treated as met if there is a certification that, as of such date, the period of inability described in such subparagraph with respect to the individual is an indefinite one which is reasonably expected to be lengthy in nature);
 - (E) an individual not described in any of the preceding subclauses who is not more than 10 years younger than the Participant; or
 - (F) a Designated Beneficiary of a Participant if the Participant died before the effective date of Code §401(a)(9)(H) described in Prop. Treas. Reg. §1.401(a)(9)-1(b)(2)(i) and (ii), whichever applies to the Plan (or as provided under applicable final regulations).

The determination of whether a Designated Beneficiary is an Eligible Designated Beneficiary shall be made as of the date of death of the Participant.
- (iii) **Special rules for children.** An individual described in IA §5.02(b)(2)(ii)(B) above shall cease to be an Eligible Designated Beneficiary as of the date the individual reaches age 21 and any remainder of the portion of the individual's interest to which Code §401(a)(9)(H)(ii) applies shall be distributed under the 10-year rule.

5.03 Prohibition from making loans through credit cards. As provided under SECURE Act §108, effective for Participant loans made after December 20, 2019, a Plan may not make any Participant loan through any credit card or any other similar arrangement.

5.04 Special disaster-related distributions and loans. This IA §5.04 incorporates the provisions of the Disaster Tax Relief Act of 2019 §202 relating to special disaster-related rules for retirement plans. The provisions of this IA §5.04 apply only to the extent a distribution or loan was made to a qualified individual as provided under the Disaster Tax Relief Act of 2019 §202. If the Plan did not operationally apply the rules under this IA §5.04, such provisions do not apply to the Plan. The Plan Administrator documented through administrative procedures (including designating accounts from which special disaster-related distributions and loans could have been taken) or otherwise the manner in which the Plan operationally applied the rules under this IA §5.04. To the extent this IA §5.04 applies to the Plan, these provisions supersede any inconsistent provisions of the Plan or loan program.

- (a) **Eligibility for a Qualified Disaster Distribution.** If administratively permitted by the Plan Administrator, a Participant could have taken a Qualified Disaster Distribution without regard to any distribution restrictions otherwise applicable under the Plan.

(1) **Definitions.**

- (i) **Qualified Disaster Distribution.** A Qualified Disaster Distribution (as defined under the Disaster Tax Relief Act of 2019 §202(a)(4)(A)) is a distribution from the Plan made:
 - (A) on or after the first day of the Incident Period of a Qualified Disaster and before June 17, 2020; and
 - (B) to an individual whose principal place of abode at any time during the Incident Period of such Qualified Disaster was located in the Qualified Disaster Area with respect to such Qualified Disaster and who had sustained an economic loss by reason of such Qualified Disaster.
- (ii) **Qualified Disaster Area.** A Qualified Disaster Area is any area with respect to which a major disaster was declared, during the period that began on January 1, 2018, and ended on February 18, 2020, by the President under Robert T. Stafford Disaster Relief and Emergency Assistance Act §401 if the Incident Period of the disaster with respect to which such declaration was made began on or before December 20, 2019. Such term did not include the California wildfire disaster (as defined in §20101 of subdivision 2 of division B of the Bipartisan Budget Act of 2018).
- (iii) **Qualified Disaster.** A Qualified Disaster is, with respect to any Qualified Disaster Area, the disaster by reason for which a major disaster was declared with respect to such area.
- (iv) **Incident Period.** An Incident Period is, with respect to any Qualified Disaster, the period specified by the Federal Emergency Management Agency as the period during which such disaster occurred (except that such period shall not be treated as ending after January 19, 2020).
- (2) **Limit on amount of Qualified Disaster Distributions.** The aggregate amount of Qualified Disaster Distributions received by an individual for any taxable year (from all plans maintained by the Employer and any member of a controlled group which included the Employer) could not have exceeded the excess (if any) of \$100,000, over the aggregate amounts treated as Qualified Disaster Distributions received by such individual for all prior taxable years. This limitation was applied separately with respect to distributions made due to each Qualified Disaster.
- (3) **Qualified Disaster Distributions treated as meeting certain Plan distribution requirements.** A Qualified Disaster Distribution under the Plan is treated as meeting the requirements of Code §401(k)(2)(B)(i).
- (b) **Repayment of a Qualified Disaster Distribution.** As provided under the Disaster Tax Relief Act of 2019 §202(a)(3), a Participant who received a Qualified Disaster Distribution from the Plan or another Eligible Retirement Plan (as defined in Code §402(c)(8)(B)) may, at any time during the three-year period beginning on the day after the receipt of such distribution, make one or more Rollover Contributions to the Plan in an aggregate amount that does not exceed the amount of such Qualified Disaster Distribution. This IA §5.04(b) only applies if the Plan permits Rollover Contributions.
- (c) **Recontributions of Withdrawals for Home Purchases.** As provided under the Disaster Tax Relief Act of 2019 §202(b), a Participant who received a Qualified Disaster Distribution may make one or more Rollover Contributions to the Plan during the applicable period in an aggregate amount not to exceed the amount of such Qualified Disaster Distribution. For this purpose, a Qualified Disaster Distribution is any Hardship Distribution which (1) was to be used to purchase or construct a principal residence in a Qualified Disaster Area, but was not so used on account of the Qualified Disaster with respect to such area, and (2) was received during the period beginning on the date which is 180 days before the first day of the Incident Period of such Qualified Disaster and ending on the date which is 30 days after the last day of such Incident Period. This IA §5.04(c) only applies if the Plan permits Rollover Contributions.
- (d) **Special Loan Rules.** As provided under the Disaster Tax Relief Act of 2019 §202(c), the Plan Administrator could (but was not required to) revise the applicable loan requirements under the Plan to reflect IA §5.04(d)(1) and/or IA §5.04(d)(2).
 - (1) **Increased Participant loan limits.** Notwithstanding the Participant loan limitations under the Plan, for purposes of determining the permissible Participant loans for a Qualified Individual during the 180-day period beginning on December 20, 2019, the loan limit under Code §72(p)(2)(A) could have been applied by substituting "\$100,000" for "\$50,000" and the adequate security requirement under Code §72(p)(2)(A)(ii) could have been applied using "the Participant's vested Account Balance" rather than "one-half (½) of the Participant's vested Account Balance." A Qualified Individual for this purpose was any Participant whose principal place of abode at any time during the Incident Period of any Qualified Disaster was located in the Qualified Disaster Area with respect to such Qualified Disaster, and who had sustained an economic loss by reason of such Qualified Disaster.
 - (2) **Delayed loan repayment date.** If a Qualified Individual (as defined in IA §5.04(d)(1)) had an outstanding Participant loan on or after the first day of the Incident Period of a Qualified Disaster and that ended on the date which was 180 days after the last day of the Incident Period:
 - (i) the due date for repayment of the Participant loan could have been delayed for one year;

- (ii) any subsequent repayments with respect to such loan could have been appropriately adjusted to reflect the delay in the due date under IA §5.04(d)(2)(i) and any interest accruing during such delay; and
- (iii) in determining the five-year period and the term of the loan under Code §§72(p)(2)(B) and (C), the one-year delay period described in §5.04(d)(2)(i) could have been disregarded.

5.05 Elimination of notice requirement for nonelective Safe Harbor 401(k) Plans. As provided under SECURE Act §103(a) and consistent with IRS Notice 2020-86, effective for Plan Years beginning after December 31, 2019, the annual safe harbor notice requirements of the Plan do not apply to a Safe Harbor 401(k) Plan that satisfies the requirements of Code §401(k)(12) by providing Traditional Safe Harbor Employer Contributions (as defined under Section 1.144 of the Plan) or the requirements of Code §401(k)(13) by providing QACA Safe Harbor Employer Contributions (as defined under Section 1.109). However, a Safe Harbor 401(k) Plan must provide each Eligible Employee with an effective opportunity to make or change an election to make Salary Deferrals at least once each Plan Year.

(a) **Special rules applicable to the elimination of the notice requirement if the Plan provides for Traditional Safe Harbor Employer Contributions.** If the Plan provides for Traditional Safe Harbor Employer Contributions, the following special rules apply:

- (1) If the Plan intends to satisfy the deemed compliance with the ACP test rules under Section 6.04(i) of the Plan and Code §401(m)(11)(A), the Plan must continue to satisfy the annual notice requirements under Section 6.04(a)(4) of the Plan. However, if the Plan does not intend to satisfy the deemed compliance with the ACP test rules (and thus performs the ACP test), then the annual notice requirements under Section 6.04(a)(4) of the Plan do not apply.
- (2) All other applicable notice requirements under the Plan continue to apply;
- (3) The notice requirements under Treas. Reg. §§1.401(k)-3(g)(1)(ii)(A)(2) and 1.401(m)-3(h)(1)(ii)(A)(2) relating to the possible mid-year reduction or suspension of Traditional Safe Harbor Employer Contributions continue to apply;
- (4) If the Plan adopts an amendment to reduce or suspend Traditional Safe Harbor Employer Contributions during a Plan Year and later readopts an amendment to provide the Traditional Safe Harbor Employer Contributions for the entirety of such Plan Year, the Plan is not required to satisfy the ADP test or the ACP test (as applicable) for the Plan Year and is not subject to the top-heavy rules under Code §416 for such Plan Year; and
- (5) The contingent and supplemental notice requirements under the retroactive plans amendment requirements of Code §401(k)(12)(F) and as discussed under Section 6.04(a)(4)(iii) do not apply, unless the Plan intends to qualify as a safe harbor design as set forth under Code §401(m)(11) (i.e., deemed compliance with the ACP test).

(b) **Special rules applicable to the elimination of the notice requirement if the Plan provides for QACA Safe Harbor Employer Contributions.** If the Plan provides for QACA Safe Harbor Employer Contributions, the following special rules apply:

- (1) Even if the Plan intends to satisfy the deemed compliance with the ACP test rules under Section 6.04(i) of the Plan and Code §401(m)(11)(A), the Plan is not required to satisfy the annual notice requirements under Section 6.04(b)(5) of the Plan. If the Plan does not intend to satisfy the deemed compliance with the ACP test rules (and thus performs the ACP test), then the annual notice requirements under Section 6.04(a)(4) of the Plan do not apply.
- (2) All other applicable notice requirements under the Plan continue to apply.
- (3) The notice requirements under Treas. Reg. §§1.401(k)-3(g)(1)(ii)(A)(2) and 1.401(m)-3(h)(1)(ii)(A)(2) relating to the possible mid-year reduction or suspension of QACA Safe Harbor Employer Contributions continue to apply.
- (4) If the Plan adopts an amendment to reduce or suspend QACA Safe Harbor Employer Contributions during a Plan Year and later readopts an amendment to provide the QACA Safe Harbor Employer Contributions for the entirety of such Plan Year, the Plan is not required to satisfy the ADP test or the ACP test (as applicable) for the Plan Year and is not subject to the top-heavy rules under Code §416 for such Plan Year.
- (5) The contingent and supplemental notice requirements under the retroactive plans amendment rules of Treas. Reg. §1.401(k)-3(f) do not apply.

5.06 Delay in adopting provisions for nonelective Safe Harbor 401(k) Plan as provided under SECURE Act §§103(b) and (c).

(a) **Amendment into a 3% nonelective Safe Harbor 401(k) Plan.** Effective for Plan Years beginning after December 31, 2019, an Employer may amend the Plan at any time before the 30th day before the close of the Plan Year to satisfy the

requirements of a Safe Harbor 401(k) Plan by making a Traditional Safe Harbor Employer Contribution of at least 3% of Plan Compensation or a QACA Safe Harbor Employer Contribution of at least 3% of Plan Compensation, as applicable. The Employer may designate the percentage of Plan Compensation and the Plan Year for which the Plan is intended to be a Safe Harbor 401(k) Plan under the Elective Provisions.

- (b) **Amendment into a 4% nonelective Safe Harbor 401(k) Plan.** Effective for Plan Years beginning after December 31, 2019, an Employer may amend the Plan to satisfy the requirements of a Safe Harbor 401(k) Plan by making Traditional Safe Harbor Employer Contributions or QACA Safe Harbor Employer Contributions, as applicable, after the 30th day before the close of the Plan Year if (1) the Plan is amended to provide for a Traditional Safe Harbor Employer Contribution of at least 4% of Plan Compensation or a QACA Safe Harbor Employer Contribution of at least 4% of Plan Compensation, as applicable for all Eligible Employees for that Plan Year and (2) the Plan is amended no later than the last day for distributing Excess Contributions for the Plan Year. The Employer may designate the percentage of Plan Compensation and the Plan Year for which the Plan is intended to be a Safe Harbor 401(k) Plan under the Elective Provisions.

5.07 Portability of lifetime income options. Effective for Plan Years beginning after December 31, 2019 and as provided under Code §401(a)(38), the Plan may allow a Qualified Distribution of a Lifetime Income Investment and a distribution of a Lifetime Income Investment in the form of a Qualified Plan Distribution Annuity Contract, provided such distribution is made within the 90-day period ending on the date when the Lifetime Income Investment is no longer authorized to be held as an investment option under the Plan. The Plan Administrator may administratively apply the rules of Code §401(a)(38) to any applicable Plan investment meeting the definition of a Lifetime Income Investment. The Plan Administrator will separately document the manner of application of rules under this IA §5.07 and apply the rules in a consistent and nondiscriminatory manner.

(a) **Definitions.**

- (1) **Qualified Distribution.** A Qualified Distribution is a direct trustee-to-trustee transfer to another Eligible Retirement Plan.
- (2) **Lifetime Income Investment.** A Lifetime Income Investment is an investment option designed to provide an Employee with election rights that (1) are not uniformly available with respect to other investment options under the Plan; and (2) are rights to a Lifetime Income Feature available through a contract or other arrangement offered under the Plan, as defined under Code §401(a)(38)(B)(ii). The Plan Administrator will determine whether an investment option under the Plan is a Lifetime Income Investment.
- (3) **Lifetime Income Feature.** A Lifetime Income Feature is (1) a feature that guarantees a minimum level of income annually (or more frequently) for at least the remainder of the life of the Employee or the joint lives of the Employee and the Employee's Designated Beneficiary, or (2) an annuity payable on behalf of the Employee under which payments are made in substantially equal periodic payments (not less frequently than annually) over the life of the Employee or the joint lives of the Employee and the Employee's Designated Beneficiary, as defined under Code §401(a)(38)(B)(iii).
- (4) **Qualified Plan Distribution Annuity Contract.** A Qualified Plan Distribution Annuity Contract is an annuity contract purchased for a Participant and distributed to the Participant by the Plan, as defined under Code §401(a)(38)(B)(iv).

- (b) **Restrictions on in-service distributions.** Effective no earlier than for Plan Years beginning after December 31, 2019, to the extent that the Plan Administrator applies the rules under subparagraph (a) above, the Plan does not violate the in-service distribution restrictions relating to Salary Deferrals, QNECs, QMACs, and Traditional Safe Harbor/QACA Safe Harbor Contributions described under the applicable section of the Plan.

5.08 Qualified Birth or Adoption Distributions ("QBADs"). As provided for under SECURE Act §113, effective no earlier than for Plan Years beginning after December 31, 2019, if elected under the Elective Provisions, the permissible distribution events may include QBADs. The Employer may restrict in a nondiscriminatory manner the availability of QBADs to terminated Participants or certain active Participants under the Elective Provisions. If the Plan is a money purchase pension plan, a Participant may not receive a QBAD prior to the earlier of the attainment of Normal Retirement Age or age 59½. If the Plan holds assets transferred from a money purchase pension plan, a Participant may not receive a QBAD with respect to such assets prior to the earlier of the attainment of Normal Retirement Age or age 59½. The Plan Administrator may use the guidance provided under IRS Notice 2020-68 in applying the rules under this IA §5.08.

(a) **Definitions.**

- (1) **Qualified Birth or Adoption Distribution ("QBAD").** A QBAD (as defined under Code §72(t)(2)(H)(iii)(I)) is a distribution from the Plan to a Participant made during the one-year period beginning on the date on which a child of the Participant is born or on which the legal adoption by the individual of an Eligible Adoptee is finalized.

- (2) **Eligible Adoptee.** An Eligible Adoptee (as defined under Code §72(t)(2)(H)(iii)(II)) is any individual (other than a child of the Participant's spouse) who has not attained age 18 or is physically or mentally incapable of self-support. The determination of whether an individual is physically or mentally incapable of self-support is made in the same manner as the determination of whether an individual is disabled under Code §72(m)(7), which defines when an individual is disabled for purposes of the exception to the 10% additional tax under Code §72(t)(2)(A)(iii).
 - (b) **\$5,000 limitation.** The Plan is not treated as violating any Code requirement merely because it treats a distribution (that would otherwise be a QBAD) to an individual as a QBAD, provided the aggregate amount of such distributions to that Participant from all plans maintained by the Employer does not exceed \$5,000.
 - (1) Each parent may receive a QBAD of up to \$5,000 with respect to the same child or Eligible Adoptee.
 - (2) An individual is permitted to receive a QBAD with respect to the birth of more than one child or the adoption of more than one Eligible Adoptee if the distributions are made during the one-year period following the date on which the children are born or the legal adoption for the Eligible Adoptees is finalized.
 - (c) **Recontributions to applicable Eligible Retirement Plans.** Any portion of a QBAD may, at any time after the date on which the distribution was received, be recontributed to an applicable Eligible Retirement Plan to which an Eligible Rollover Distribution can be made. If the Employer adds the ability for Plan Participants to receive QBADs to the Plan, a Participant who has received a QBAD may recontribute, up to the amount that was distributed from the Plan to the Participant, provided the Participant otherwise is eligible to make Rollover Contributions to the Plan at the time the Participant wishes to recontribute the QBAD. In the case of a recontribution made with respect to a QBAD from an applicable Eligible Retirement Plan other than an IRA, an individual is treated as having received the distribution as an Eligible Rollover Distribution (as defined in Code §402(c)(4)) and as having transferred the amount to an applicable Eligible Retirement Plan in a direct trustee-to-trustee transfer within 60 days of the distribution.
 - (d) **Other applicable rules.** The following rules apply to QBADs:
 - (1) A distribution to an individual will not be treated as a QBAD with respect to any child or Eligible Adoptee unless the individual includes the name, age, and the Taxpayer Identification Number (TIN) of the child or Eligible Adoptee on the individual's tax return;
 - (2) A QBAD is includible in gross income, but it is not subject to the 10% additional tax under Code §72(t)(1);
 - (3) In making a determination whether an individual is eligible for a QBAD, the Employer or Plan Administrator is permitted to rely on reasonable representations from the individual, unless the Employer or Plan Administrator has actual knowledge to the contrary; and
 - (4) A QBAD is not treated as an Eligible Rollover Distribution for purposes of the direct rollover rules of Code §401(a)(31), the notice requirement under Code §402(f), and the mandatory withholding rules under Code §3405.
- 5.09 Increase of cap for QACA Safe Harbor 401(k) Plan.** As provided for under SECURE Act §102, effective for Plan Years beginning after December 31, 2019 and as elected under the Elective Provisions, the Employer may increase the limitation on the default rates under a QACA Safe Harbor 401(k) Plan up to 15% after the initial period that a Participant's deemed election applies. The automatic deferral percentage in a QACA Safe Harbor 401(k) Plan may not exceed 10% during the initial period. The initial period begins when the Employee first begins making automatic deferrals under the QACA Safe Harbor 401(k) Plan and ends on the last day of the following Plan Year, unless otherwise indicated in the Adoption Agreement.
- 5.10 Including Difficulty of Care Payments in Total Compensation.** Effective for Plan Years beginning after December 31, 2015, as provided under Code §415(c)(8) the following paragraph (f) is added to the definition of Total Compensation in Section 1.142 of the Plan (Section 1.94 of the Governmental Plan):
- “(f) **Special rules for difficulty of care payments.** In the case of a Participant who for a taxable year excludes from gross income under Code §131 a qualified foster care payment which is a difficulty of care payment, the Participant's Total Compensation shall be increased by the amount of the excludable difficulty of care payments made by the Employer. Any contribution that is allowable due to such increase shall be treated as an After-Tax Employee Contribution and shall not cause the Plan to be treated as failing applicable plan qualification requirements under Code §401(a).”
- 5.11 In-service Distributions for Money Purchase Pension Plans and Transferred Pension Assets.** Effective for Plan Years beginning after December 31, 2019, if the Plan is a money purchase pension plan, the Employer may allow in-service distributions from the Plan upon the attainment of age 59½, if elected under the Elective Provisions. If the Plan holds assets transferred from a money purchase plan, the Employer may allow in-service distributions of amounts attributable to such transferred assets upon the attainment of age 59½ as provided for under Miners Act §104.
- 5.12 Participation of Long-Term Part-Time Employees in 401(k) Plan.** As provided for under SECURE Act §112, effective for Plan Years beginning after December 31, 2020 (except that 12-month periods beginning before January 1, 2021 shall not be taken

into account for purposes of determining an Employee's eligibility to participate under Code §401(k)(2)(D)(ii), a cash or deferred arrangement may not require as a condition of participation in the arrangement, an Employee to complete a period of service with the Employer that extends beyond the close of the earlier of: (i) the period permitted under Code §410(a)(1) (disregarding Code §410(a)(1)(B)(i)); or (ii) subject to Code §401(k)(15), the first period of three consecutive 12-month periods (i.e., Eligibility Computation Periods) during each of which the Employee has completed at least 500 Hours of Service. Employees who must participate in the Plan under this IA §5.12 are referred to as "Long-Term Part-Time ("LTPT") Employees."

(a) **Special rules.** The following special rules for determining participation of LTPT Employees under the requirements under this IA §5.12 apply:

- (1) **Age requirement must be met.** The participation requirement under this IA §5.12 does not apply to an Employee unless the Employee has attained age 21 by the close of the three consecutive 12-month periods;
- (2) **Nondiscrimination rules.** In the case of LTPT Employees who are eligible to participate in the arrangement solely by reason of Code §401(k)(2)(D)(ii), notwithstanding the requirements of Code §401(a)(4), an Employer shall not be required to make Employer Contributions or Matching Contributions on behalf of such Employees even if such contributions are made on behalf of other Employees eligible to participate in the arrangement. In addition, an Employer may elect to exclude such LTPT Employees from the application of the requirements of Code §401(a)(4), Code §401(k)(3), Code §401(k)(12), Code §401(k)(13), Code §401(m)(2), and Code §410(b);
- (3) **Top-heavy rules.** An Employer may elect to exclude all LTPT Employees who are eligible to participate in the Plan solely by reason of Code §401(k)(2)(D)(ii) from the application of the vesting and benefit requirements under the top-heavy rules of Code §§416(b) and (c);
- (4) **Vesting.** For purposes of determining whether a LTPT Employee who is eligible to participate in the Plan solely by reason of Code §401(k)(2)(D)(ii) has a nonforfeitable right to Employer Contributions or Matching Contributions (if the Plan provides such LTPT Employees with Employer Contributions or Matching Contributions), each 12-month period (i.e., Vesting Computation Period) for which the Employee has at least 500 Hours of Service shall be treated as a Year of Service, and Code §411(a)(6) shall be applied by substituting 'at least 500 Hours of Service' for 'more than 500 hours of service' in Code §411(a)(6)(A). Subject to guidance by the Internal Revenue Service, all Years of Service with the Employer must be taken into account in determining an Employee's vesting rights under the Plan, including periods before January 1, 2021;
- (5) **Employees who become full-time Employees.** The special rules under subparagraphs (2) and (3) above shall cease to apply to any LTPT Employee as of the first Plan Year beginning after the Plan Year in which the Employee meets the requirements of Code §410(a)(1)(A)(ii) without regard to Code §401(k)(2)(D)(ii);
- (6) **Exception for Collectively Bargained Employees.** The rules under this IA §5.12 do not apply to Collectively Bargained Employees as described in Code §410(b)(3); and
- (7) **Time of participation.** The rules of Code §410(a)(4) relating to the timing of entry into the Plan apply to an Employee eligible to participate in the Plan solely by reason of Code §401(k)(2)(D)(ii). In no event will a LTPT Employee's entry into the Plan exceed the maximum delay in participation specified in Code §410(a)(4).

(b) **IRS guidance.** To the extent that the IRS issues guidance with respect to the requirements of this IA §5.12, the Employer or Plan Administrator may administer the Plan consistent with such guidance. Until such guidance is issued, the Plan Administrator may apply the requirements of this IA §5.12 consistent with a "good-faith" interpretation of SECURE Act §112.

5.13 Plan adopted by filing due date. As provided for under SECURE Act §201, effective for Plans adopted for taxable years beginning after December 31, 2019, if the Employer adopts the Plan after the close of a taxable year but before the time prescribed by law for filing the return of the Employer for the taxable year (including extensions thereof), the Employer may elect to treat the Plan as having been adopted as of the last day of the taxable year.

5.14 Multiple Employer Plans – application of qualification requirements. As provided under SECURE Act §101 and Code §413(e)(1), a defined contribution Multiple Employer Plan, except as provided under Code §413(e)(2) as reflected in IA §5.14(a) below, that (A) is maintained by Employers (including Participating Employers), which have a common interest other than having adopted the Plan or, in the case of a Plan not described in (A), has a Pooled Plan Provider (as defined in Code §413(e)(3)) then the Plan shall not be treated as failing to meet the requirements under Code §401(a) applicable to the Plan, merely because one or more Participating Employers of Employees covered by the Plan fail to take such actions as are required of such Participating Employers for the Plan to meet such requirements.

(a) **Limitations.** In applying this IA §5.14, in the case of any Participating Employer in the Plan failing to take the actions required of such Participating Employer for the Plan to meet the requirements under §401(a) applicable to the Plan:

- (1) the assets of the Plan attributable to Employees of such Participating Employer (or beneficiaries of such Employees) will be transferred to a plan maintained only by such Participating Employer (or its successor), to an Eligible Retirement Plan for each individual whose account is transferred, or to any other arrangement that the Secretary of the Treasury determines is appropriate, unless the Secretary of the Treasury determines it is in the best interests of the Employees of such Employer (and the beneficiaries of such Employees) to retain the assets in the Plan; and
 - (2) such Participating Employer (and not the Plan with respect to which the failure occurred or any other Participating Employer in such Plan) shall, except to the extent provided by the Secretary of the Treasury, be liable for any liabilities with respect to such Plan attributable to Employees of such Participating Employer (or beneficiaries of such Employees).
- (b) **“Good faith” interpretation.** The Lead Employer (or Pooled Plan Provider) and Plan Administrator may apply a “good-faith” interpretation of the rules under this IA §5.14. In determining a good-faith interpretation, the Lead Employer (or Pooled Plan Provider) and Plan Administrator may use Proposed Regulation §1.413-2 issued on March 28, 2022 as a guide for such interpretation. Additionally, the Lead Employer (or Pooled Plan Provider) may add clarifying provisions under IA Elective Provisions #9 – Special Provisions or in a separate addendum to the Plan relating to this IA §5.14. The Employer and Plan Administrator also may develop separate written administrative procedures relating to this §5.14.

**ARTICLE VI
PRE-APPROVED CYCLE 3 DEFINED CONTRIBUTION PLAN
CARES/SECURE ACTS INTERIM AMENDMENT
ELECTIVE PROVISIONS**

These Elective Provisions provide for elections related to the Interim Amendment. If the adopting Employer agrees to the default for a particular provision or the provision does not apply to the Employer's Plan, the adopting Employer does not need to make an election for that provision. If the adopting Employer wishes to override any of the defaults, the adopting Employer should make the appropriate election(s) in the Elective Provisions below. If the defaults are not used, the adopting Employer will need to execute these Elective Provisions.

CS-1. TEMPORARY WAIVER OF REQUIRED MINIMUM DISTRIBUTIONS FOR 2020 (See IA §3.03)

[Note: Do not complete these Elective Provisions if the Plan was not in existence during 2020 or if the temporary waiver otherwise did not apply to the Plan.]

- (a) **Default if Participant fails to elect.** For purposes of applying the required minimum distribution rules for the 2020 calendar year, effective January 1, 2020 (or such later date as designated below), a Participant (including an Alternate Payee or beneficiary of a deceased Participant) who was eligible to receive a required minimum distribution for the 2020 calendar year could elect whether to receive the 2020 RMD or 2020 Extended RMD (as defined in IA §3.03). If a Participant did not specifically elect to take the 2020 RMD or 2020 Extended RMD from the Plan, such distribution was not made for the 2020 calendar year. The Employer may modify this default rule below, provided such modification satisfies the requirements under Code §401(a)(9)(I) and any applicable IRS guidance.
- ☒ (1) **2020 RMDs and 2020 Extended RMDs were made.** 2020 RMDs and 2020 Extended RMDs were made to Participants who were otherwise required to receive a required minimum distribution for the 2020 calendar year, unless the Participant elected to not receive such distribution.
- ☐ (2) **2020 RMDs were not made, but 2020 Extended RMDs were made.** 2020 RMDs were not made for the 2020 calendar year, but 2020 Extended RMDs were made for the 2020 calendar year, unless the Participant elected otherwise.
- ☐ (3) **2020 RMDs were made, but 2020 Extended RMDs were not made.** 2020 RMDs were made for the 2020 calendar year, but 2020 Extended RMDs were not made for the 2020 calendar year, unless the Participant elected otherwise.
- (4) **Direct Rollovers.** Unless elected otherwise below, the Plan offered a Direct Rollover only for distributions that were Eligible Rollover Distributions in the absence of Code §401(a)(9)(I).
Instead of the default above, the following were treated as Eligible Rollover Distributions in 2020:
- ☐ (i) 2020 RMDs
- ☐ (ii) 2020 RMDs and 2020 Extended RMDs
- ☐ (iii) 2020 RMDs, but only if paid with an additional amount that is an Eligible Rollover Distribution without regard to Code §401(a)(9)(I)
- ☐ (iv) Describe: _____
- ☐ (5) **Describe other modifications of the default participant election rules:** _____
- ☐ (6) **Effective date.** Instead of January 1, 2020, the effective date of the amendment providing for a choice of whether a Participant or beneficiary could receive 2020 RMDs was effective: _____
- ☒ (b) **Describe any special rules, including any special effective dates, the Plan applied to required minimum distributions for 2020:** Participants/beneficiaries who were required to start RMDs in 2020 were notified that RMDs would not be processed for 2020. These participants were set up to receive their first RMD payment in 2021.

CS-2. REQUIRED MINIMUM DISTRIBUTION ELECTIONS (IA §5.02(b)(1)(ii)). Effective for distributions with respect to Participants who die after December 31, 2019 (or such later effective date applicable to the Plan. See IA §5.02(b)(1)(v)) and before the applicable Required Beginning Date, the Plan's Cycle 3 elections with regard to required minimum distributions continue to apply to **Eligible Designated Beneficiaries**, except that the 10-year rule will be substituted for the 5-year rule, as appropriate. In addition, the Cycle 3 default applicable to a Participant or Designated Beneficiary who fails to make an election continues to apply. **To override this default provision, complete (a) and/or (b) below.**

- ☐ (a) **Application of life expectancy and 10-year rules to Eligible Designated Beneficiaries.** Instead of the default,

the Plan will apply the following rule:

- ☐ (1) Effective _____, the life expectancy rule applies to all Eligible Designated Beneficiaries.
- ☐ (2) Effective _____, the 10-year rule applies to all Eligible Designated Beneficiaries.
- ☐ (3) Effective _____, the entire interest of an Eligible Designated Beneficiary will be distributed by the end of the _____ calendar year [may not be greater than 9th] following the year the Participant dies.
- ☐ (4) Effective _____, the Participant or Eligible Designated Beneficiary may elect to apply either the 10-year rule or the life expectancy rule to determine the required minimum distributions when the Participant dies before his/her Required Beginning Date. If no election is timely made:
 - ☐ (i) the life expectancy rule applies
 - ☐ (ii) the 10-year rule applies
 - ☐ (iii) the 10-year rule, reduced to _____ years applies
- ☐ (5) Describe the manner (including effective date) in which the 10-year rule and life expectancy rule apply to Eligible Designated Beneficiaries: _____
- ☐ (b) **Special rules.** Describe any special rules that apply for purposes of the required minimum distribution rules under Code §401(a)(9): _____
[Note: Any special rules for determining required minimum distributions for calendar years beginning on or after January 1, 2022 (or such later date as specified in applicable regulations or guidance) must comply with proposed Treas. Reg §§1.401(a)(9)-1 through 1.401(a)(9)-9 issued on February 24, 2022 (or subsequent applicable final regulations).]

CS-3. DELAYED ADOPTION OF SAFE HARBOR 401(k) PLAN (IA §5.06)

- (a) **Amendment into a 3% nonelective Safe Harbor 401(k) Plan accounts (See IA §5.06(a)).** Unless an election is made below, the Plan is not amended and the current Plan provisions will continue to apply. [Do not complete if Plan will not provide for a Safe Harbor contribution.]
 - ☐ (1) The Plan is amended to add a _____% [insert amount of at least 3%] Traditional Safe Harbor 401(k) Plan Employer Contribution, effective for the _____ [insert applicable Plan Year] Plan Year. The elected percentage will continue to apply for future Plan Years, unless otherwise provided in CS-3(a)(3) or by a subsequent Plan amendment.
 - ☐ (2) The Plan is amended to add a _____% [insert amount of at least 3%] QACA Safe Harbor 401(k) Plan Employer Contribution, effective for the _____ [insert applicable Plan Year] Plan Year. The elected percentage will continue to apply for future Plan Years, unless otherwise provided in CS-3(a)(3) or by a subsequent Plan amendment.
 - ☐ (3) Describe any special provisions applicable to the adoption of a 3% nonelective Safe Harbor 401(k) Plan: _____
- (b) **Amendment into a 4% nonelective Safe Harbor 401(k) Plan accounts See IA §5.06(b).** Unless an election is made below, the Plan is not amended and the current Plan provisions will continue to apply.
 - ☐ (1) The Plan is amended to add a _____% [insert amount of at least 4%] Traditional Safe Harbor 401(k) Plan Employer Contribution, effective for the _____ [insert applicable Plan Year] Plan Year. The elected percentage will continue to apply for future Plan Years, unless otherwise provided in CS-3(b)(3) or by a subsequent Plan amendment.
 - ☐ (2) The Plan is amended to add a _____% [insert amount of at least 4%] QACA Safe Harbor 401(k) Plan Employer Contribution, effective for the _____ [insert applicable Plan Year] Plan Year. The elected percentage will continue to apply for future Plan Years, unless otherwise provided in CS-3(b)(3) or by a subsequent Plan amendment.
 - ☐ (3) For Plan Years following the effective date stated under CS-3(b)(1) or CS-3(b)(2), the Safe Harbor Employer Contribution will be _____ [insert amount of at least 3%].
 - ☐ (4) Describe any special provisions applicable to the adoption of a 4% nonelective Safe Harbor 401(k) Plan: _____

CS-4. QUALIFIED BIRTH OR ADOPTION DISTRIBUTIONS (“QBADs”). (See IA §5.08)

Unless an election is made below, the Plan does not allow for QBADs.

- ☐ (a) Qualified Birth or Adoption Distributions are available from the following sources to Plan Participants as of _____ [insert date no earlier than the first day of the Plan Year beginning after December 31, 2019]:
[Note: May be checked even if no in-service distributions are otherwise permitted under the Plan.]
- ☐ (1) All available sources
 - ☐ (2) Pre-Tax Deferral Account
 - ☐ (3) Roth Deferral Account (including In-Plan Roth Conversion Account)
 - ☐ (4) Matching Contribution Account
 - ☐ (5) Qualified Matching Contribution (QMAC) Account
 - ☐ (6) Employer Contribution Account
 - ☐ (7) Qualified Nonelective Contribution (QNEC) Account
 - ☐ (8) Safe Harbor Contribution Account(s)
 - ☐ (9) Rollover Contribution Account
 - ☐ (10) After-Tax Employee Contribution Account
 - ☐ (11) Transfer Account
 - ☐ (12) Describe available sources: _____
- ☐ (b) If CS-4(a) is elected, QBADs are available to all Participants who have the applicable Account(s), unless otherwise indicated below.
- ☐ (1) QBADs are not available to terminated Participants.
 - ☐ (2) QBADs will only be permitted if the Participant is 100% vested in the source from which the withdrawal is taken.
 - ☐ (3) Describe the Participants who may receive QBADs: _____
- ☐ (c) Describe any special rules related to QBADs: _____

CS-5. INCREASE OF CAP FOR QACA SAFE HARBOR 401(k) PLAN. (See IA §5.09)

Unless an election is made below, the Employer does not elect to increase the cap for its QACA Safe Harbor 401(k) Plan. [Do not complete if plan does not provide for a QACA Safe Harbor contribution.]

- ☐ (a) The cap on the automatic increase of the automatic deferral amount as specified under AA §6C-3(c)(2)(ii) is increased to _____% [insert number greater than 10, not more than 15], effective as of _____ [insert date no earlier than the first day of the Plan Year beginning after December 31, 2019].
- ☐ (b) Describe any special rules related to the increase of cap for QACA Safe Harbor 401(k) Plan: _____

CS-6. IN-SERVICE DISTRIBUTIONS FOR MONEY PURCHASE PENSION PLAN OR TRANSFERRED ASSETS. (See IA §5.11)

Age 59 ½ in-service distributions. Unless an election is made below, the Employer does not elect to change the Plan’s in-service distribution options under AA §10-1 of its money purchase pension plan (or with respect to assets transferred from a money purchase plan).

- ☐ (a) Effective _____ [insert date no earlier than the first day of the Plan Year beginning after December 31, 2019], a Participant may withdraw all or any portion of his/her vested Account Balance, upon the attainment of age _____ [may not be earlier than age 59 ½].
- ☐ (b) Describe any special rules related to the in-service distributions: _____

CS-7. LONG-TERM PART-TIME EMPLOYEES (“LTPT Employees”). (See IA §5.12)

LTPT Employees will participate under the Plan, as of the appropriate effective date, as required under IA §5.12. The Employer may make elections in the Adoption Agreement consistent with the requirements of IA §5.12. In addition, the Employer may describe any provisions relating to the participation of LTPT Employees below.

- (a) **Other contributions.** In addition to the ability to make Salary Deferrals, LTPT Employee may receive or make the following in the same manner and under the same conditions as other Eligible Employees under the Plan:
- ☐ (1) All available Employer and Employee Contribution sources

- ☐ (2) Employer Contributions (including Qualified Nonelective Employer Contributions)
- ☐ (3) Matching Contributions (including Qualified Matching Contributions)
- ☐ (4) Safe Harbor Contributions
- ☐ (5) Rollover Contributions
- ☐ (6) After-Tax Employee Contributions
- ☐ (7) Describe: _____

(b) **Eligibility, Entry Date and minimum age rules.** Instead of the Plan rules for Eligibility Computation Period, Entry Date and minimum age rules applicable to Eligible Employees who are not LTPT Employees, the following rules apply to LTPT Employees:

- ☐ (1) The Eligibility Computation Period for LTPT Employees is based on Anniversary Years and will not switch to the Plan Year.
- ☐ (2) Describe Eligibility Computation Period for LTPT Employees: _____
- ☐ (3) The Entry Dates for LTPT Employees will be the first day of the 1st and 7th month of the Plan Year.
- ☐ (4) The Entry Dates for LTPT Employees will be _____. (Must satisfy Entry Date requirements under BPD §2.03(b).)
- ☐ (5) The minimum age requirement for LTPT Employees is:
 - ☐ (i) Age 21
 - ☐ (ii) No minimum age for eligibility
 - ☐ (iii) Age _____ [not later than age 21]

(c) **Collectively Bargained Employees and non-resident aliens.** If Collectively Bargained Employees and/or non-resident aliens who receive no compensation from the Employer that constitutes U.S. source income are otherwise eligible for the Plan, the Employer may elect to exclude such Employees from the LTPT Employee rules of IA §5.12 below:

- ☐ (1) Collectively Bargained Employees are excluded from eligibility as LTPT Employees.
- ☐ (2) Non-resident aliens who receive no compensation from the Employer that constitutes U.S. source income are excluded from eligibility as LTPT Employees.
- ☐ (3) In addition to any election made in CS-7(c)(1) or (2) above, Employees who are otherwise considered Excluded Employees under the Plan will also be excluded from eligibility as LTPT Employees.

(d) **Other provisions.** To the extent the following provisions or options apply to Eligible Employees who are not LTPT Employees, such provisions do not apply to LTPT Employees:

- ☐ (1) The opportunity to make Roth Deferrals
- ☐ (2) The automatic contribution arrangement provisions under AA §6A-8
- ☐ (3) Describe Plan provisions that do not apply to LTPT Employees: _____

☐ (e) Describe any special rules related to the participation of LTPT Employees under the Plan: _____

CS-8. PLAN ADOPTED BY FILING DUE DATE. (See IA §5.13)

- ☐ The Employer elects to treat the Plan as having been adopted as of the last day of its taxable year ending _____. (See IA §5.13 for rules relating to the timing of this election.)

CS-9. SPECIAL PROVISIONS.

If the Employer wishes to provide additional or clarifying provisions to this Interim Amendment, the Employer may include such provisions below.

- ☐ Describe any special rules related to this Interim Amendment: _____

APPLICATION OF INTERIM AMENDMENT

Pursuant to Revenue Procedure 2017-41 and Section 14.01(a) of the Plan (Section 11.01(a) in the Owners-Only Plan), to the extent this Interim Amendment has been adopted by the Pre-Approved Plan Provider on behalf of its adopting Employers, the Employer does not

need to sign these Elective Provisions. If the Employer wishes to override the Provider's (default) elections, or adopt as an Employer-level amendment, the Employer (or the authorized representative of the Employer) must execute this Interim Amendment by signing below. This amendment applies to the Employer and all Participating Employers under the Plan.

John Wiley & Sons, Inc. Employees' Savings Plan

Name of Plan

John Wiley & Sons, Inc.

(Name of Employer)

Andrea Kroska

VP, Global Benefits, Wellt

(Name of Authorized Representative, if applicable)

(Title)

Signed by:



07-07-2026 | 10:34 AM EDT

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(Signature)

(Date)

**PRE-APPROVED CYCLE 3 DEFINED CONTRIBUTION PLAN
SECURE 2.0 ACT INTERIM AMENDMENT
[For Plans not restated for Cycle 4 by December 31, 2026]**

**ARTICLE I
PURPOSE OF INTERIM AMENDMENT**

- 1.01 Adoption by Pre-Approved Plan Provider.** Pursuant to Revenue Procedure 2023-37 and Section 14.01(a) of the Basic Plan Document (BPD), the Pre-Approved Plan Provider (hereinafter referred to as the “Provider”) is amending the Plan on behalf of all adopting Employers. This Pre-Approved Cycle 3 Defined Contribution Plan SECURE 2.0 Act Interim Amendment (“SECURE 2.0 Act Interim Amendment” or “S2IA”) is intended to qualify as a “good-faith” amendment to document the Plan’s compliance with the SECURE 2.0 Act of 2022 and other guidance issued by the Internal Revenue Service. The Plan Administrator will interpret the provisions in a reasonable and good-faith manner consistent with the SECURE 2.0 Act and any current or future guidance related to the applicable provisions. A copy of this amendment will be provided to all adopting Employers and made a part of their Plans.
- 1.02 Application.** To the extent that this SECURE 2.0 Act Interim Amendment applies to a Plan, it supersedes any contrary provisions under the Plan, except as provided under S2IA §1.03 below. Unless the Employer wishes to override the pre-selected elections (defaults), if any, made by the Provider as elected under the Interim Amendment Elective Provisions (Elective Provisions) in Article IX, no signature is required by the Employer to adopt this SECURE 2.0 Act Interim Amendment. This SECURE 2.0 Act Interim Amendment applies to the signatory Employer and any other Participating Employers of the Plan.
- 1.03 Prior Amendments.** If the Employer previously amended the Plan to implement one or more of the provisions addressed by this SECURE 2.0 Act Interim Amendment, such amendment(s) shall remain in effect and shall not be superseded, unless otherwise provided under the Elective Provisions. The Employer may use the Elective Provisions of this SECURE 2.0 Act Interim Amendment to memorialize prior amendments.

**ARTICLE II
APPLICABLE LAWS AND PLANS COVERED BY INTERIM AMENDMENT**

- 2.01 Applicable Laws.** This SECURE 2.0 Act Interim Amendment includes provisions that are required or allowed under the SECURE 2.0 Act of 2022 (SECURE 2.0 Act).
- 2.02 Application to Cycle 3 Defined Contribution Plans.** The SECURE 2.0 Interim Amendment applies to the following types of ASC Institute Cycle 3 Pre-Approved Plans: the Defined Contribution Plan (#01) (DC Plan), the Owners-Only Profit Sharing/401(k) Defined Contribution Plan (#02) (Owners-Only Plan), the Governmental Defined Contribution Plan (#03) (Governmental Plan), the Employee Stock Ownership Plan (#04) (ESOP), and the Church Defined Contribution Plan (#05) (Church Plan). Certain provisions of this Interim Amendment may not be applicable to all types of Plans or a specific adopting Employer.

**ARTICLE III
PROVISIONS RELATING TO EMPLOYER CONTRIBUTIONS**

- 3.01 Optional treatment of Employer Contributions as Designated Roth Nonelective Contributions.** [Applies to all Plans with 401(k) provisions.] As provided under §402A(a)(2) and §604 of the SECURE 2.0 Act and effective for Employer Contributions made on or after December 30, 2022, if elected by the Employer under Elective Provision §S2-1, a Participant may elect to treat a nonforfeitable Employer Contribution as a Designated Roth Nonelective Contribution, as defined under IRS Notice 2024-2. The Plan Administrator may adopt administrative procedures consistent with Code §402A(a)(2), IRS Notice 2024-2, Q&As L-1 through L-11, and other IRS guidance.
- (a) **Roth Deferral rules generally apply.** Rules similar to the requirements under Treas. Reg. §1.401(k)-1(f) (other than Treas. Reg. §§1.401(k)-1(f)(4)(i) and (6)) apply to Designated Roth Nonelective Contributions. Contribution and distribution restrictions applicable to Roth Deferrals do not apply to Designated Roth Nonelective Contributions.
- (b) **Taxable year of inclusion.** A Designated Roth Nonelective Contribution is includible in a Participant’s gross income for the taxable year in which the contribution is allocated to the Participant’s Account (even if the Designated Roth Nonelective Contribution is deemed to have been made on the last day of the prior taxable year of the Employer under Code §404(a)(6)).
- (c) **Employer Contribution must be fully vested.** An Employer Contribution may be designated as a Designated Roth Nonelective Contribution only if the Participant is fully vested in such Employer Contribution at the time the contribution is allocated to the Participant’s Account. As provided under IRS Notice 2024-2, Q&A L-4, the Plan will not be treated as

failing to satisfy Code §401(a)(4) as applicable to rights and features merely because of this requirement.

- (d) **Designated Roth Nonelective Contributions not treated as wages.** Designated Roth Nonelective Contributions that are made to the Plan are excluded from wages under Code §3401(a) (withholding wages), under Code §§3121(a)(5)(A) and (B) (FICA wages) and under Code §§3306(b)(5)(A) and (B) (FUTA wages).
- (e) **Designated Roth Nonelective Contributions not included under safe harbor definition of Plan Compensation.** Designated Roth Nonelective Contributions that are made to the Plan are not included under any Code §414(s) safe harbor definition of Plan Compensation under the Plan.

- 3.02 Exclusion of “otherwise excludable employees” for Top-Heavy Plan purposes. [Applies to all Plans with 401(k) provisions, except the Owner’s Only (Solo k) Plan and the Governmental Plan.]** As provided under Code §416(c)(2)(C) and §310 of the SECURE 2.0 Act, effective for Plan Years beginning on or after January 1, 2024, the Plan excludes Employees who do not meet the minimum age and service requirements under Code §410(a)(1) (i.e., “otherwise excludable Employees”) from consideration in determining whether the Plan satisfies the Top-Heavy Plan requirements under Section 4 of the BPD. Such otherwise excludable Employees will not receive a Top-Heavy Plan minimum allocation unless the Employer elects otherwise under Elective Provision §S2-2.

The Employer may elect under Elective Provision §S2-2 to provide, in the Employer’s discretion on an annual basis, the otherwise applicable Top-Heavy minimum allocation to “otherwise excludable Employees.” This discretion includes the inclusion or exclusion of “otherwise excludable Employees” under any permitted disparity formula under the Plan.

ARTICLE IV PROVISIONS RELATED TO SALARY DEFERRALS

- 4.01 Mandatory automatic enrollment. [Applies to all Plans with 401(k) provisions, except the Governmental Plan and the Church Plan.]** Unless the Plan is otherwise exempt as described in S2IA §4.01(e) below, if the Plan includes a cash or deferred arrangement (CODA) under Code §401(k) (including a QACA Safe Harbor 401(k) Plan), the Plan must satisfy the automatic enrollment requirements under Code §414A and §101 of the SECURE 2.0 Act, effective for Plan Years beginning on or after January 1, 2025. The Plan Administrator may apply a reasonable, good faith interpretation of the requirements under Code §414A until Plan Years that begin more than 6 months after the date that the IRS issues final regulations under Code §414A. The Plan Administrator may use proposed Treas. Reg. §1.414A-1 and proposed Treas. Reg. §1.414(w)-1 to assist in the interpretation of the Code §414A requirements. If the IRS issues final regulations under Code §414A that modify the rules under proposed Treas. Reg. §1.414A-1 or proposed Treas. Reg. §1.414(w)-1, the Employer and/or Plan Administrator may revise its operation and administration of this S2IA §4.01 in conformance with those final regulations.

- (a) **Arrangement must be an Eligible Automatic Contribution Arrangement (EACA).** The Plan must include an EACA (as defined under Code §414(w)(3)) that covers all Employees (including Long-Term Part-Time Employees) who are eligible to make Salary Deferrals under the Plan and that satisfies the additional requirements under S2IA §§4.01(b)-(d) below.
- (b) **Arrangement must permit permissible withdrawals.** The EACA must permit any Employee who has default Salary Deferrals made to the Plan to elect permissible withdrawals (as defined in Code §414(w)(2) and described in Treas. Reg. §1.414(w)-1(c)).
- (c) **Contribution requirements.** The EACA must provide that the default Salary Deferral on behalf of an Eligible Employee must equal a uniform percentage of such Employee’s Plan Compensation, unless the Employee affirmatively elects to have a different amount (including no Salary Deferrals) under such Employee’s Salary Reduction Agreement. The contribution requirements are not required to apply to an Employee who, on the date the Code §414A requirements are effective for the Plan, had an affirmative Salary Deferral election in effect (and that remains in effect) to make Salary Deferrals (in a specified amount or percentage of Plan Compensation), or to not make Salary Deferrals to the Plan.
 - (1) **Uniform percentage for initial period.** The contribution percentage under the default Salary Deferral for each Employee’s initial period must be a uniform percentage that is not less than 3 percent and not more than 10 percent of such Employee’s Plan Compensation. An Employee’s initial period begins when the Employee is first eligible to elect to make Salary Deferrals under the Plan. An Employee’s initial period ends on the last day of the Plan Year that follows the Plan Year that includes the date the initial period begins.
 - (2) **Subsequent Plan Years.** For each Plan Year beginning after an Employee’s initial period under the arrangement, the percentage of the default Salary Deferral must be increased by 1 percentage point until the percentage is at least 10 percent. However, the percentage may not exceed 15 percent (or the lower percentage specified in Code §414A(b)(3)(B), if applicable).
 - (3) **Exception to uniform percentage requirement.** The EACA does not fail to satisfy the uniform percentage requirement merely because:

- (i) The percentage used for the default Salary Deferral varies based on the number of years (or portions of years) since the beginning of the initial period for an Employee;
 - (ii) The rate of contributions under a Salary Reduction Agreement that is in effect for an Employee immediately prior to the date that the default Salary Deferral under S2IA §4.01(c)(1) above first applies to the Employee is not reduced;
 - (iii) The rate of contributions under a Salary Reduction Agreement is limited so as not to exceed the applicable limits of Code §§401(a)(17), 401(k)(16), 402(g) (determined with or without Catch-Up Contributions), 403(b)(16), and 415; or
 - (iv) The default Salary Deferral provided under this S2IA §4.01(c) is not applied during the period an Employee is not eligible to make Salary Deferrals under the Plan as required under the six-month suspension rule of Code §414(u)(12)(B)(ii).
- (4) **Treatment of periods without default Salary Deferrals.** Generally, the uniform percentages described in S2IA §§4.01(c)(1) and (2) above are based on the date an Employee's initial period begins. However, if, after the Employee's initial period began, the Employee did not have default Salary Deferrals made for an entire Plan Year, then the Plan may provide that the Employee's initial period is redetermined as follows:
- (i) **Redetermination for Employee who became ineligible.** If, for an entire Plan Year, no default Salary Deferrals were made solely because the Employee was not eligible to make Salary Deferrals under the Plan for that Plan Year, then the Plan is permitted to provide that the Employee's initial period is redetermined so that it begins on the date the Employee is again eligible to make Salary Deferrals under the Plan.
 - (ii) **Redetermination for Employee who remained eligible and made an affirmative Salary Deferral election.** If, for an entire Plan Year, no default Salary Deferrals were made solely because the Employee made an affirmative Salary Deferral election (including an election to not make Salary Deferrals) and the Employee's affirmative Salary Deferral election expires pursuant to an election under §S2-3(c)(2), then the Plan may provide that the initial period is redetermined so that it begins on any specified date that is later than the last day of the Plan Year following the Plan Year in which the initial period began.
- (d) **Investment requirements.** The EACA must provide that amounts contributed pursuant to the EACA, and for which no investment is elected by the Employee, will be invested in accordance with the qualified default investment arrangement (QDIA) requirements under 29 CFR 2550.404c-5 (or any successor regulations).
- (e) **Exemptions for certain types of plans and employers.** The following types of plans and employers are exempt from the requirements under Code §414A and this S2IA §4.01:
- (1) Governmental plans (within the meaning of Code §414(d));
 - (2) Church plans (within the meaning of Code §414(e));
 - (3) Employers that normally employ 10 or fewer Employees. The Plan Administrator and Employer may use the rules under proposed Treas. Reg. §1.414A-1(d)(4) (or subsequent final regulations) to assist in applying this exception;
 - (4) Employers that have been in existence for less than three (3) years. The Plan Administrator and Employer may use the rules under proposed Treas. Reg. §1.414A-1(d)(4) (or subsequent final regulations) to assist in applying this exception; and
 - (5) Any Plan that included a cash or deferred arrangement and that was established before December 29, 2022. (The Plan Administrator and Employer may apply guidance provided under proposed Treas. Reg. §1.414A-1(d) (or subsequent final regulations) to assist in applying this exception.)

4.02 Catch-Up Contributions. [Applies to all Plans with 401(k) provisions.] As provided under §109 of the SECURE 2.0 Act, effective for taxable years beginning on or after January 1, 2025, this S2IA §4.02 applies in place of Section 3.03(d) of the BPD. If permitted under AA §6A-4 or the Elective Provisions, a Participant who is age 50 or over by the end of such Participant's taxable year beginning in the calendar year may make Catch-Up Contributions under the Plan, provided such Catch-Up Contributions are in excess of an otherwise applicable limit under the Plan. For this purpose, an otherwise applicable Plan limit is a limit in the Plan that applies to Salary Deferrals without regard to Catch-Up Contributions, such as a Plan-imposed Salary Deferral limit under AA §6A-2, the Code §415 Limitation, and the Elective Deferral Dollar Limit. In administering the Catch-Up Contribution rules under the Plan, the Plan Administrator may develop administrative procedures consistent with the requirements under Treas. Reg. §1.401(k)-1, 1.414(v)-1 and 1.414(v)-2, effective with respect to contributions in taxable years beginning on or after January 1, 2027. (Later effective dates apply to governmental plans under Code §414(d) and collectively bargained plans.) For periods before the applicable regulatory effective date, the Plan Administrator may apply a reasonable, good faith standard with respect to other applicable statutory provisions.

- (a) **Catch-Up Contribution Limit.** Catch-Up Contributions for a Participant for a calendar year may not exceed the Catch-Up Contribution Limit. The Catch-Up Contribution Limit for 2026 is \$8,000 (regular Catch-Up Contribution Limit). The Catch-Up Contribution Limit will be adjusted for cost-of-living increases under Code §414(v)(2)(C). Effective for calendar years beginning on or after January 1, 2025, the Plan's Catch-Up Contribution Limit increases to the greater of \$10,000 (as adjusted for cost of living changes under Code §414(v)(2)(C)) or 150% of the regular Catch-Up Contribution Limit starting in the 2025 calendar year for Participants who have attained ages 60 - 63 by the end of the Participant's taxable year, as provided under Code §414(v)(2)(E) (higher Catch-Up Contribution Limit). The higher Catch-Up Contribution Limit for 2026 is \$11,250. The Employer may operationally limit Catch-Up Contributions so that a Participant's total Catch-Up Contributions, when added to other Salary Deferrals, may not exceed 75 percent of the Participant's Plan Compensation for the taxable year. The Employer may elect to not permit this higher Catch-Up Contribution under the Elective Provision §S2-4.
 - (b) **Special treatment of Catch-Up Contributions.** Catch-Up Contributions are not subject to the Elective Deferral Dollar Limit or the Code §415 Limitation, are not counted in the ADP test, and are not counted in determining the minimum allocation under Code §416. However, Catch-Up Contributions made in prior years are counted in determining whether the Plan is a Top-Heavy Plan.
 - (c) **Universal availability of Catch-Up Contributions.** As provided under Treas. Reg. §1.414(v)-1(e), the Plan generally may only offer Catch-Up Contributions if all applicable employer plans (as defined under Treas. Reg. §1.414(v)-1(g)) maintained by the Employer or Related Employers allow all eligible Participants an effective opportunity to make the same dollar amount of Catch-Up Contributions. This universal availability of Catch-Up Contributions requirement may be administered consistent with the rules under Treas. Reg. §§1.414(v)-1 and 1.414(v)-2. The Plan will not fail the universal availability requirement merely because Employees described in Code §410(b)(3) are not provided the opportunity to make Catch-Up Contributions (or are provided the opportunity to make Catch-Up Contributions to a lesser extent than other Employees).
 - (d) **Certain Catch-Up Contributions must be Roth Deferrals.** As provided under §603 of the SECURE 2.0 Act, effective for calendar years on or after January 1, 2026, any eligible Participant whose wages (as defined in Code §3121(a)) for the preceding calendar year from the employer sponsoring the Plan exceeded \$150,000 (as adjusted) (i.e., a "Highly Paid Individual" or "HPI") may make such Catch-Up Contributions only as a Roth Deferral, as provided under Code §414(v)(7) and applicable regulations. In any event, a Participant must be permitted to make Pre-Tax Salary Deferrals in order for the Participant to designate such Pre-Tax Salary Deferrals as Roth Deferrals. The Plan Administrator may use Treas. Reg. §1.414(v)-2 as guidance to administer this S2IA §4.02.
- (1) **Determination of employer sponsoring the Plan.** The "employer sponsoring the Plan" generally refers only to the Participant's common law employer, as described in Treas. Reg. §1.414(v)-2(b)(4)(i). However, in determining the employer sponsoring the Plan for HPI purposes, the Employer may apply the optional rules under Treas. Reg. §1.414(v)-2(b)(4)(ii) (relating to employers using a common paymaster), Treas. Reg. §1.414(v)-2(b)(4)(iii) (relating to aggregation for other controlled group members), Treas. Reg. §1.414(v)-2(b)(4)(iv) (relating to aggregation in the year of an asset purchase). For this purpose, the Employer may list the aggregated employers under the Elective Provision §S2-4(e) or in a separate written administrative procedure.) In the case of an Employee who receives wages from an entity that is disregarded as an entity separate from its owner, the owner is treated as the employer sponsoring the Plan for purposes of determining the employer sponsoring the Plan. In such a case, the Employee's wages from the employer sponsoring the Plan include the Employee's wages from the disregarded entity and from its owner.
 - (2) **Plans that allow Catch-Up Contributions but not Roth Deferrals.** For any particular Plan Year, if a Plan allows Participants to make Catch-Up Contributions but does not allow Participants to make Roth Deferrals, any HPI is precluded from making any Catch-Up Contributions to the Plan for such Plan Year.
 - (3) **Deemed Roth Catch-Up Contribution election.** The Plan may deem a Participant who is subject to the Roth Catch-Up Contribution requirement to have irrevocably designated any Catch-Up Contributions as a Roth Deferral. If the Plan provides for such a deemed Roth Catch-Up Contribution election, the Plan must treat Catch-Up Contributions subject to the deemed Roth Catch-Up Contribution election as not excludible from the Participant's gross income and maintain the Catch-Up Contributions in a designated Roth Deferral Account. The Plan may provide for a deemed Roth Catch-Up Contribution election without regard to whether administrative policies or a salary Reduction Agreement requires separate elections for Salary Deferrals that are not Catch-Up Contributions and for additional Salary Deferrals that are Catch-Up Contributions or uses a so-called "spillover design." The Employer may elect not to provide for a deemed Roth Catch-Up Contribution election under Elective Provision §S2-4(d).
 - (i) **Conditions for application of deemed Roth Catch-Up Contribution election.** The application of a deemed Roth Catch-Up Contribution election to a Participant is conditioned on the Participant having an effective opportunity (determined based on all of the relevant facts and circumstances) to make a new Salary Deferral election that is different than the deemed Roth Catch-Up Contribution election. The deemed Roth Catch-Up Contribution election ceases to apply to an Employee within a reasonable period of

time following the date the Employee ceases to be subject to the requirement under Code §414(v)(7) to make any Catch-Up Contributions as designated Roth contributions, or an amended Form W-2 (Wage and Tax Statement) is filed or furnished to the Employee indicating that the Employee is not subject to the requirement under Code §414(v)(7) to make any Catch-Up Contributions as Roth Deferrals.

- (ii) **Plans that do not provide for deemed Roth Catch-Up Contribution election.** If the Plan does not provide for a deemed Roth Catch-Up Contribution election, the Plan will not accept Salary Deferrals that exceeds an applicable limit on Salary Deferrals and the Plan will automatically stop Salary Deferrals for an eligible Participant who is subject to the Roth Catch-Up Contribution requirements after the Participant's Salary Deferrals reach an applicable limit (unless the Participant has designated the additional Salary Deferrals as Roth Deferrals). If the Plan does not provide for a deemed Roth Catch-Up Contribution election, the Plan may be precluded from using certain correction methods under Treas. Reg. §1.414(v)-2(c)(2).

- (4) **Rules of operation.** The Employer and/or Plan Administrator may utilize the rules of operation, including the correction principles, under Treas. Reg. §1.414(v)-2(b) in administering this S2IA §4.02(d).

4.03 Long-Term Part-Time Employees (LTPT Employees). [Applies to all Plans with 401(k) provisions.] Effective for Plan Years beginning on or after January 1, 2021, to satisfy the rules under Code §401(k), the Plan must permit LTPT Employees to make Salary Deferrals into the Plan, as required under Code §§401(k)(2)(D)(ii) and 401(k)(15) and applicable regulations. An Employer is not required to make Employer Contributions or Matching Contributions on behalf of LTPT Employees. If no Employees are eligible to make Salary Deferrals solely because of the LTPT Employee requirements under Code §§401(k)(2)(D)(ii) and 401(k)(15), then the Employer has no LTPT Employees and the requirements under this S2IA §4.03 do not apply. The Employer may make elections relating to LTPT Employees under Elective Provision §S2-5.

- (a) **Definition of an LTPT Employee.** An Employee who is eligible to make Salary Deferrals into the Plan solely by reason of having:

- (1) Completed two consecutive Eligibility Computation Periods during each of which the Employee is credited with at least 500 Hours of Service (or for Plan Years beginning on or before December 31, 2024, three consecutive Eligibility Computation Periods rather than two consecutive Eligibility Computation Periods); and
- (2) Attained age 21 by the close of the last of the Eligibility Computation Periods described in subsection (1).

LTPT Employees do not include: (a) Employees who are Collectively Bargained Employees; (b) Employees who are nonresident aliens and who receive no earned income (within the meaning of Code §911(d)(2)) from the Employer that constitutes income from sources within the United States (within the meaning of Code §861(a)(3)); or (c) any other Employees described in Code §410(b)(3).

- (b) **Participation rules applicable to LTPT Employees.**

- (1) **In general.** An LTPT Employee must become eligible to make Salary Deferrals into the Plan no later than the earlier of:
 - (i) The first day of the first Plan Year beginning after becoming an LTPT Employee; or
 - (ii) The date 6 months after becoming an LTPT Employee.
- (2) **Employees who terminate employment.** The time of participation rule in (1) does not apply to an LTPT Employee who terminates employment and is not reemployed by the Employer before such LTPT Employee's applicable Entry Date. However, if an LTPT Employee described in the prior sentence returns to employment with the Employer after such LTPT Employee's applicable Entry Date and is otherwise eligible to make Salary Deferrals, the LTPT Employee must be eligible to make Salary Deferrals immediately upon reemployment with the Employer.
- (3) **Change in status.** If an Employee who would otherwise be eligible to make Salary Deferrals as an LTPT Employee does not participate solely because the Employee does not satisfy the Plan's eligibility conditions that are not based on age or service as of the Employee's applicable Entry Date, and the Employee satisfies those conditions after that date, the Employee must be eligible to make Salary Deferrals immediately upon satisfying those conditions.
- (4) **Crediting of service.** Except for any Eligibility Computation Period beginning before January 1, 2021, all Eligibility Computation Periods during which an Employee is credited with at least 500 Hours of Service with the Employer must be taken into account for purposes of determining whether an Employee has satisfied the time of participation requirements under S2IA §4.03(a)(1). Eligibility Computation Periods are determined under the rules set forth under Section 2.03(a)(3) of the BPD or under Elective Provision §S2-5(b).

- (c) **Eligibility conditions not based on age or service.** The Plan may establish an eligibility condition that an LTPT Employee must satisfy in order to make Salary Deferrals under the Plan, provided that the condition is not a proxy for imposing an impermissible age or service requirement.
- (d) **Restrictions on the right to make Salary Deferrals by LTPT Employees.** The Plan may not restrict the right to make Salary Deferrals by LTPT Employees who are eligible Nonhighly Compensated Employees (NHCEs) in a manner that would not be permitted for an NHCE under Treas. Reg. §1.401(k)-3(c)(6). However, a SIMPLE 401(k) plan may limit the amount of Salary Deferrals made by LTPT Employees to the extent needed to satisfy the Salary Deferral limitation applicable to SIMPLE 401(k) plans.
- (e) **Employer Contributions and Matching Contributions.** Notwithstanding the nondiscrimination rules under Code §401(a)(4), an Employer is not required to make Employer Contributions or Matching Contributions on behalf of LTPT Employees, even if such contributions are made on behalf of other Eligible Employees.

- (1) **Safe Harbor 401(k) Plans.** A Safe Harbor 401(k) Plan will not fail to satisfy the Safe Harbor 401(k) Plan requirements merely because the Employer does not make an Employer Contribution or Matching Contribution on behalf of an eligible NHCE who is a LTPT Employee (or makes an Employer Contribution or Matching Contribution that does not satisfy the safe harbor contribution requirements of Treas. Reg. §1.401(k)-3 on behalf of the eligible NHCE), provided that LTPT Employees are excluded for purposes of determining whether the Plan satisfies the ADP safe harbor provisions of Code §§401(k)(12) or (13) pursuant to the election under Elective Provision §S2-5(j).

Similarly, a Safe Harbor 401(k) Plan that is intended to satisfy the ACP safe harbor provisions of Code §§401(m)(11) or (12) will not fail to satisfy those provisions merely because the Employer does not make an Employer Contribution or Matching Contribution on behalf of an eligible NHCE who is a LTPT Employee (or makes an Employer Contribution or Matching Contribution that does not satisfy the safe harbor contribution requirements of Treas. Reg. §1.401(m)-3 on behalf of the eligible NHCEs, provided that LTPT Employees are excluded for purposes of determining whether the Plan satisfies the ADP safe harbor provisions of Code §§401(m)(11) or (12) pursuant to the election under Elective Provision §S2-5(j).

- (2) **Top-Heavy Plan minimum allocation.** The Plan will not fail to satisfy the minimum allocation requirements of Code §416(c) merely because the Employer Contribution (if any) made for the Plan Year on behalf of a Non-Key Employee who is a LTPT Employee does not satisfy those requirements, provided that LTPT Employees are excluded for purposes of determining whether the Plan satisfies the minimum allocation requirements of Code §416(c) for the Plan Year pursuant to an election under Elective Provision §S2-5(k).
- (3) **SIMPLE 401(k) Plans.** The Employer may not elect to exclude LTPT Employees from the application of the SIMPLE 401(k) provisions of Code §§401(k)(11) and (m)(10).
- (f) **Employer elections relating to nondiscrimination, coverage and top-heavy.**

- (1) **Nondiscrimination and coverage election.**

- (i) **General rule.** The Employer may elect to exclude LTPT Employees for purposes of determining whether the Plan satisfies the following provisions:

- (A) The nondiscrimination requirements of Code §401(a)(4);
- (B) The ADP test of Code §401(k)(3);
- (C) The ADP safe harbor provisions of Code §§401(k)(12) and (13);
- (D) The ACP test of Code §401(m)(2);
- (E) The ACP safe harbor provisions of Code §§401(m)(11) and (12); and
- (F) The minimum coverage requirements of Code §410(b).

- (ii) **Additional rules.**

- (A) The Employer's nondiscrimination and coverage election applies for purposes of every provision listed in subsection (i).
- (B) The Employer's nondiscrimination and coverage election applies with respect to all LTPT Employees who are able to participate under the Plan.
- (C) The Employer may administratively make a nondiscrimination and coverage election on an annual basis, unless the Plan is a Safe Harbor 401(k) Plan that intends to satisfy the ADP safe harbor

provisions of Code §§401(k)(12) or (13) and/or the ACP safe harbor provisions of Code §§401(m)(11) or (12), as set forth in subsections (D) and (E) below.

- (D) If the Plan is a Safe Harbor 401(k) Plan intended to satisfy the ADP safe harbor provisions of Code §§401(k)(12) or (13), the Employer must make the nondiscrimination and coverage election under Elective Provision §S2-5(j) before the beginning of the applicable Plan Year.
- (E) If the Plan is a Safe Harbor 401(k) Plan intended to satisfy the ACP safe harbor provisions of Code §§401(m)(11) or (12), the Employer must make the nondiscrimination and coverage election under Elective Provision §S2-5(j) before the beginning of the applicable Plan Year.

(2) **Top-Heavy Plan election.**

- (i) **General rules.** LTPT Employees (but not former LTPT Employees) will not receive a Top-Heavy minimum contribution, unless otherwise elected under Elective Provision §S2-5(k). The exclusion of LTPT Employees does not apply for purposes of determining whether the Plan is a Top-Heavy Plan.
- (ii) **Election applies to all LTPT Employees.** The Top-Heavy Plan election under subsection (i) applies with respect to all LTPT Employees.

- (g) **Vesting.** An LTPT Employee is always fully vested in such LTPT Employee's Pre-Tax Deferral Account and Roth Deferral Account. If the Employer makes Employer Contributions or Matching Contributions on behalf of LTPT Employees, the following rules apply for purposes of determining the vested (i.e., nonforfeitable) interest of an LTPT Employee (or former LTPT Employee) in such Employee's Employer Contribution Account and Matching Contribution Account:

- (1) **Year of vesting service.** Each Vesting Computation Period during which an LTPT Employee (or former LTPT Employee) is credited with at least 500 Hours of Service is treated as a Year of Service for vesting purposes.
- (2) **Vesting Computation Periods.** Except for any Vesting Computation Period beginning before January 1, 2021, all Vesting Computation Periods with the Employer are taken into account for determining an LTPT Employee's vested percentage, except for periods the Employer excludes under AA §8-3. The Employer may elect under Elective Provision §S2-5(i) to include Vesting Computation Periods beginning before January 1, 2021 for determining an LTPT Employee's vested percentage.
- (3) **Break in Service rules.** For purposes of determining whether an LTPT Employee has a Break in Service (if the Employer applies the Break in Service rules), the definition of Break in Service is revised by substituting "at least 500 Hours of Service" for "more than 500 Hours of Service."
- (4) **Plan's other vesting rules apply.** Unless otherwise provided under this S2IA §4.03 or in the Adoption Agreement, the Plan's rules relating to vesting apply to LTPT Employees.

(h) **Other rules applicable to LTPT Employees.**

- (1) **Elapsed Time Method.** If the Plan uses the Elapsed Time Method for crediting eligibility service, no Employees are considered LTPT Employees and the rules under this S2IA §4.03 do not apply.
- (2) **Equivalency Methods.** The Plan may use the Equivalency Methods described under Section 2.03(a)(5) of the BPD for eligibility purposes and Section 7.05(a)(2) of the BPD for vesting purposes. A Plan may not prorate the applicable Equivalency Method hours for determining Years of Service for LTPT Employees (or former LTPT Employees).
- (3) **Catch-Up Contributions.** LTPT Employees may make Catch-Up Contributions if Catch-Up Contributions are permitted under the Plan.
- (4) **Roth Deferrals.** LTPT Employees may make Roth Deferrals if Roth Deferrals are permitted under the Plan, unless the Employer elects to prohibit LTPT Employees from making Roth Deferrals under Elective Provision §S2-5(e).
- (5) **After-Tax Employee Contributions.** LTPT Employees may make After-Tax Employee Contributions if After-Tax Employee Contributions are permitted under the Plan, unless the Employer elects to prohibit LTPT Employees from making After-Tax Employee Contributions under Elective Provision §S2-5(f).
- (6) **Rollover Contributions.** LTPT Employees may make Rollover Contributions if Rollover Contributions are permitted under the Plan, unless the Employer elects to prohibit LTPT Employees from making Rollover Contributions under Elective Provision §S2-5(g).
- (7) **Automatic Contribution Arrangements.** LTPT Employees are subject to the Plan's Automatic Contribution Arrangement provisions, unless the Employer elects otherwise under Elective Provision §S2-5(h).

- (8) **Plan's other rules apply.** Unless otherwise specifically provided under this S2IA §4.03, other provisions in the BPD or in the Adoption Agreement (including Eligible Employee class exclusions that are not a proxy for imposing an impermissible age or service requirement), the Plan's provisions apply to LTPT Employees. The Plan Administrator may apply the Plan's provisions to LTPT Employees consistent with a "good-faith" interpretation of the Plan's requirements.
- (i) **IRS guidance.** To the extent that the IRS issues additional guidance with respect to the requirements applicable to LTPT Employees, the Employer or Plan Administrator may administer the Plan consistent with such guidance.
- 4.04 De minimis immediate financial incentives for contributing to the Plan.** [Applies to all Plans with 401(k) provisions.] As provided under §113 of the SECURE 2.0 Act, Code §401(k)(4)(A) and applicable IRS guidance, effective for Plan Years beginning on or after December 30, 2022, the Employer may provide Employees with de minimis financial incentives (such as gift cards) to encourage such Employees to make Salary Deferrals into the Plan. The Employer may not pay for such de minimis financial incentives with Plan assets.
- 4.05 Starter 401(k) Salary Deferral-Only Plan.** [Applies to all Plans with 401(k) provisions, except the Governmental Plan and the Church Plan.] As provided under §121 of the SECURE 2.0 Act, effective for Plan Years beginning on or after January 1, 2024, an Eligible Employer, as defined in S2IA §4.05(e)(1) below, may designate in Elective Provision §S2-6 to treat the Plan as a Starter 401(k) Salary Deferral-Only Plan under Code §401(k)(16) with respect to Eligible Employees, as defined in S2IA §4.05(e)(2) below. A Starter 401(k) Salary Deferral-Only Plan is deemed to satisfy the ADP Test applicable to Code §401(k) plans. A Starter 401(k) Salary Deferral-Only Plan is subject to the automatic enrollment requirements under Code §414A for years on or after January 1, 2025. A Starter 401(k) Salary Deferral-Only Plan is subject to the requirements under this S2IA §4.05. A Starter 401(k) Salary-Deferral Only Plan is not subject to the Top-Heavy Plan rules of Code §416. An Eligible Employer adopting a Starter 401(k) Plan should complete the Adoption Agreement consistent with the requirements applicable to a Starter 401(k) Plan, as described under this S2IA §4.05.
- (a) **Automatic deferral.** The Employer will automatically withhold the "qualified percentage," as required under Code §401(k)(16), and as designated under the Adoption Agreement from each Eligible Employee's Plan Compensation, unless the Participant completes a Salary Reduction Agreement electing a different Salary Deferral amount (including a zero-Salary Deferral amount). The "qualified percentage" must be applied uniformly for all Eligible Employees and may not be less than 3 percent or more than 15 percent of Plan Compensation.
- (b) **Salary Deferrals only.** The only contributions that may be made to the Starter 401(k) Salary Deferral-Only Plan are Salary Deferrals. The Employer may not make any Employer Contributions or Matching Contributions to the Plan.
- (c) **Salary Deferral limitations.** The aggregate amount of Salary Deferrals that may be made on behalf of any Eligible Employee in any calendar year may not exceed \$6,000 (as adjusted for cost of living increases under Code §401(k)(16)(D)(iii)).
- (d) **Catch-Up Contribution limitation.** In the case of an Eligible Employee who has attained the age of 50 before the close of the taxable year, the limitation under (c) above shall be increased by the applicable amount determined under Code §219(b)(5)(B)(ii) (after the application of Code §219(b)(5)(C)(iii)).
- (e) **Definitions.**
- (1) **Eligible Employer.** An "Eligible Employer" with respect to this S2IA §4.05 is any Employer that may maintain a qualified plan under Code §401(a) but does not maintain such a qualified plan with respect to which contributions are made, or benefits are accrued, for service in the year for which the determination is being made. If only Employees other than Employees described in Code §410(b)(3)(A) are eligible to participate in such arrangement, then the preceding sentence shall be applied without regard to any qualified plan in which only Employees described in such subparagraph are eligible to participate. The Eligible Employer may utilize the relief provided under Code §408(p)(10).
- (2) **Eligible Employee.** An "Eligible Employee" with respect to this S2IA §4.05 is any Employee who meets the minimum age and service conditions under Code §410(a)(1). The Eligible Employer may elect to exclude from the definition of Eligible Employee any Employee described in Code §§410(b)(3) and (4).

4.06 Pension-Linked Emergency Savings Accounts (PLESAs). [Applies to all Plans with 401(k) provisions.] As provided under §127 of the SECURE 2.0 Act, effective for Plan Years beginning on or after January 1, 2024 and pursuant to Code §402A(e), the Plan may include a PLESA established pursuant to ERISA §801, which, except as otherwise provided in this S2IA §4.06, shall be treated as a Roth Deferral Account. The Plan may either offer to enroll an eligible participant in a PLESA or automatically enroll an eligible participant in a PLESA pursuant to an automatic contribution arrangement (described in S2IA §4.06(d) below). The Plan must separately account for contributions to the PLESA (and any earnings properly allocable to the contributions), maintain separate recordkeeping with respect to each PLESA, and allow withdrawals from the PLESA in accordance with distribution rules described in S2IA §4.06(h) below. The Employer may elect to establish a PLESA and make other related elections under Elective Provision §S2-7.

(a) **Eligible Participants.** For purposes of this S2IA §4.06, an eligible Participant means an individual, without regard to whether the individual otherwise participates in the Plan, who meets any age, service, and other eligibility requirements of the Plan and is not a Highly Compensated Employee. An eligible Participant on whose behalf a PLESA is established who thereafter becomes a Highly Compensated Employee may not make further contributions to the PLESA but retains the right to withdraw any Account Balance in accordance with the rules in Code §§402A(e)(7) and (8).

(b) **Contribution limitations.** The Plan will not accept contributions to a PLESA to the extent such contribution would cause the portion of the PLESA Account Balance attributable to Participant contributions to exceed the lesser of (i) \$2,500 (as indexed) or (ii) an amount elected by the Employer under Elective Provision §S2-7(b). In applying the PLESA \$2,500 contribution limits, a Plan may administratively use an “exclusion approach” (under which the Plan would cap Participant contributions at \$2,500, with earnings excluded from the calculation of the limitation) or an “inclusion approach” (under which the Plan considers the entire PLESA Account Balance (including contributions and earnings) in applying the \$2,500 limit).

The Plan does not impose a minimum requirement on the amount required to open a PLESA or a minimum balance to be maintained in a PLESA. However, the Plan’s administrative procedures may require that PLESA contributions be made in whole dollars. The Plan’s administrative procedures also may require that percentage-based contributions be no less than one percent (1%) or be made in whole percent increments if such requirements are applied uniformly to other Participant contributions to the plan and Participants are allowed to elect to have contributions made in whole dollar amounts as an alternative.

(c) **Excess PLESA contributions.** To the extent any contribution to the PLESA of a Participant for a taxable year would exceed the limitation of S2IA §4.06(b) in the case of an eligible Participant with another Roth Deferral Account under the Plan, the Plan may provide under a Salary Reduction Agreement or administrative procedures that the Participant may elect to increase the Participant’s contribution to such other account, or, in the absence of such a Participant election, deem the Participant to have elected to increase the Participant’s contributions to such account at the rate at which contributions were being made to the PLESA. In any other case, the Plan will not accept any excess PLESA contributions.

(d) **PLESA automatic contribution arrangement.** For purposes of this S2IA §4.06, a PLESA automatic contribution arrangement is an arrangement under which an eligible Participant is treated as having elected to have the Employer make Salary Deferrals to a PLESA at a Participant contribution rate that is not more than 3 percent of Plan Compensation of the eligible Participant, unless the eligible Participant, at any time (subject to such reasonable advance notice as is required by the plan administrator), affirmatively elects to make contributions at a different rate, or to opt out of such contributions. The Employer may elect the PLESA contribution rate under Elective Provision §S2-7(b). The Employer may amend the PLESA Contribution rate prior to the Plan Year for which such amendment would take effect) but not more than once annually.

(e) **Investment of PLESA contributions.** The Plan will hold PLESA contributions as cash, in an interest-bearing deposit account, or in an investment product designed to maintain over the term of the investment the dollar value that is equal to the amount invested in the product and preserve principal and provide a reasonable rate of return, whether or not such return is guaranteed, consistent with the need for liquidity. The investment product also must be offered by a state-regulated or federally-regulated financial institution.

(f) **Disclosures by Plan Administrator.**

(1) In general. The Plan Administrator, not less than 30 days and not more than 90 days prior to the date of the first contribution to the PLESA, including any contribution under a PLESA automatic contribution arrangement, or the date of any adjustment to the Participant contribution rate, and not less than annually thereafter, shall furnish to the Participant a notice describing:

- (i) the purpose of the PLESA, which is for short-term, emergency savings;
- (ii) the limits on, and tax treatment of, contributions to the PLESA of the Participant;
- (iii) any fees, expenses, restrictions, or charges associated with such PLESA;
- (iv) procedures for electing to make contributions or opting out of the PLESA, changing Participant

- contribution rates for such PLESA, and making Participant withdrawals from such PLESA, including any limits on frequency;
- (v) the amount of the intended contribution or the change in the percentage of the Plan Compensation of the Participant of such contribution, if applicable;
 - (vi) the amount in the PLESA and the amount or percentage of Plan Compensation that a Participant has contributed to such account;
 - (vii) the designated investment option under ERISA §801(c)(1)(A)(iii) for amounts contributed to the PLESA;
 - (viii) the options under ERISA §801(e) for the Account Balance of the PLESA after termination from employment of the Participant; and
 - (ix) the ability of a Participant who becomes a Highly Compensated Employee to withdraw any Account Balance from a PLESA and the restriction on the ability of such a Participant to make further contributions to the PLESA.
- (2) **Notice requirements.** The notice furnished to a Participant under S2IA §4.06(f)(1) shall be sufficiently accurate and comprehensive to apprise the Participant of the rights and obligations of the Participant with regard to the PLESA of the Participant and be written in a manner calculated to be understood by the average Participant. The notice may be consolidated with other notices as allowed under ERISA or IRS guidance.
- (g) **Matching Contribution requirements.** If the Employer makes any Matching Contributions to the Plan of which a PLESA is part, subject to the limitations of S2IA §4.06(b) above, the Employer shall make Matching Contributions on behalf of an eligible Participant on account of the Participant's contributions to the PLESA at the same rate as any other Matching Contribution on account of a Salary Deferral by such Participant. The Matching Contributions shall be made to the Participant's account under the Plan which is not the PLESA. Such Matching contributions on account of contributions to the PLESA shall not exceed the maximum Account Balance under S2IA §4.06(b) for such Plan Year.
- (h) **Distributions.**
- (1) **In general.** A Participant may withdraw amounts in such Participant's PLESA, in whole or in part at the discretion of the Participant, at least once per calendar month. The Plan shall distribute such withdrawal amount as soon as practicable after the date on which the Participant elects to make such withdrawal.
 - (2) **Treatment of distributions.** Any distribution from a PLESA account in accordance with subsection (1) shall be treated as a qualified distribution for purposes of Code §402(A)(d), and shall be treated as meeting the requirements of Code §§401(k)(2)(B)(i), 403(b)(7)(A)(i), 403(b)(11), and 457(d)(1)(A), as applicable.
 - (3) **Imposition of fees.** The Plan may not assess any fees or charges, direct or indirect, solely on the basis of a withdrawal of funds from the PLESA for the first four withdrawals in a Plan Year. However, the Plan may assess reasonable fees or charges in connection with any subsequent withdrawals. The Plan may charge reasonable fees, expenses, or other charges associated with administration of the PLESA, including imposing such fees, expenses or other charges against Participant Accounts.
 - (4) **Exemption from 10% additional tax.** PLESA distributions are includible in gross income, but are not subject to the 10% additional tax under Code §72(t)(1).
- (i) **Terminations and Transfers.** Upon the termination of employment of the Participant, or termination by the Employer of the PLESA, the Employer or Plan Administrator may elect to transfer such Participant's PLESA balance, in whole or in part, into another Roth Deferral Account of the Participant under the Plan; and, for any amounts in such PLESA not transferred, make such amounts available within a reasonable time to the Participant. No amounts shall be transferred by the Participant from another account of the Participant under any plan of the Employer into the PLESA of the Participant.
- (j) **Coordination with distributions of Excess Deferrals.** If any Excess Deferrals are distributed to a Participant under the Plan, such amounts shall be distributed first from any PLESA of the Participant to the extent contributions were made to such account for the taxable year.
- (k) **Treatment of PLESA Account Balances.** A distribution from a PLESA shall not be treated as an Eligible Rollover Distribution for purposes of Code §§401(a)(31), 402(f), and 3405. However, in the case of the termination of employment of the Participant, or termination by the Employer of the PLESA, except for purposes of Code §401(a)(31)(B), a distribution from a PLESA which the Participant elects to transfer, in whole or in part, into another Roth Deferral Account of the Participant under the Plan shall be treated as an Eligible Rollover Distribution.
- (l) **Cessation of PLESA.** Notwithstanding Code §411(d)(6), the Employer may cease to offer the PLESA under the Plan any time.

- (m) **Anti-abuse rules.** The Plan may employ reasonable procedures to limit the frequency or amount of Matching Contributions with respect to contributions to such account, solely to the extent necessary to prevent manipulation of the rules of the Plan to cause Matching Contributions to exceed the intended amounts or frequency, and shall not be required to suspend Matching Contributions following any Participant withdrawal of contributions, including Salary Deferrals and After-Tax Employee Contributions, whether or not matched and whether or not made pursuant to a PLESA automatic contribution arrangement.
- (n) **Administrative procedures.** The Employer and Plan Administrator may develop administrative procedures, consistent with the statutory requirements under Code §414A(e) and ERISA §801, to assist in providing PLESA's under the Plan.

4.07 SIMPLE 401(k) Plans. [Applies to the DC Plan if used as a SIMPLE 401(k) Plan. New SIMPLE 401(k) Plans must also complete AA §6A-10.] Effective for taxable years beginning after December 31, 2023, Section 6.05 of the BPD is replaced by this S2IA §4.07. [Note: If no elections are made under Elective Provision §S2-8 relating to SIMPLE 401(k) Plans, the current elections in the Adoption Agreement will remain in effect, subject to the increased limits described under subsections (b) and (c) below.]

The Employer may designate in Elective Provision §S2-8 to treat the Plan as a SIMPLE 401(k) Plan under Code §401(k)(11). To treat the Plan as a SIMPLE 401(k) Plan for a Plan Year, the Employer must be an Eligible Employer (as defined in subsection (a)(1) below) and no contributions may be made, or benefits accrued, for services during the calendar year, on behalf of any Eligible Employee under any other plan, contract, pension, or trust described in Code §219(g)(5)(A) or (B), maintained by the Employer. If the Plan is designated as a SIMPLE 401(k) Plan, the provisions of this S2IA §4.07 will apply even if inconsistent with any other provisions under the Plan.

(a) **Definitions.**

- (1) **Eligible Employer.** An Eligible Employer means, with respect to any calendar year, an Employer that had no more than 100 employees who received at least \$5,000 of SIMPLE Compensation from the Employer for the preceding calendar year. In applying the preceding sentence, all Employees of Related Employers and Leased Employees are taken into account. See S2IA §4.07(b) and (c) for contribution rules that apply depending on whether the Employer employs 25 or fewer Employees or more than 25 Employees. See the rules set forth in Q&A B-1 of IRS Notice 98-4 for purposes of calculating the number of Employees.

An Eligible Employer that elects to have the SIMPLE 401(k) Plan provisions apply to the Plan and that fails to be an Eligible Employer for any subsequent calendar year is treated as an Eligible Employer for the 2 calendar years following the last calendar year the Employer was an Eligible Employer. If the failure is due to any acquisition, disposition, or similar transaction involving an Eligible Employer, the preceding sentence applies only if the provisions of Code §410(b)(6)(C)(i) are satisfied.

- (2) **Eligible Employee.** An Eligible Employee means, for purposes of the SIMPLE 401(k) Plan provisions, any Employee who is entitled to make Salary Deferrals under the terms of the Plan.
- (3) **SIMPLE 401(k) Compensation.** SIMPLE 401(k) Compensation for purposes of this S2IA §4.07 means the sum of wages, tips, and other compensation from the Eligible Employer subject to federal income tax withholding (as described in Code §6051(a)(3)) and the Employee's Salary Deferrals made under any other plan, and if applicable, Elective Deferrals under a SIMPLE IRA (as defined under Code §408(p), a SARSEP (as defined in Code §408(a)(6), or a plan or contract that satisfies the requirements of Code §403(b), and compensation deferred under a Code §457 plan, required to be reported by the employer on Form W-2 (as described in Code §6051(a)(8)). For self-employed individuals, SIMPLE 401(k) Compensation means net earnings from self-employment determined under Code §1402(a) prior to subtracting any contributions made under the SIMPLE 401(k) plan on behalf of the individual. Compensation also includes amounts paid for domestic service (as described in Code §3401(a)(3)). SIMPLE 401(k) Compensation taken into account under the Plan is subject to the Compensation Limit.

- (b) **SIMPLE 401(k) Plan Contributions for Employers with 25 or fewer Employees.** The following SIMPLE 401(k) Plan contribution rules apply to Employers with 25 or fewer Employees who received at least \$5,000 of compensation for the preceding year. (See IRS Notice 2024-2 for guidance on the application of these rules.)

- (1) **Salary Deferrals.** Effective for taxable years beginning on or after January 1, 2024, the otherwise applicable Salary Deferral limit is automatically increased by 10%. No Employer election is necessary to implement the increased limits.

Each Eligible Employee may make Salary Deferrals in an amount not to exceed \$18,100 for 2026. The Salary Deferral limit will be adjusted for cost-of-living increases under Code §408(p)(2)(E). Any such adjustments will be in multiples of \$500.

- (2) **SIMPLE 401(k) Catch-Up Contributions.** The amount of an Employee's Salary Deferrals permitted for a calendar year is increased for Employees aged 50 or over by the end of the calendar year by the amount of allowable SIMPLE 401(k) Catch-up Contributions. Effective for taxable years beginning on or after January 1,

2024, the otherwise applicable limit on SIMPLE 401(k) Catch-up Contribution at age 50 (adjusted for COLAs) is automatically increased by 10%. The allowable SIMPLE 401(k) Catch-up Contribution is \$4,000 for 2026. The SIMPLE 401(k) Catch-up Contribution limit will be adjusted for cost-of-living increases under Code §414(v)(2)(C). No Employer election is necessary to implement the increased limits. Any such adjustments will be in multiples of \$500. SIMPLE 401(k) Catch-up Contributions are otherwise treated the same as other Salary Deferrals.

Effective for calendar years beginning on or after January 1, 2025, the Plan's Catch-Up Contribution Limit increases to the greater of \$5,000 (as adjusted for cost of living changes under Code §414(v)(2)(C)) or 150% of the regular Catch-Up Contribution Limit starting in the 2025 calendar year for Participants who have attained ages 60 - 63 by the end of the Participant's taxable year, as provided under Code §414(v)(2)(E) (higher Catch-Up Contribution Limit). The higher Catch-Up Contribution Limit for 2026 is \$5,250. The Employer may operationally limit Catch-Up Contributions so that a Participant's total Catch-Up Contributions, when added to other Salary Deferrals, may not exceed 75 percent of the Participant's Plan Compensation for the taxable year. The Employer may elect to not permit this higher Catch-Up Contribution under the Elective Provision §S2-4.

- (3) **Matching Contributions.** Each calendar year, the Employer will contribute a Matching Contribution to the Plan on behalf of each Employee who makes Salary Deferrals. The amount of the Matching Contribution will be equal to the Employee's Salary Deferrals up to a limit of 3 percent of the Employee's SIMPLE Compensation for the full calendar year.
- (4) **Employer Contributions.** For any calendar year, in lieu of a Matching Contribution as described in (3) above, the Employer may elect to contribute an Employer Contribution of 2 percent of SIMPLE Compensation for the full calendar year for each Eligible Employee who received at least \$5,000 of SIMPLE 401(k) Compensation for the calendar year.

Effective for taxable years beginning after December 31, 2023, the Employer may make additional discretionary Employer Contributions for each Eligible Employee in a uniform manner, provided that such Employer Contribution may not exceed the lesser of up to 10% of compensation or \$5,000 (indexed for inflation). The Employer may elect under Elective Provision §S2-8(c) to make the additional Employer Contribution as a fixed contribution to the Plan.

- (5) **Rollover Contributions.** The SIMPLE 401(k) Plan may accept Rollover Contributions as allowed under Treas. Reg. §1.402(c)-2, Q&A-1(a).
 - (6) **Code §415 limits apply.** The Code §415 limits described under Section 5.03 of the BPD apply to SIMPLE 401(k) Plans.
- (c) **SIMPLE 401(k) Plan Contributions for Employers with more than 25 Employees.** The following SIMPLE 401(k) Plan contribution rules apply to Employers with more than 25 Employees who received at least \$5,000 of compensation for the preceding year. (See IRS Notice 2024-2 for guidance on the application of these rules.)

- (1) **Salary Deferrals.** Each Eligible Employee may make Salary Deferrals in an amount not to exceed \$17,000 for 2026. The Salary Deferral limit will be adjusted for cost-of-living increases under Code §408(p)(2)(E). Any such adjustments will be in multiples of \$500.

Effective for taxable years beginning on or after January 1, 2024, the otherwise applicable Salary Deferral limit is automatically increased by 10%, if the Employer elects to either provide for a 4% Matching Contribution or a 3% Employer contribution under Elective Provision §S2-8(d). If applicable, the increased Salary Deferral limit is \$18,100 for 2026.

- (2) **SIMPLE 401(k) Catch-Up Contributions.** The amount of an Employee's Salary Deferrals permitted for a calendar year is increased for Employees aged 50 or over by the end of the calendar year by the amount of allowable SIMPLE 401(k) Catch-up Contributions. The allowable SIMPLE 401(k) Catch-up Contribution is \$4,000 for 2026. The SIMPLE 401(k) Catch-up Contribution limit will be adjusted for cost-of-living increases under Code §414(v)(2)(C). Any such adjustments will be in multiples of \$500. SIMPLE 401(k) Catch-up Contributions are otherwise treated the same as other Salary Deferrals.

Effective for taxable years beginning on or after January 1, 2024, the otherwise applicable limit on SIMPLE 401(k) Catch-Up Contribution at age 50 (adjusted for COLAs) is automatically increased by 10% if the Employer elects to either provide for a 4% Matching Contribution or a 3% Employer Contribution under Elective Provision §S2-8(d). This election will continue to apply unless revoked by the Employer. If applicable, the increased Catch-Up Contribution limit is \$3,850 for 2026.

Effective for calendar years beginning on or after January 1, 2025, the Plan's Catch-Up Contribution Limit increases to the greater of \$5,000 (as adjusted for cost of living changes under Code §414(v)(2)(C)) or 150% of the regular Catch-Up Contribution Limit starting in the 2025 calendar year for Participants who have attained ages 60 - 63 by the end of the Participant's taxable year, as provided under Code §414(v)(2)(E) (higher Catch-Up

Contribution Limit). The higher Catch-Up Contribution Limit for 2026 is \$5,250. The Employer may operationally limit Catch-Up Contributions so that a Participant's total Catch-Up Contributions, when added to other Salary Deferrals, may not exceed 75 percent of the Participant's Plan Compensation for the taxable year. The Employer may elect to not permit this higher Catch-Up Contribution under the Elective Provision §S2-4.

- (3) **Matching Contributions.** Each calendar year, the Employer will contribute a Matching Contribution to the Plan on behalf of each Employee who makes Salary Deferrals. The amount of the Matching Contribution will be equal to the Employee's Salary Deferrals up to a limit of 3 percent of the Employee's SIMPLE Compensation for the full calendar year (or 4 percent of the Employee's SIMPLE Compensation for the full calendar year, if the Employer elects to allow for the increased limits as described in (1) and (2) above). This election will continue to apply unless revoked by the Employer.
- (4) **Employer Contributions.** For any calendar year, in lieu of a Matching Contribution as described in (3) above, the Employer may elect to contribute an Employer Contribution of 2 percent of SIMPLE Compensation for the full calendar year for each Eligible Employee who received at least \$5,000 of SIMPLE Compensation for the calendar year (or 3 percent of SIMPLE Compensation for the full calendar year, if the Employer elects to allow for the increased limits as described in (1) and (2) above).

Effective for taxable years beginning on or after January 1, 2024, the Employer may make additional discretionary Employer Contributions for each Eligible Employee in a uniform manner, provided that such Employer Contribution may not exceed the lesser of up to 10% of compensation or \$5,000 (indexed for inflation). The Employer may elect under Elective Provision §S2-8(c) to make the additional Employer Contribution as a fixed contribution to the Plan.

- (5) **Rollover Contributions.** The SIMPLE 401(k) Plan may accept Rollover Contributions as allowed under Treas. Reg. §1.402(c)-2, Q&A-1(a).
- (6) **Code §415 limits apply.** The Code §415 limits described under Section 5.03 of the BPD apply to SIMPLE 401(k) Plans.
- (d) **Election and notice requirements.**
 - (1) **Election period.**
 - (i) In addition to any other election periods provided under the Plan, each Eligible Employee may make or modify Salary Reduction Agreements during the 60-day period immediately preceding each January 1.
 - (ii) For the calendar year an Employee becomes eligible to make Salary Deferrals under the SIMPLE 401(k) provisions, the 60-day election period requirement under subsection (i) is deemed satisfied if the Employee may make or modify a Salary Reduction Agreement during a 60-day period that includes either the date the Employee becomes eligible or the day before.
 - (iii) Each Employee may terminate a Salary Reduction Agreement at any time during the calendar year.
 - (2) **Notice requirements.**
 - (i) The Employer will notify each Eligible Employee prior to the 60-day election period described in subsection (1) that such Employee can make a Salary Reduction Agreement or modify a prior election during that period.
 - (ii) The notification described in subsection (i) will indicate whether the Employer will provide a 3 percent Matching Contribution described in subsection (b)(3) or a 2 percent Employer Contribution described in subsection (b)(4).
 - (iii) If the Employer employs more than 25 Employees and wishes to increase the limits on Salary Deferrals and SIMPLE 401(k) Catch-Up Contributions as described in S2IA §§4.07(c)(1) and (2) above, the Employer also must notify Employees of the increased Matching Contribution or increased Employer Contribution.
- (e) **Vesting requirements.** All contributions made to the SIMPLE 401(k) Plan are fully vested at all times., and all previous contributions made under the Plan are fully vested as of the beginning of the calendar year the SIMPLE 401(k) provisions apply.
- (f) **Top-Heavy Plan rules.** The Plan is not treated as a Top-Heavy Plan under Code §416 for any calendar year for which this S2IA §4.07 applies.
- (g) **Nondiscrimination tests.** The ADP and ACP Tests described in Sections 6.01 and 6.02 of the BPD are treated as satisfied for any calendar year for which this S2IA §4.07 applies.

- 4.08 Retroactive first year Salary Deferrals for sole proprietors. [Applies to all Plans with 401(k) provisions, except the Governmental Plan and the Church Plan.]** In the case of an individual who owns the entire interest in an unincorporated trade or business, and who is the only Employee of such trade or business, any Salary Deferrals under the Plan, which are made by such individual before the time for filing the tax return of such individual for the taxable year (determined without regard to any extensions) ending after or with the end of the Plan's first Plan Year, shall be treated as having been made before the end of such first Plan Year. This provision allows such sole proprietor to adopt a 401(k) plan and make Salary Deferrals retroactive to the preceding Plan Year. The sole proprietor will reflect the retroactive adoption of the 401(k) plan by designating the applicable effective date for the Plan under Elective Provision §S2-9. Such sole proprietor may designate the Plan Year for which Salary Deferrals apply.
- 4.09 Proration of Elective Deferral Dollar Limit for Safe Harbor 401(k) Plan replacing SIMPLE IRA plan. [Applies to all Plans with 401(k) provisions, except the Owners Only (Solo k) Plan, the Governmental Plan and the Church Plan.]** Effective for Plan Years beginning on or after January 1, 2024, if this Plan is a Safe Harbor 401(k) Plan that replaces a SIMPLE IRA plan during a Plan Year, the total amount that a Participant may contribute for such Plan Year as Elective Deferrals to this Plan combined with the Elective Deferrals and Catch-up Contributions made to the terminated SIMPLE IRA plan may not exceed the weighted average of the applicable Elective Deferral limits for each of those plans over the number of days in the transition year during which each plan was in effect. Thus, the total amount that may be contributed as Elective Deferrals to a Safe Harbor 401(k) Plan is equal to:
- (a) The Elective Deferral Dollar Limit on Elective Deferrals under the SIMPLE IRA plan for the year (taking into account Catch-Up Contributions, multiplied by a fraction equal to the number of days the SIMPLE IRA plan was in effect for that year divided by 365, plus
 - (b) The Elective Deferral Dollar Limits under the Safe Harbor 401(k) Plan for the year under Code §402(g), multiplied by a fraction equal to the number of days the Safe Harbor 401(k) Plan was in effect for that year divided by 365, minus
 - (c) Any Elective Deferrals made under the SIMPLE IRA plan for the year.

ARTICLE V PROVISIONS RELATED TO MATCHING CONTRIBUTIONS

- 5.01 Optional treatment of Matching Contributions as Designated Roth Matching Contributions. [Applies to all Plans with 401(k) provisions.]** As provided under Code §402A(a)(2) and §604 of the SECURE 2.0 Act and effective for Matching Contributions made on or after December 30, 2022, if elected by the Employer under Elective Provision §S2-10, a Participant may elect to treat a nonforfeitable Matching Contribution as a Designated Roth Matching Contribution, as defined under IRS Notice 2024-2. The Plan Administrator may adopt administrative procedures consistent with Code §402A(a)(2), IRS Notice 2024-2, Q&As L-1 through L-11, or other IRS guidance.
- (a) **Roth Deferral rules generally apply.** Rules similar to the requirements under Treas. Reg. §1.401(k)-1(f) (other than Treas. Reg. §§1.401(k)-1(f)(4)(i) and (6)) apply to Designated Roth Matching Contributions. Contribution and distribution restrictions applicable to Roth Deferrals do not apply to Designated Roth Matching Contributions.
 - (b) **Taxable year of inclusion.** A Designated Roth Matching Contribution is includible in a Participant's gross income for the taxable year in which the contribution is allocated to the Participant's Account (even if the Designated Roth Matching Contribution is deemed to have been made on the last day of the prior taxable year of the Employer under Code §404(a)(6)).
 - (c) **Matching Contribution must be fully vested.** A Matching Contribution may be designated as a Designated Roth Matching Contribution only if the Participant is fully vested in Matching Contributions at the time the contribution is allocated to the Participant's Account. As provided under IRS Notice 2024-2, Q&A L-4, the Plan will not be treated as failing to satisfy Code §401(a)(4) as applicable to rights and features merely because of this requirement.
 - (d) **Designated Roth Matching Contributions not treated as wages.** Designated Roth Matching Contributions that are made to the Plan are excluded from wages under Code §3401(a) (withholding wages), under Code §§3121(a)(5)(A) and (B) (FICA wages) and under Code §§3306(b)(5)(A) and (B) (FUTA wages).
 - (e) **Designated Roth Matching Contributions not included in safe harbor definition of Plan Compensation.** Designated Roth Matching Contributions that are made to the Plan are not included under any safe harbor definition of Plan Compensation under the Plan.
- 5.02 Treatment of Qualified Student Loan Payments as Salary Deferrals for purposes of Matching Contributions. [Applies to all Plans with 401(k) provisions.]** As provided under §110 of the SECURE 2.0 Act, effective for Plan Years beginning on or after January 1, 2024, the Plan may elect under Elective Provision §S2-11 to treat Qualified Student Loan Payments as Salary Deferrals (or After-Tax Employee Contributions, if applicable) for purposes of Matching Contributions. The Employer may use IRS Notice 2024-63 in applying the Qualified Student Loan Payment rules under the Plan.

- (a) **Conditions.** The Plan may only treat Qualified Student Loan Payments as Salary Deferrals (or After-Tax Employee Contributions, if applicable) for purposes of Matching Contributions if:
- (1) the Plan provides Matching Contributions on account of Salary Deferrals (or After-Tax Employee Contributions, if applicable) at the same rate as Matching Contributions on account of Qualified Student Loan Payments;
 - (2) the Plan provides Matching Contributions on account of Qualified Student Loan Payments only on behalf of Employees otherwise eligible to receive Matching Contributions on account of Salary Deferrals (or After-Tax Employee Contributions, if applicable);
 - (3) all Employees eligible to receive Matching Contributions on account of Salary Deferrals (or After-Tax Employee Contributions, if applicable) are eligible to receive Matching Contributions on account of Qualified Student Loan Payments; and
 - (4) the Plan provides that Matching Contributions on account of Qualified Student Loan Payments vest in the same manner as Matching Contributions on account of Salary Deferrals (or After-Tax Employee Contributions, if applicable).
- (b) **Definitions.**
- (1) **Qualified Student Loan Payment.** A payment made by an Eligible Employee in repayment of a Qualified Education Loan (as defined in Code §221(d)(1)) incurred by such Employee to pay Qualified Higher Education Expenses, but only to the extent such payments in the aggregate for the year do not exceed an amount equal to the Elective Deferral Dollar Limit under Section 5.02 of the BPD for the year, reduced by the Salary Deferrals made by the Employee for such year.
 - (2) **Qualified Higher Education Expenses.** The cost of attendance (as defined in §472 of the Higher Education Act of 1965, as in effect on the day before the date of the enactment of the Taxpayer Relief Act of 1997) at an Eligible Educational Institution (as defined in Code §221(d)(2)). Qualified Higher Education Expenses may be incurred on behalf of the Eligible Employee, the Eligible Employee's Spouse or any dependent of the Eligible Employee as of the time the indebtedness was incurred.
- (c) **Special rules relating to the treatment of Qualified Student Loan Payments as Salary Deferrals for purposes of Matching Contributions.**
- (1) **Employee certification.** The Employee must certify annually that such Employee has made Qualified Student Loan Payments and the amount of such payments. The Employer may rely on such Employee certification. The Employee certification must include (i) the amount of the loan payment; (ii) the date of the loan payment; (iii) that the payment was made by the Participant; (iv) that the loan being repaid is a Qualified Education Loan and was used to pay for qualified higher education expenses of the Participant, the Participant's Spouse, or the Participant's dependent; and (v) that the loan was incurred by the Participant. The Employer may use the certification methods described under IRS Notice 2024-63.
 - (2) **Nondiscrimination and coverage rules.** For purposes of Code §§401(a)(4) and 410(b), Matching Contributions described in this S2IA §5.02 shall not fail to be treated as available to an Employee solely because such Employee does not have debt incurred under a Qualified Education Loan.
 - (3) **Treatment as a Plan contribution.** A Qualified Student Loan Payment generally shall not be treated as a contribution to the Plan. However, the Plan may treat a Qualified Student Loan Payment as a Salary Deferral (or After-Tax Employee Contribution, if appropriate) for purposes of requirements of Code §§401(m)(11)(B), 401(m)(12), or 401(m)(13).
 - (4) **Reasonable administrative procedures.** The Employer or Plan Administrator may establish any reasonable administrative procedures, including establishing a reasonable claim deadline, to implement the Qualified Student Loan Payments feature under this S2IA §5.02.
 - (5) **Allocation of Matching Contribution attributable to Qualified Student Loan Payments.** The Plan may allocate Matching Contributions attributable to Qualified Student Loan Payments on an annual or more frequent basis. Such allocations may differ from the frequency of allocations for other Matching Contributions.

5.03 Federal saver's matching contributions. [Applies to all Plans with 401(k) provisions. Note, an Owners Only (Solo k) Plan may accept federal saver's matching contributions to the extent allowed under applicable IRS guidance.] Pursuant to Code §6433 and §103 of the SECURE 2.0 Act, effective no earlier than for calendar years beginning on or after January 1, 2027, if elected under Elective Provision §S2-12, the Plan may accept on behalf of an eligible Participant a federal saver's matching contribution. Neither the Employer nor Plan Administrator has a responsibility for determining whether a Participant is entitled to receive a federal saver's matching contribution. The Plan shall not be treated as violating any requirement under Code §401(a) solely by reason of accepting such federal saver's matching contribution.

- (a) **Treatment of federal saver's matching contribution.** The Plan shall treat a federal saver's matching contribution as a Salary Deferral by the Participant under the Plan. However, such federal saver's matching contribution will not be taken into account with respect to any limitation under Code §§402(g)(1), 403(b), 414(v)(2), or 415(c) and shall be disregarded for purposes of Code §401(a)(4).
- (b) **Distribution of erroneous federal saver's matching contribution.** Notwithstanding any distribution restrictions or other requirements of Code §401(a) under the Plan, the Plan Administrator may distribute amounts attributable to a federal saver's matching contribution which is determined to be an erroneous federal saver's matching contribution.
- (c) **Administrative procedures.** The Employer and/or the Plan Administrator may develop procedures to assist in administering the receipt and retention of federal saver's matching contributions. Such procedures shall be consistent with the requirements under Code §6433 and IRS guidance as applicable to the Plan.

ARTICLE VI PROVISIONS RELATED TO DISTRIBUTIONS

- 6.01 Dollar limitations for Involuntary Cash-Out Distributions and other \$5,000 thresholds. [Applies to all Plans.]** As provided under §304 of the SECURE 2.0 Act, effective for distributions made on or after January 1, 2024 (or as soon as administratively feasible after such date), the Involuntary Cash-Out Distribution threshold and certain other thresholds under the Plan (as listed below) are increased from \$5,000 to \$7,000. The Employer may designate a threshold other than \$7,000 for purposes of Involuntary Cash-Out Distributions in Elective Provision §S2-13(d) or under separate administrative procedures.
- (a) **Basic Plan Document (BPD) References to \$5,000 increased to \$7,000.** For purposes of the following BPD sections, the \$5,000 threshold referenced in the section is increased to \$7,000:
[For Cycle 3 Defined Contribution Plan – BPD #01] Sections 3.03(f)(1)(iii); 8.04(a); 8.07(a) and (b); 8.08(b); 9.01(c); 13.08; and 14.03(b)(1).
[For Cycle 3 Owners Only Plan – BPD #02] Sections 6.04(a); and 6.07(a) and (b).
[For Cycle 3 Governmental Defined Contribution Plan – BPD #03] Sections 3.02(c)(2)(vi)(A)(III); 7.03(a); 7.06(a) and (b); and 7.07(b).
[For Cycle 3 ESOP Plan – BPD #04] Sections 8.04(a); 8.07(a) and (b); 8.08(b); 9.01(b); 13.08; and 14.03(b)(1).
[For Cycle 3 Church Plan – BPD #05] Sections 8.04(a); 8.07(a) and (b); and 8.08(b).
 - (b) **AA References to \$5,000 increased to \$7,000.** For purposes of the following Adoption Agreement sections, the \$5,000 threshold referenced in the section is increased to \$7,000:
[For Cycle 3 Defined Contribution Nonstandardized Plan – AA #01-001 and -002] Sections 9-3(a) and (b); and 9-6(a).
[For Cycle 3 Defined Contribution Standardized Plan – AA #01-003 and -004] Sections 9-3; 9-4; and 9-6(a).
[For Cycle 3 Governmental Defined Contribution Plan – AA #03-001 and -002] Sections 9-2(a), 9-3(a), (b) and (c).
[For Cycle 3 ESOP Plan – AA #04-001] Sections 9-3(a) and (b); and 9-6(a).
[For Cycle 3 Church Plan – AA #05-001 and -002] Sections 9-2(a)(1); 9-3(a) and (b); and 9-6(a).
- 6.02 Participant certification for Hardship distributions. [Applies to all Plans, except the Money Purchase Plan.]** As provided under §312 of the SECURE 2.0 Act, notwithstanding any other conditions for receiving a Hardship distribution under the Plan, effective for Plan Years beginning on or after December 30, 2022, the Plan Administrator may, but is not required to, rely on a written certification by a Participant that: (i) a requested Hardship distribution is on account of a financial need of a type which is deemed to be an immediate and heavy financial need; (ii) a requested Hardship is not in excess of the amount necessary to satisfy such financial need; and (iii) the Participant has no alternative means reasonably available to satisfy such financial need. The acceptance of a Participant's written certification is an administrative decision by the Plan Administrator.
- 6.03 Emergency Personal Expense Distributions. [Applies to all Plans, except the Money Purchase Plan.]** As provided under §115 of the SECURE 2.0 Act, effective for distributions made on or after January 1, 2024, the Plan may permit a Participant to receive an Emergency Personal Expense Distribution from the contribution sources as designated in Elective Provision §S2-14. An Emergency Personal Expense Distribution will meet the distribution requirements under Code §401(k). The Employer may use IRS Notice 2024-55 in applying the Emergency Personal Expense Distribution rules under the Plan.
- (a) **Definition of Emergency Personal Expense Distribution.** An Emergency Personal Expense Distribution (as defined

under Code §72(t)(2)(I)(iv)) is a distribution to an individual for purposes of meeting unforeseeable or immediate financial needs relating to necessary personal or family emergency expenses, subject to the limitations under (b) below. Whether an individual has an unforeseeable or immediate financial need relating to necessary personal or family emergency expenses is determined by the relevant facts and circumstances for each individual. Factors to be considered include, but are not limited to, whether the individual (or a family member of the individual) has expenses relating to:

- (1) medical care (including the cost of medicine or treatment that would be deductible under Code §213(d), determined without regard to the limitations in Code §213(a));
 - (2) accident or loss of property due to casualty;
 - (3) imminent foreclosure or eviction from a primary residence;
 - (4) the need to pay for burial or funeral expenses;
 - (5) auto repairs, or
 - (6) any other necessary emergency personal expenses.
- (b) **Limitations.** Emergency Personal Expense Distributions are subject to the following limitations, as provided under Code §72(t)(2)(I);
- (1) **Annual limitation.** A Participant may not receive more than one distribution per calendar year as an Emergency Personal Expense Distribution.
 - (2) **Dollar limitation.** The amount that a Participant may receive as Emergency Personal Expense Distribution in any calendar year may not exceed the lesser of \$1,000 or an amount equal to the excess of (I) the individual's total nonforfeitable Account Balance under the Plan, determined as of the date of each such distribution, over (II) \$1,000.
 - (3) **Aggregation of Emergency Personal Expense Distributions.** Emergency Personal Expense Distributions from all plans maintained by the Employer are aggregated for annual and dollar limitation purposes.
 - (4) **Limitation on subsequent Emergency Personal Expense Distributions.** If a distribution is treated as an emergency personal expense distribution, then no amount may be treated as such a distribution during the immediately following three (3) calendar years unless the previous Emergency Personal Expense Distribution is fully recontributed, or the aggregate of the Salary Deferrals and After-Tax Employee Contributions to the Plan subsequent to such previous Emergency Personal Expense Distribution is at least equal to the amount of such previous distribution which has not been recontributed.
- (c) **Self-certification of Emergency Personal Expense Distribution.** The Plan Administrator may reasonably rely on an Employee's written certification that the Employee satisfies the conditions for receiving an Emergency Personal Expense Distribution.
- (d) **Recontributions to applicable Eligible Retirement Plans.** A Participant who received one or more Emergency Personal Expense Distributions under the Plan is entitled to recontribute the distribution(s) (not to exceed the amount of the distributions) at any time during the 3-year period beginning on the day after the date on which such distribution was received if the Participant is eligible to make a rollover contribution to the Plan at the time of recontribution. A Participant who makes a recontribution to the Plan will be treated as having received the Emergency Personal Expense Distribution in an Eligible Rollover Distribution and as having transferred the amount to the Plan in a direct trustee-to-trustee transfer within 60 days of the distribution.
- (e) **Exemption from 10% additional tax.** An Emergency Personal Expense Distribution is includible in gross income, but it is not subject to the 10% additional tax under Code §72(t)(1).

6.04 Domestic Abuse Distributions. [Applies to all Plans, except the Money Purchase Plan.] As provided under §314 of the SECURE 2.0 Act, effective for distributions made on or after January 1, 2024, the Plan may permit a Participant to receive a Domestic Abuse Distribution from the contribution sources as designated in Elective Provision §S2-14(b). Domestic Abuse Distributions may not be made from the portion of any plan to which the qualified joint and survivor annuity rules of Code §§401(a)(11) and 417 apply. A Domestic Abuse Distribution will meet the distribution requirements under Code §401(k). The Employer may use IRS Notice 2024-55 in applying the Domestic Abuse Distribution rules under the Plan.

- (a) **Definition of Domestic Abuse Distribution.** A Domestic Abuse Distribution is a distribution to a Domestic Abuse victim which is made during the 1-year period beginning on any date on which the Participant is a victim of Domestic Abuse by a Spouse or domestic partner and that meets the following conditions and definitions.
 - (1) **Definition of Domestic Abuse.** Domestic abuse is physical, psychological, sexual, emotional, or economic abuse,

including efforts to control, isolate, humiliate, or intimidate the victim, or to undermine the victim's ability to reason independently, including by means of abuse of the victim's child or another family member living in the household.

- (2) **Limitation.** The aggregate amount which the Plan may treat as a Domestic Abuse Distribution to a Domestic Abuse victim shall not exceed an amount equal to the lesser of (i) \$10,000 (indexed for inflation), or (ii) 50 percent of the value of the nonforfeitable Account Balances of the Domestic Abuse victim under all plans of the Employer.
- (3) **Aggregation of Domestic Abuse Distributions.** Domestic Abuse Distributions from all plans maintained by the Employer, including any Related Employer, are aggregated for limitation purposes.
- (b) **Recontributions to applicable Eligible Retirement Plans.** Any portion of a Domestic Abuse Distribution may, at any time during the 3-year period beginning on the day after the date on which the Participant received such distribution, be recontributed to an applicable Eligible Retirement Plan to which an Eligible Rollover Distribution can be made. In the case of a recontribution made with respect to a Domestic Abuse Distribution, an individual is treated as having received the Domestic Abuse Distribution as an Eligible Rollover Distribution (as defined in Code §402(c)(4)) and as having transferred the amount to an applicable Eligible Retirement Plan in a direct trustee-to-trustee transfer within 60 days of the distribution.
- (c) **Other applicable rules.** The following rules apply to Domestic Abuse Distributions:
 - (1) A Domestic Abuse Distribution is includible in the Domestic Abuse victim's gross income, but it is not subject to the 10% additional tax under Code §72(t)(1).
 - (2) The Plan Administrator may rely on a Participant's written certification that the Employee satisfies the conditions of the preceding sentence in determining whether any distribution is a Domestic Abuse Victim Distribution.

6.05 Terminally Ill Individual Distributions. [Applies to all Plans, except the Money Purchase Plan.] *[Terminally Ill Individual Distributions are not available with respect to Salary Deferrals, Traditional Safe Harbor Contributions, QACA Safe Harbor Contributions, QNECs and QMACs, unless legislation amends Code §72(t)(2)(L) to allow a Terminally Ill Individual Distribution as a permissible distribution event under Code §401(k).]* The Employer may elect under Elective Provision §S2-14(d) to allow Terminally Ill Individual Distributions.

- (a) **Definition of Terminally Ill Individual Distribution.** A Terminally Ill Individual Distribution is any distribution from the Plan to a Participant who is a terminally ill individual that is made on or after the date on which the Participant has been certified by a physician as having a terminal illness. A terminally ill individual means an individual who has been certified by a physician as having an illness or physical condition that can reasonably be expected to result in death in 84 months or less after the date of the certification.
- (b) **Certification for a Terminally Ill Individual Distribution.** A certification of terminal illness from a physician must include the following:
 - (1) A statement that the individual's illness or physical condition can be reasonably expected to result in death in 84 months or less after the date of certification;
 - (2) A narrative description of the evidence that was used to support the statement of illness or physical condition;
 - (3) The name and contact information of the physician making the statement;
 - (4) The date the physician examined the individual or reviewed the evidence provided by the individual, and the date that the certification is signed by the physician; and
 - (5) The signature of the physician making the statement, and an attestation from the physician that, by signing the form, the physician confirms that the physician composed the narrative description based on the physician's examination of the individual or the physician's review of the evidence provided by the individual.
- (c) **Recontributions of Terminally Ill Individual Distributions.** A Participant who received a Terminally Ill Individual Distribution (including any other in-service distribution to a Participant who qualifies for a Terminally Ill Individual Distribution under the Plan), may recontribute the distribution(s) not to exceed the amount of the distribution(s) at any time during the 3-year period beginning on the day after the date on which such distribution was received if the Participant is eligible to make a Rollover Contribution to the Plan at the time of recontribution. The Plan Administrator may develop procedures and conditions for accepting recontributions of Terminally Ill Individual Distributions. A Participant who makes a recontribution to the Plan will be treated as having received the Terminally Ill Individual Distribution in an Eligible Rollover Distribution and as having transferred the amount to the Plan in a direct trustee-to-trustee transfer within 60 days of the distribution.
- (d) **Exemption from 10% additional tax.** A Terminally Ill Individual Distribution is includible in gross income, but it is not subject to the 10% additional tax under Code §72(t)(1).

6.06 Qualified Disaster Recovery Distributions and loans from the Plan. [Applies to all Plans, except the Money Purchase Plan.] This S2IA §6.06 incorporates §331 of the SECURE 2.0 Act relating to special disaster-related rules for retirement plans. The provisions of this S2IA §6.06 will apply only to the extent a distribution or loan has been made to a qualified individual as provided under the SECURE 2.0 Act. If the Plan does not operationally apply the rules under this S2IA §6.06, such provisions do not apply to the Plan. **The Plan Administrator must document under administrative procedures the operational application of this S2IA §6.06.** To the extent this S2IA §6.06 applies to the Plan, these provisions supersede any inconsistent provisions of the Plan or loan program.

(a) **Eligibility for Qualified Disaster Recovery Distribution.** A qualified individual (as determined under S2IA §6.06(a)(1)(i) below) may, if permitted by the Plan Administrator, take a Qualified Disaster Recovery Distribution without regard to certain distribution restrictions otherwise applicable under the Plan.

(1) **Definitions**

- (i) **Qualified Disaster Recovery Distribution.** A Qualified Disaster Recovery Distribution is a distribution made (1) on or after the first day of the Incident Period of the applicable Qualified Disaster and before 180 days after the Applicable Date with respect to such disaster, and (2) to an individual whose principal place of abode at any time during the incident period of such Qualified Disaster is located in the Qualified Disaster Area with respect to such Qualified Disaster and who has sustained an economic loss by reason of such Qualified Disaster (i.e., a qualified individual).
- (ii) **Qualified Disaster.** A Qualified Disaster is any disaster with respect to which a major disaster has been declared by the President under §401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act on or after December 28, 2020.
- (iii) **Qualified Disaster Area.** A Qualified Disaster Area is, with respect to any Qualified Disaster, the area with respect to which the major disaster was declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.
- (iv) **Incident Period.** The Incident Period is, with respect to any Qualified Disaster, the period specified by the Federal Emergency Management Agency as the period during which such disaster occurred.
- (v) **Applicable Date.** The Applicable Date is the latest of: (1) December 29, 2022; (2) the first day of the Incident Period with respect to the Qualified Disaster, or (3) the date of the disaster declaration with respect to the Qualified Disaster.

(2) **Limit on amount of Qualified Disaster Recovery Distributions.** The aggregate amount of Qualified Disaster Recovery Distributions received by an individual (from all plans maintained by the Employer, including any Related Employer) may not exceed \$22,000 with respect to the same Qualified Disaster.

(b) **Repayment of Qualified Disaster Recovery Distribution.** A Participant who received a Qualified Disaster Recovery Distribution from the Plan may, at any time during the 3-year period beginning on the day after the receipt of such distribution, make one or more Rollover Contributions to an Eligible Retirement Plan (including this Plan) in an aggregate amount that does not exceed the amount of such Qualified Disaster Recovery Distribution. This subsection (b) only applies if the Eligible Retirement Plan permits Rollover Contributions.

(c) **Recontributions of Withdrawals for Home Purchases.** As provided under Code §402(c)(13) as added by §331 of the SECURE 2.0 Act, a Participant who received a Qualified Disaster Distribution may make one or more Rollover Contributions to the Plan during the applicable period (as defined in Code §72(t)(8)(F)) in an aggregate amount not to exceed the amount of such Qualified Disaster Distribution. For this purpose, a Qualified Disaster Distribution is any Hardship distribution which (1) was to be used to purchase or construct a principal residence in a Qualified Disaster Area, but was not so used on account of the Qualified Disaster with respect to such area, and (2) was received during the period beginning on the date which is 180 days before the first day of the Incident Period of such Qualified Disaster and ending on the date which is 30 days after the last day of such Incident Period. This S2IA §6.06(c) only applies if the Plan permits Rollover Contributions.

(d) **Other applicable rules.** The following rules apply to Qualified Disaster Recovery Distributions:

- (1) A Qualified Disaster Recovery Distribution is includible in the Participant's gross income, but it is not subject to the 10% additional tax under Code §72(t)(1).
- (2) In making a determination whether an individual is eligible for a Qualified Disaster Recovery Distribution, the Employer or Plan Administrator is permitted to rely on reasonable representations from the individual, unless the Employer or Plan Administrator has actual knowledge to the contrary.

(e) **Special Loan Rules.** As provided under Code §72(p)(6) as added by §331(c) of the SECURE 2.0 Act, the Plan Administrator is authorized (but not required) to revise the applicable loan requirements under the Plan to reflect (1) and

(2) below.

- (1) **Increased Participant loan limits.** Notwithstanding the Participant loan limitations under the Plan, for purposes of determining the permissible Participant loans for qualified individuals during the applicable periods (as defined under Code §72(p)(6)(C)(ii)), the loan limit under Code §72(p)(2)(A) shall be applied by substituting “\$100,000” for “\$50,000” and the adequate security requirement under Code §72(p)(2)(A) (ii) may be applied using “the Participant’s vested Account Balance” rather than “one-half (½) of the Participant’s vested Account Balance.”
- (2) **Delayed loan repayment date.** If a qualified individual has an outstanding Participant loan on or after the qualified beginning date (as provided under Code §72(p)(6)(B)), and the due date for repayment of such loan occurs during the applicable period beginning on the qualified beginning date (as described under the applicable disaster relief law):
 - (i) the due date for repayment of the Participant loan shall be delayed for one year;
 - (ii) any subsequent repayments with respect to such loan shall be appropriately adjusted to reflect the delay in the due date under subsection (i) and any interest accruing during such delay; and
 - (iii) in determining the five-year period and the term of the loan under Code §72(p)(2)(B) and (C), the one-year delay period described in subsection (i) shall be disregarded.

6.07 Qualified Long-Term Care Distributions. [Applies to all Plans, except the Money Purchase Plan.] Pursuant to Code §401(a)(39) and §334 of the SECURE 2.0 Act, effective no earlier than for distributions made on or after December 30, 2025, if elected under Elective Provision §S2-14, the permissible in-service distribution events may include Qualified Long-Term Care Distributions. A Qualified Long-Term Care Distribution will meet the distribution requirements under Code §401(k).

- (a) **Definition of Qualified Long-Term Care Distribution.** A Qualified Long-Term Care Distribution is any distribution that is the least of the following:
 - (1) the amount paid by or assessed to the Employee receiving the distribution during the taxable year for certified long-term care insurance for the Employee, the Employee’s spouse or other family member of the Employee (as provided by the Secretary of the Treasury);
 - (2) an amount equal to 10% of the Employee’s vested Account Balance; or
 - (3) \$2,500 (adjusted for cost of living adjustments)
- (b) **Certified long-term care insurance.** Certified long-term care insurance is a qualified long-term care insurance contract (as defined in Code §7702B(b)) covering qualified long-term care services (as defined in Code §7702B(c)), coverage of the risk that an insured individual would become a chronically ill individual (within the meaning of Code §101(g)(4)(B)) under a rider or other provision of a life insurance contract which satisfies the requirements of Code §101(g)(3) (determined without regard to subparagraph (D) thereof), or coverage of qualified long-term care services (as so defined) under a rider or other provision of an insurance or annuity contract which is treated as a separate contract under Code §7702B(e) and satisfies the requirements of Code §7702B(g), if such coverage provides meaningful financial assistance in the event the insured needs home-based or nursing home care. For purposes of the preceding sentence, coverage shall not be deemed to provide meaningful financial assistance unless benefits are adjusted for inflation and consumer protections are provided, including protection in the event the coverage is terminated.
- (c) **Distributions must otherwise be includible in income.** To be considered a Qualified Long-Term Care Distribution, such distribution must otherwise be includible in the Employee’s income under rules similar to the rules of Code §402(l)(3). Such distributions are not subject to the 10% additional tax under Code §72(t)(1).
- (d) **Long-term care premium statement.** No distribution shall be treated as a Qualified Long-Term Care Distribution unless a long-term care premium statement with respect to the Employee has been filed with the Plan. A long-term care premium statement is a statement provided by the issuer of the long-term care coverage, which includes, but is not limited to:
 - (1) the name and taxpayer identification number of such issuer;
 - (2) a statement that the coverage is certified long-term care insurance;
 - (3) identification of the Employee as the owner of such coverage;
 - (4) identification of the individual covered and such individual’s relationship to the Employee; and
 - (5) the premiums owed for the coverage for the calendar year.

The Plan will accept a long-term care premium statement only if the issuer has completed a disclosure to the Secretary of the Treasury for the specific coverage product to which the statement relates. Such disclosure shall identify the issuer, type

of coverage, and such other information as the Secretary may require which is included in the filing of the product with the applicable State authority.

6.08 Required minimum distributions. [Applies to all Plans.]

(a) General rules.

- (1) **Application of S2IA §6.08.** Subject to the Joint and Survivor Annuity rules under Section 9, the requirements of this S2IA §6.08 shall apply to any distribution of a Participant's interest and will take precedence over any inconsistent provisions of this Plan.
- (2) **Compliance with regulations and incidental benefit requirements.** All distributions required under this S2IA §6.08 will be determined and made in accordance with the Treas. Reg. §§1.401(a)(9)-1 through 1.401(a)(9)-9 and the minimum distribution incidental benefit requirement of Code §401(a)(9)(G).
- (3) **Periods of distribution.** As of the first Distribution Calendar Year, any distribution made in a form other than a lump sum must be made over one of the following periods (or a combination thereof):
 - (i) the life of the Participant;
 - (ii) the life of the Participant and a Designated Beneficiary;
 - (iii) a period certain not extending beyond the life expectancy of the Participant; or
 - (iv) a period certain not extending beyond the joint and last survivor life expectancy of the Participant and a Designated Beneficiary.

(b) Time and manner of distribution.

- (1) **Time of distribution.** The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date.
- (2) **Death of Participant before required distributions begin.** If the Participant dies before required distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:
 - (i) **Surviving Spouse is sole Designated Beneficiary.** Unless designated otherwise under AA §10-4, if the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later.
 - (ii) **Surviving Spouse is not the sole Designated Beneficiary.** Unless designated otherwise under AA §10-4, if the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary, then, distributions to the Designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.
 - (iii) **No Designated Beneficiary.** If there is no Designated Beneficiary as of the date of the Participant's death who remains a Beneficiary as of September 30 of the year immediately following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
 - (iv) **Death of surviving Spouse.** If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, and the surviving Spouse dies after the Participant but before distributions to the surviving Spouse begin, this subsection (b) (other than subsection (1) above) will apply as if the surviving Spouse were the Participant.

For purposes of this S2IA §6.08(b)(2) and S2IA §6.08(e), unless subsection (iv) above applies, distributions are considered to begin on the Participant's Required Beginning Date. If subsection (iv) above applies, distributions are considered to begin on the date distributions are required to begin to the surviving Spouse under subsection (i) above. If distributions under an annuity purchased from an insurance company irrevocably commence to the participant before the Participant's Required Beginning Date (or to the Participant's surviving Spouse before the date distributions are required to begin to the surviving Spouse under subsection (i) above), the date distributions are considered to begin is the date distributions actually commence.

- (3) **Forms of Distribution.** Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the Required Beginning Date, as of the first Distribution Calendar Year distributions will be made in accordance with S2IA §6.08(e) and (f). If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made

in accordance with the requirements of Code §401(a)(9) and Treas. Reg. §§1.401(a)(9)-1 through 1.401(a)(9)-9.

(c) **Required minimum distributions during Participant's lifetime.**

- (1) **Amount of required minimum distribution for each Distribution Calendar Year.** During the Participant's lifetime, the minimum amount that will be distributed for each Distribution Calendar Year is the lesser of:
 - (i) the quotient obtained by dividing the Participant's Account Balance by the distribution period set forth in the Uniform Lifetime Table found in Treas. Reg. §1.401(a)(9)-9, Q&A-2, using the Participant's age as of the Participant's birthday in the Distribution Calendar Year; or
 - (ii) if the Participant's sole Designated Beneficiary for the Distribution Calendar Year is the Participant's Spouse, the quotient obtained by dividing the Participant's Account Balance by the number in the Joint and Last Survivor Table set forth in Treas. Reg. §1.401(a)(9)-9, Q&A-3, using the Participant's and Spouse's attained ages as of the Participant's and Spouse's birthdays in the Distribution Calendar Year.
- (2) **Lifetime required minimum distributions continue through year of Participant's death.** Required Minimum Distributions will be determined under this subsection (c) beginning with the first Distribution Calendar Year and continuing up to, and including, the Distribution Calendar Year that includes the Participant's date of death.

(d) **Required minimum distributions after Participant's death.**

- (1) **Death prior to January 1, 2020 and on or after date required distributions begin.**
 - (i) **Participant survived by Designated Beneficiary.** If the Participant dies prior to January 1, 2020, on or after the date required distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's Designated Beneficiary, determined as follows:
 - (A) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
 - (B) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the remaining life expectancy of the surviving Spouse is calculated for each Distribution Calendar Year after the year of the Participant's death using the surviving Spouse's age as of the Spouse's birthday in that year. For Distribution Calendar Years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.
 - (C) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary, the Designated Beneficiary's remaining life expectancy is calculated using the age of the Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.
 - (ii) **No Designated Beneficiary.** If the Participant dies on or after the date required distributions begin and there is no Designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the Participant's remaining life expectancy under the Single Life Table calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
- (2) **Death on or after January 1, 2020 and on or after date required distributions begin.**
 - (i) **Participant survived by Designated Beneficiary.** If the Participant dies on or after January 1, 2020, on or after the date distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the participant's designated beneficiary, determined as follows:
 - (A) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
 - (B) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, the applicable distribution period is measured by the surviving Spouse's life expectancy using the surviving

Spouse's birthday for each Distribution Calendar Year after the calendar year of the Participant's death. The surviving Spouse's remaining life expectancy is redetermined each Distribution Calendar Year using the surviving Spouse's age as of the surviving Spouse's birthday in that Distribution Calendar Year. For Distribution Calendar Years after the year of the surviving Spouse's death, the remaining life expectancy of the surviving Spouse is calculated using the age of the surviving Spouse as of the Spouse's birthday in the calendar year of the Spouse's death, reduced by one for each subsequent calendar year.

- (C) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is an Eligible Designated Beneficiary, the Eligible Designated Beneficiary's remaining life expectancy is calculated using the age of the Eligible Designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.
 - (D) If the Participant's surviving Spouse is not the Participant's sole Designated Beneficiary and there is no Eligible Designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. In addition, if there is a Designated Beneficiary but not an Eligible Designated Beneficiary, distributions must begin by December 31st of the calendar year immediately following the calendar year in which the Participant died based on the longer of the life expectancy of the Designated Beneficiary or the deceased Participant. However, for the 2021 through 2024 calendar years, distributions are not required under IRS Notices 2022-53, 2023-54 and 2024-35.
- (ii) **No Designated Beneficiary.** If the Participant dies on or after the date distributions begin and there is no Designated Beneficiary as of the September 30 of the year after the year of the Participant's death, such as where no individual is named as the Designated Beneficiary, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
- (3) **Death prior to January 1, 2020 and before date required distributions begin.**
- (i) **Participant survived by Designated Beneficiary.** Except as provided under AA §10-4, if the Participant dies before the date distributions begin and there is a Designated Beneficiary, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining life expectancy of the Participant's Designated Beneficiary, determined as provided in S2IA §6.08(d)(1).
 - (ii) **No Designated Beneficiary.** If the Participant dies before the date distributions begin and there is no Designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
 - (iii) **Death of surviving Spouse before distributions to surviving Spouse are required to begin.** If the Participant dies before the date distributions begin, the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, and the surviving Spouse dies before distributions are required to begin to the surviving Spouse under S2IA §6.08(b)(2)(i), this S2IA §6.08(d)(3) will apply as if the surviving Spouse were the Participant.
- (4) **Death on or after January 1, 2020 and before distributions begin.**
- (i) **Surviving Spouse is sole Designated Beneficiary.** Except as provided under AA §10-4, if the Participant dies before the date distribution begins and the Participant's surviving Spouse is the sole Designated Beneficiary, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Age, if later. If such surviving Spouse dies before distributions are required to begin to such surviving Spouse under the previous sentence, this S2IA §6.08(d)(4) will apply as if the surviving Spouse were the Participant.
 - (ii) **Participant survived by Eligible Designated Beneficiary.** Except as provided under AA §10-4, if the Participant dies before the date distributions begin and there is an Eligible Designated Beneficiary, the minimum amount that will be distributed for each Distribution Calendar Year after the year of the Participant's death is determined initially using the Eligible Designated Beneficiary's age as of such Eligible Designated Beneficiary's birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the Eligible Designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year. If the Participant dies before the date distributions begin and is

survived by an Eligible Designated Beneficiary and the surviving Eligible Designated Beneficiary dies or reaches the age of majority before distributions are required to begin to the Eligible Designated Beneficiary under the previous paragraph, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

- (iii) **Participant survived by Designated Beneficiary.** Except as provided under AA §10-4, if the Participant dies before the date distributions begin and there is a Designated Beneficiary, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.
- (iv) **No Designated Beneficiary.** If the Participant dies before the date distributions begin and there is no Designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(e) **Definitions.**

(1) **Applicable Age.**

- (i) In the case of an individual who attains age 70 before July 1, 2019, the Applicable Age is 70 ½.
- (ii) In the case of an individual who attains age 70 on or after July 1, 2019, the Applicable Age is 72.
- (iii) In the case of an individual who attains age 72 after December 31, 2022, and age 73 before January 1, 2033, the Applicable Age is 73.

(2) **Designated Beneficiary.** The individual who is designated by the Participant (or the Participant's surviving Spouse) as the beneficiary of the Participant's interest under the Plan and who is the designated beneficiary under Code §401(a)(9) of the Code and Treas. Reg. §1.401(a)(9)-4.

(3) **Distribution Calendar Year.** A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year that contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first Distribution Calendar Year is the calendar year in which distributions are required to begin pursuant to subsection (d) above. The Required Minimum Distribution for the Participant's first Distribution Calendar Year will be made on or before the Participant's Required Beginning Date. The Required Minimum Distribution for other Distribution Calendar Years, including the Required Minimum Distribution for the Distribution Calendar Year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that Distribution Calendar Year.

(4) **Eligible Designated Beneficiary.** The individual designated by the Participant (or the Participant's surviving Spouse) and who will receive the Participant's interest under the Plan and who is:

- (i) The surviving Spouse of the Participant,
- (ii) A child of the Participant who has not reached majority,
- (iii) Disabled,
- (iv) A chronically ill individual, or
- (v) An individual not described above who is not more than 10 years younger than the Participant.

(5) **Life expectancy.** For purposes of determining a Participant's required minimum distribution amount, life expectancy is computed using one of the following tables, as appropriate:

- (i) Single Life Table;
- (ii) Uniform Life Table; or
- (iii) Joint and Last Survivor Table found in Treas. Reg. §1.401(a)(9)-9.

(6) **Account Balance.** For purposes of determining a Participant's Required Minimum Distribution, the Participant's Account Balance is determined based on the Account Balance as of the last Valuation Date in the calendar year immediately preceding the Distribution Calendar Year (the "valuation calendar year") increased by the amount of any contributions or forfeitures allocated to the Account Balance as of dates in the calendar year after the Valuation Date and decreased by distributions made in the calendar year after the Valuation Date. The Account Balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the Distribution Calendar Year if distributed or transferred in the valuation calendar

year.

- (7) **Required Beginning Date.** Unless designated otherwise under AA §10-4, a Participant's Required Beginning Date under the Plan is:
- (i) **For Five-Percent Owners.** April 1 that follows the end of the calendar year in which the Participant attains the Applicable Age.
 - (ii) **For Participants other than Five-Percent Owners.** April 1 that follows the end of the calendar year in which the later of the following two events occurs:
 - (A) the Participant attains the Applicable Age; or
 - (B) the Participant terminates employment.

If a Participant is not a Five-Percent Owner for the Plan Year that ends with or within the calendar year in which the Participant attains the Applicable Age, and the Participant has not retired by the end of such calendar year, such Participant's Required Beginning Date is April 1 that follows the end of the first subsequent calendar year in which the Participant becomes a Five-Percent Owner or retires.

A Participant may begin in-service distributions prior to such Participant's Required Beginning Date only to the extent authorized under this Article 6 and Elective Provision §S-14, BPD Section 8.10 and AA Section 10.
 - (iii) **Alternative Required Beginning Date for Participants other than Five-Percent Owners.** The Employer may designate under AA §10-4 to determine the Required Beginning Date for Participants other than Five-Percent Owners without regard to the rule in subsection (ii) above. If so designated under AA §10-4, the Required Beginning Date for all Participants under the Plan will be April 1 of the calendar year following attainment of the Applicable Age.
 - (iv) **Five-Percent Owner.** A Participant is a Five-Percent Owner for purposes of this Section if such Participant is a Five-Percent Owner (as defined in Code §416) at any time during the Plan Year ending with or within the calendar year in which the Participant attains the Applicable Age. Once distributions have begun to a Five-Percent Owner under this Section 6.08, they must continue to be distributed, even if the Participant ceases to be a Five-Percent Owner in a subsequent year.

(f) **Special Rules.**

- (1) **Treatment of trust beneficiaries as Designated Beneficiaries.** The Plan will apply the rules under Treas. Reg. §1.401(a)(9)-4 relating to the treatment of trust beneficiaries as Designated Beneficiaries when a trust is named as the beneficiary of a Participant's interest in the Plan.
- (2) **Increases in payments under a commercial annuity.** Effective for calendar years beginning after December 29, 2022, the Plan may apply the rules under Code §401(a)(9)(J), as added by §201 of the SECURE 2.0 Act, relating to certain increases in payments under a commercial annuity. As provided under Code §401(a)(9)(J), the required minimum distribution rules applicable to the Plan shall not prohibit a commercial annuity (within the meaning of Code §3405(e)(6)) from providing one or more of the following types of payments on or after the Annuity Starting Date:
 - (i) annuity payments that increase by a constant percentage, applied not less frequently than annually, at a rate that is less than 5 percent per year;
 - (ii) a lump sum payment that: (I) results in a shortening of the payment period with respect to an annuity or a full or partial commutation of the future annuity payments, provided that such lump sum is determined using reasonable actuarial methods and assumptions, as determined in good faith by the issuer of the contract, or (II) accelerates the receipt of annuity payments that are scheduled to be received within the ensuing 12 months, regardless of whether such acceleration shortens the payment period with respect to the annuity, reduces the dollar amount of benefits to be paid under the contract, or results in a suspension of annuity payments during the period being accelerated;
 - (iii) an amount which is in the nature of a dividend or similar distribution, provided that the issuer of the contract determines such amount using reasonable actuarial methods and assumptions, as determined in good faith by the issuer of the contract, when calculating the initial annuity payments and the issuer's experience with respect to those factors; or
 - (iv) a final payment upon death that does not exceed the excess of the total amount of the consideration paid for the annuity payments, less the aggregate amount of prior distributions or payments from or under the contract.

- (3) **Partial annuitization.** As provided under §204 of the SECURE 2.0 Act, effective as December 29, 2022 and subject to a reasonable good faith interpretation until IRS issues applicable regulations, an Employee may elect to receive the required minimum distribution amount for a Distribution Calendar Year to be calculated as the excess of the Total Required Amount (as defined below) for such Distribution Calendar Year over the Annuity Amount (as defined below) for such year.

 - (i) **Total Required Amount.** The term Total Required Amount, with respect to a Distribution Calendar Year means the amount which would be required to be distributed under Treas. Reg. §1.401(a)(9)–5 (or any successor regulation) for such year, determined by treating the Account Balance as of the last valuation date in the immediately preceding calendar year as including the value on that date of all annuity contracts which were purchased with a portion of the Account and from which payments are made in accordance with Treas. Reg. §1.401(a)(9)–6.
 - (ii) **Annuity Amount.** The term Annuity Amount, with respect to a Distribution Calendar Year, is the total amount distributed in such year from all annuity contracts described in subparagraph (i) above.
- (4) **Modification of required minimum distribution rules for special needs trusts.** Effective for calendar years beginning after December 29, 2022, for purposes of complying with the required minimum distribution rules under Code §401(a)(9), the Plan may apply the provisions of §337 of the SECURE 2.0 Act relating to special needs trusts.
- (5) **Pre-death required minimum distribution rules do not apply to Designated Roth Accounts (within the meaning of Code §402).** Generally, effective for taxable years beginning after December 31, 2023, the pre-death required minimum distribution rules under Code §401(a)(9)(A) and the incidental death benefit requirements under Code §401(a) do not apply to Designated Roth Accounts. This subsection (f) does not apply to distributions which are required with respect to years beginning before January 1, 2024, but are permitted to be paid on or after that date.
- (6) **Surviving Spouse treated as Employee.** Effective for calendar years beginning after December 31, 2023, in the case of an Employee who dies before a required minimum distribution has begun under the Plan, and who has designated a Spouse as the sole Designated Beneficiary, such Spouse may elect to be treated as the Employee for purposes of determining the required minimum distribution period and the required minimum distribution period is determined using the Uniform Life Table under Treas. Reg. §1.401(a)(9)–5, Q&A 5(a), as provided under Prop. Reg. §1.401(a)(9)–5(g)(3) or any successor regulation. The spousal election described in this S2IA §6.08(f)(6) applies only if the first year for which annual required minimum distributions to the surviving Spouse must be made in 2024 or later.

 - (i) **Participant dies before Required Beginning Date.** If the Participant dies before the Participant's Required Beginning Date, the Spouse is automatically treated as having made an election under this S2IA §6.08(f)(6).
 - (ii) **Participant dies on or after Required Beginning Date.** If the Participant dies on or after the Participant's Required Beginning Date, the Spouse, unless such Spouse timely elects otherwise, is treated as having made the election. The Plan Administrator may develop administrative procedures for the timely election by the Spouse to not have this S2IA §6.08(f)(6) apply.
- (g) **Qualified Longevity Annuity Contracts.**

 - (1) **Modification of minimum distribution rules.** The following provisions modify the required minimum distribution rules under this S2IA §6.08 of the Plan to conform the rules to final Treasury Regulation §1.401(a)(9)–6 relating to the purchase of Qualifying Longevity Annuity Contracts (QLACs). The Plan will apply the provisions consistent with the requirements under the Treas. Reg. §§1.401(a)(9)–5 and 1.401(a)(9)–6, as amended.
 - (2) **Account Balance for Determining Minimum Distributions.** For purposes of determining a Participant's Required Minimum Distribution as described under this S2IA §6.08, the Participant's Account Balance, as defined under S2IA §6.08(e)(6), does not include the value of any Qualifying Longevity Annuity Contract (QLAC), described under this subsection (g) and Treas. Reg. §1.401(a)(9)–6(q), that is held under the Plan.
 - (3) **Rules Applicable to Qualifying Longevity Annuity Contracts.**

 - (i) **Definition of Qualifying Longevity Annuity Contracts.** A Qualifying Longevity Annuity Contract (QLAC) is an annuity contract that is purchased from an insurance company for an Employee and that, in accordance with the rules of application of this subsection (4) and Treas. Reg. §1.401(a)(9)–6(q), satisfies each of the following requirements:

 - (A) Premiums for the contract satisfy the requirements of subsection (ii) below;

- (B) The contract provides that distributions under the contract must commence not later than a specified Annuity Starting Date that is no later than the first day of the month next following the 85th anniversary of the Employee's birth;
 - (C) The contract provides that, after distributions under the contract commence, those distributions must satisfy the requirements of this Article and Treas. Reg. §1.401(a)(9) (other than the requirement that annuity payments commence on or before the Required Beginning Date);
 - (D) The contract does not make available any commutation benefit, cash surrender right, or other similar feature;
 - (E) No benefits are provided under the contract after the death of the employee other than the benefits described in subsection (iii) below;
 - (F) When the contract is issued, the contract (or a rider or endorsement with respect to that contract) states that the contract is intended to be a QLAC; and
 - (G) The contract is not a variable contract under Code §817, an indexed contract, or a similar contract, except to the extent provided by the Commissioner of the Internal Revenue Service in revenue rulings, notices, or other guidance published in the Internal Revenue Bulletin.
- (ii) **Limitations on premiums.**
- (A) **In general.** The premiums paid with respect to the contract on a date satisfy the requirements of this subsection (ii) if they do not exceed the lesser of the dollar limitation in subsection (B) below or the percentage limitation in subsection (C) below.
 - (B) **Dollar limitation.** The dollar limitation is an amount equal to the excess of:
 - (I) \$135,000 (or \$200,000 for contracts purchased on or after December 29, 2022) and as adjusted under Treas. Reg. §1.401(a)(9)-6, Q&A-17(d)(2); over
 - (II) The sum of:
 - (a) The premiums paid before that date with respect to the contract; and
 - (b) The premiums paid on or before that date with respect to any other contract that is intended to be a QLAC and that is purchased for the Employee under the Plan, or any other plan, annuity, or account described in Code §§401(a), 403(a), 403(b), or 408 or eligible governmental plan under Code §457(b).
 - (C) **Percentage limitation.** For contracts purchased or received in an exchange before December 29, 2022, the percentage limitation is an amount equal to the excess of:
 - (I) 25 percent of the Employee's Account Balance under the Plan (including the value of any QLAC held under the plan for the Employee) as of that date, determined in accordance with Treas. Reg. §1.401(a)(9)-6, Q&A-17(d)(1)(iii); over
 - (II) The sum of:
 - (a) The premiums paid before that date with respect to the contract; and
 - (b) The premiums paid on or before that date with respect to any other contract that is intended to be a QLAC and that is held or was purchased for the employee under the plan.
- (iii) **Payments after death of the Employee.**
- (A) **Surviving Spouse is sole beneficiary.**
 - (I) **Death on or after Annuity Starting Date.** If the Employee dies on or after the Annuity Starting Date for the contract and the Employee's surviving Spouse is the sole beneficiary under the contract, then except as provided in Treas. Reg. §1.401(a)(9)-6, Q&A-17(c)(4), the only benefit permitted to be paid after the Employee's death is a life annuity payable to the surviving Spouse where the periodic annuity payment is not in excess of 100 percent of the periodic annuity payment that is payable to the Employee.
 - (II) **Death before Annuity Starting Date.**

- (a) **Amount of annuity.** If the Employee dies before the Annuity Starting Date and the Employee's surviving Spouse is the sole beneficiary under the contract then except as provided in paragraph in Treas. Reg. §1.401(a)(9)-6, Q&A-17(c)(4), the only benefit permitted to be paid after the Employee's death is a life annuity payable to the surviving Spouse where the periodic annuity payment is not in excess of 100 percent of the periodic annuity payment that would have been payable to the Employee as of the date that benefits to the surviving Spouse commence. However, the annuity is permitted to exceed 100 percent of the periodic annuity payment that would have been payable to the employee to the extent necessary to satisfy the requirement to provide a Qualified Preretirement Survivor Annuity.
 - (b) **Commencement date for annuity.** Any life annuity payable to the surviving Spouse under subsection (a) above must commence no later than the date on which the annuity payable to the Employee would have commenced under the contract if the Employee had not died.
- (B) **Surviving Spouse is not sole beneficiary.**
 - (I) **Death on or after Annuity Starting Date.** If the Employee dies on or after the Annuity Starting Date for the contract and the Employee's surviving Spouse is not the sole beneficiary under the contract, then except as provided in Treas. Reg. §1.401(a)(9)-6, Q&A-17(c)(4), the only benefit permitted to be paid after the Employee's death is a life annuity payable to the Designated Beneficiary where the periodic annuity payment is not in excess of the applicable percentage (determined under paragraph Treas. Reg. §1.401(a)(9)-6, Q&A-17(c)(2)(iii)) of the periodic annuity payment that is payable to the Employee.
 - (II) **Death before Annuity Starting Date.**
 - (a) **Amount of annuity.** If the Employee dies before the Annuity Starting Date and the Employee's surviving Spouse is not the sole beneficiary under the contract, then except as provided in Treas. Reg. §1.401(a)(9)-6, Q&A-17(c)(4), the only benefit permitted to be paid after the Employee's death is a life annuity payable to the Designated Beneficiary where the periodic annuity payment is not in excess of the applicable percentage (determined under Treas. Reg. §1.401(a)(9)-6, Q&A-17(c)(2)(iii)) of the periodic annuity payment that would have been payable to the Employee as of the date that benefits to the Designated Beneficiary commence under this subsection (a).
 - (b) **Commencement date for annuity.** In any case in which the Employee dies before the Annuity Starting Date, any life annuity payable to a Designated Beneficiary under this subsection (b) must commence by the last day of the calendar year immediately following the calendar year of the Employee's death.
- (iv) **Rules of application.**
 - (A) **Rules relating to premiums.**
 - (I) **Reliance on representations.** For purposes of the limitation on premiums described in subsections (ii)(B) and (ii)(C) above, unless the Plan Administrator has actual knowledge to the contrary, the Plan Administrator may rely on an Employee's representation (made in writing or such other form as may be prescribed by the Commissioner of the Internal revenue Service) of the amount of the premiums described in subsections (ii)(B)(II)(b) and (ii)(C)(II)(b) above, but only with respect to premiums that are not paid under a plan, annuity, or contract that is maintained by the Employer or Related Employer.
 - (II) **Consequences of excess premiums.**
 - (a) **General Rule.** If an annuity contract fails to be a QLAC solely because a premium for the contract exceeds the limits under Subsection (b) below, then the contract is not a QLAC beginning on the date that premium payment is made unless the excess premium is returned to the non-QLAC portion of the Employee's account in accordance with Treas. Reg. §1.401(a)(9)-6, Q&A-17(d)(1)(ii)(B). If the contract fails to be a QLAC, then the value of the contract may not be disregarded under A-3(d) of Treas. Reg. §1.401(a)(9)-5 as of the date on which the contract ceases to be a QLAC.

- (b) **Correction in year following year of excess.** If the excess premium is returned (either in cash or in the form of a contract that is not intended to be a QLAC) to the non-QLAC portion of the Employee's account by the end of the calendar year following the calendar year in which the excess premium was originally paid, then the contract will not be treated as exceeding the limits under this subsection (b) at any time, and the value of the contract will not be included in the Employee's Account Balance. If the excess premium (including the fair market value of an annuity contract that is not intended to be a QLAC, if applicable) is returned to the non-QLAC portion of the Employee's account after the last valuation date for the calendar year in which the excess premium was originally paid, then the Employee's account balance for that calendar year must be increased to reflect that excess premium in the same manner as an Employee's Account Balance is increased under Treas. Reg. §1.401(a)(9)-7, A-2 to reflect a rollover received after the last valuation date.
- (c) **Return of excess premium not a commutation benefit.** If the excess premium is returned to the non-QLAC portion of the Employee's account as described in Treas. Reg. §1.401(a)(9)-6, Q&A-17(d)(1)(ii)(B), it will not be treated as a violation of the requirement in subsection (3)(i)(D) above that the contract not provide a commutation benefit.

- (III) **Application of 25-percent limit.** For purposes of the 25 percent limit under subsection (ii)(C) above, an Employee's Account Balance on the date on which premiums for a contract are paid is the account balance as of the last valuation date preceding the date of the premium payment, adjusted as follows. The Account Balance is increased for contributions allocated to the account during the period that begins after the valuation date and ends before the date the premium is paid and decreased for distributions made from the account during that period.

(B) **Dollar and age limitations subject to adjustments.**

- (I) **Dollar limitation.** The dollar limitation under subsection (ii)(B)(I) will be adjusted at the same time and in the same manner as the limits are adjusted under Code §415(d), except that any increase under this subsection that is not a multiple of \$10,000 will be rounded to the next lowest multiple of \$10,000.
- (II) **Age limitation.** The maximum age set forth in subsection (i)(B) above may be adjusted to reflect changes in mortality, with any such adjusted age to be prescribed by the Commissioner of the Internal Revenue Service in revenue rulings, notices, or other guidance published in the Internal Revenue Bulletin.
- (III) **Prospective application of adjustments.** If a contract fails to be a QLAC because it does not satisfy the dollar limitation in subsection (ii)(B) above or the age limitation in subsection (i)(B) above, any subsequent adjustment that is made pursuant to subsections (iv)(B)(I) or (iv)(B)(II) above will not cause the contract to become a QLAC.

- (C) **Determination of whether contract is intended to be a QLAC.** If a contract fails to be a QLAC at any time for a reason other than an excess premium described in Treas. Reg. §1.401(a)(9)-6, Q&A-17(d)(1)(ii), then as of the date of purchase the contract will not be treated as a QLAC (for purposes of A-3(d) of Treas. Reg. §1.401(a)(9)-5 or as a contract that is intended to be a QLAC as of the date of purchase.

- (D) **Group annuity contract certificates.** The requirement under subsection (i)(F) above that the contract state that it is intended to be a QLAC when issued is satisfied if a certificate is issued under a group annuity contract and the certificate, when issued, states that the Employee's interest under the group annuity contract is intended to be a QLAC.

6.09 Qualified Distributions for Retired Public Safety Officers. [Applies to the Governmental Plan.] Subject to the Plan's administrative policies, a Participant who is an eligible retired public safety officer may elect, after termination of employment, to have qualified health insurance premiums deducted from amounts to be distributed from the Plan. As provided under Code §402(l)(5)(A) and §328 of the SECURE 2.0 Act, effective for distributions made on or after December 30, 2022, the exclusion from income for such distributions under Code §402(l)(5) applies without regard to whether payment of the premiums is made directly to the provider of the accident or health plan or qualified long-term care insurance contract by deduction from a distribution from the Plan, or is made to the Participant.

- 6.10 Recontributions of QBADs.** [Applies to all Plans, except the Money Purchase Plan.] As provided under §311 of the SECURE 2.0 Act and Code §72(t)(2)(H)(v)(I), a Participant who received one or more Qualified Birth or Adoption Distributions (QBADs) under the Plan is entitled to recontribute the distributions (not to exceed the amount of the distributions) at any time during the 3-year period beginning on the day after the date on which such distribution was received, in the case of distributions made on or after December 30, 2022, or at any time after such distribution and before January 1, 2026, in the case of distributions made on or before December 29, 2022, if the Participant is eligible to make a Rollover Contribution to the Plan at the time of recontribution. A Participant who makes a recontribution to the Plan will be treated as having received the distributions in an Eligible Rollover Distribution and as having transferred the amount to the Plan in a direct trustee-to-trustee transfer within 60 days of the distribution.

ARTICLE VII MISCELLANEOUS PROVISIONS

- 7.01 Elimination of unnecessary plan requirements related to unenrolled Participants.** [Applies to all Plans.] Pursuant to Code §414(bb) and §320 of the SECURE 2.0 Act, effective for Plan Years beginning on or after January 1, 2023, notwithstanding any other provision of the Plan, law or regulations, the Plan Administrator is not required to provide any disclosure, notice, or other plan-related document (other than the notices and documents described in subsections (a) and (b) below) to any unenrolled Participant if the unenrolled Participant receives:

- (a) an annual reminder notice (as described under ERISA §111(c)) of such Participant's eligibility to participate in the Plan and any applicable election deadlines under the Plan, and
- (b) any document requested by such Participant that the Participant would be entitled to receive notwithstanding Code §414(bb).

For purposes of this S2IA §7.01, an unenrolled Participant is any Employee that is eligible to participate in the Plan, has been furnished the summary plan description for the Plan and any other required notices related to eligibility under the Plan in connection with such Participant's initial eligibility to participate in the Plan, is not participating in the Plan, and satisfies such other criteria as the Secretary of the Treasury may determine appropriate, as prescribed in guidance issued in consultation with the Secretary of Labor. For purposes of this S2IA §7.01, any eligibility to participate in the Plan following any period for which an Employee was not eligible to participate shall be treated as initial eligibility.

- 7.02 Special rules applicable to inadvertent benefit overpayments.** [Applies to all Plans.] Effective as of December 29, 2022 (and with respect to certain actions before December 29, 2022, the provisions of Code §414(aa) – Special Rules Applicable to Benefit Overpayments (as added under §301 of the SECURE 2.0 Act) apply to the Plan. The Employer may use IRS Notice 2024-77 in applying the inadvertent benefit overpayment rules.

- (a) **Impact on Plan qualification.** The Plan shall not fail to be treated as satisfying the requirements of Code §401(a) merely because: (i) the Plan fails to obtain payment from any Participant, Beneficiary, employer, plan sponsor, fiduciary, or other party on account of any inadvertent benefit overpayment made by the Plan, or (ii) the Employer amends the Plan to increase past, or decrease future, benefit payments to affected Participants and Beneficiaries in order to adjust for prior inadvertent benefit overpayments.
- (b) **Reduction in future benefit payments and recovery from responsible party.** This S2IA §7.02 shall not fail to apply to the Plan merely because, after discovering a benefit overpayment, the Plan: (i) reduces future benefit payments to the correct amount provided for under the terms of the Plan, or (ii) seeks recovery from the person or persons responsible for such overpayment.
- (c) **Prevention and restoration of impermissible forfeitures.** Nothing in this S2IA §7.02 shall relieve the Employer of any obligation imposed on it to prevent or restore an impermissible forfeiture in accordance with Code §411.
- (d) **Observance of benefit limitations.** Notwithstanding the provisions of this S2IA §7.02, the Plan shall observe any limitations imposed on it by Code §§401(a)(17) or 415. The Plan may enforce such limitations using any method approved by the IRS for recouping benefits previously paid or allocations previously made in excess of such limitations.
- (e) **Coordination with other Code §401(a) requirements.** The Plan shall comply with any regulations or other guidance of general applicability issued by the IRS specifying how benefit overpayments and their recoupment or non-recoupment from a Participant or Beneficiary shall be taken into account for purposes of satisfying any requirement applicable to the Plan.
- (f) **Rollovers.** As provided for under Code §402(c)(12), as added by §301(b)(2) of the SECURE 2.0 Act, in the case of an inadvertent benefit overpayment from the Plan to which Code §414(aa)(1) applies that is transferred to an Eligible Retirement Plan by or on behalf of a Participant or Beneficiary:
 - (1) the portion of such overpayment with respect to which recoupment is not sought on behalf of the Plan shall be treated as having been paid in an Eligible Rollover Distribution if the payment would have been an Eligible

Rollover Distribution but for being an overpayment, and

- (2) the portion of such overpayment with respect to which recoupment is sought on behalf of the Plan shall be permitted to be returned to such Plan and in such case shall be treated as an Eligible Rollover Distribution transferred to such Plan by the Participant or Beneficiary who received such overpayment (and the plans making and receiving such transfer shall be treated as permitting such transfer).

7.03 Automatic portability transactions. [Applies to all Plans.] Effective for transactions occurring on or after December 29, 2023, the Plan Administrator may, in its discretion, accept transfers of assets into the Plan on behalf of an active Participant pursuant to an automatic portability transaction, as described under §120 of the SECURE 2.0 Act and Code §4975(f)(12).

7.04 Recognition of Indian tribal government domestic relations orders. [Applies to all Plans.] As provided under §339 of the SECURE 2.0 Act, effective for domestic relations orders received by the Plan Administrator after December 31, 2022, including any such order which is submitted for reconsideration after such date, a qualified domestic relations order under Section 11.06 of the BPD includes a domestic relations order issued by or under the laws of an Indian tribal government, a subdivision of such an Indian tribal government, or an agency or instrumentality of either.

7.05 Reform of family attribution rules. [Generally, applies to all Plans, except the Governmental Plan and the Church Plan. (Note, there may be certain situations where this rule may also be applicable to a Church Plan.)] Effective for Plan Years beginning after December 31, 2023, the Employer may apply the family attribution rules consistent with the reforms made under §315 of the SECURE 2.0 Act.

- (a) **Application of Code §1563.** For purposes of applying the applicable attribution rules under Code §1563 with respect to Code §414(b), the following rules apply.

- (1) Community property laws shall be disregarded for purposes of determining ownership.
- (2) Except as provided by the IRS, stock of an individual not attributed under Code §1563(e)(5) to such individual's Spouse shall not be attributed to such Spouse by reason of the combined application of paragraphs (1) and (6)(A) of Code §1563(e).
- (3) Except as provided by the IRS, in the case of stock in different corporations that is attributed to a child under Code §1563(e)(6)(A) from each parent, and is not attributed to such parents as Spouses under Code §1563(e)(5), such attribution to the child shall not by itself result in such corporations being members of the same controlled group.
- (4) If application of the above rules causes 2 or more entities to be a controlled group or to no longer be in a controlled group, such change shall be treated as a transaction to which Code §410(b)(6)(C) applies.

- (b) **Application of Code §318.** For purposes of applying the applicable attribution rules under Code §318 with respect to Code §414(m), the following rules apply.

- (1) Community property laws shall be disregarded for purposes of determining ownership.
- (2) Except as provided by the IRS, stock of an individual not attributed under Code §318(a)(1)(A)(i) to such individual's Spouse shall not be attributed by reason of the combined application of Code §318(a)(1)(A)(ii) and (4) to such Spouse from a child who has not attained the age of 21 years.
- (3) Except as provided by the IRS, in the case of stock in different organizations which is attributed under Code §318(a)(1)(A)(ii) from each parent to a child who has not attained the age of 21 years, and is not attributed to such parents as Spouses under Code §318(a)(1)(A)(i), such attribution to the child shall not by itself result in such organizations being members of the same affiliated service group.
- (4) If the application of the above rules causes two or more entities to be an affiliated service group, or to no longer be in an affiliated service group, such change shall be treated as a transaction to which Code §410(b)(6)(C) applies.

7.06 Plan amendments increasing Employer Contributions for previous Plan Year. [Applies to all Plans.] As provided under Code §401(b)(3) and §316 of the SECURE 2.0 Act, the Employer may amend the Plan to increase Employer Contributions (but not Matching Contributions) effective as of any date during the immediately preceding Plan Year, provided the amendment satisfies the conditions under subsection (a) below:

- (a) **Conditions.**

- (1) Such amendment would not otherwise cause the Plan to fail to meet any of the requirements of Code §401(a); and
- (2) Such amendment is adopted before the time prescribed by law for filing the Employer's tax return for the taxable year (including extensions thereof) which includes the specified effective date for the increase in Employer Contributions.

- (b) **Employer election.** The Employer may elect to treat such amendment as having been adopted as of the last day of the Plan Year in which the amendment is effective.

7.07 Military Spouse Plan eligibility. [Applies to all DC Plans, except the Owners Only (Solo k) Plan, the Governmental Plan and the Church Plan.] Effective for taxable years beginning after December 29, 2022, if the Employer is an Eligible Small Employer that meets the requirements of Code §45AA and §112 of the SECURE 2.0 Act, such Employer may be entitled to a tax credit with respect to each Military Spouse Employee who participates in the Plan. Although Code §45AA is not a qualification requirement under Code §401(a), the Employer may want to design the Plan to satisfy the applicable requirements. The Employer may design the Plan to meet the Code §45AA requirements under the terms of the Adoption Agreement or under Elective Provision §S2-17.

(a) **Definitions.**

- (1) **Eligible Small Employer.** For purposes of Code §45AA, an Eligible Small Employer is an eligible employer as defined in Code §408(p)(2)(C)(i)(I).
- (2) **Military Spouse.** Any Employee who is married (within the meaning of Code §7703 as of the first date that the Employee is employed by the Employer) to an individual who is a member of the uniformed services (as defined in §101(a)(5) of Title 10, United States Code) serving on active duty. For purposes of this section, the Employer may rely on an Employee's certification that such Employee's Spouse is a member of the uniformed services if such certification provides the name, rank, and service branch of such Spouse. The term Military Spouse does not include any Highly Compensated Employees.

(b) **Requirements to receive tax credit.**

- (1) **Vesting.** All Employer Contributions and Matching Contributions made on behalf of an eligible Military Spouse must be immediately 100% vested.
- (2) **Eligibility.** Military Spouses must be eligible to participate in the Plan not later than the date which is 2 months after the date on which such individual begins employment with the Employer, and Military Spouses who are eligible to participate in the Plan must be immediately eligible to receive an amount of Employer Contributions and Matching Contributions under the Plan which is not less the amount of such contributions that a similarly situated Participant who is not a Military Spouse would be eligible to receive under the Plan after 2 Years of Service for eligibility purposes.
- (3) **Aggregation.** The Employer (including Related Employers) is treated as one employer for purposes of Code §45AA.

ARTICLE VIII POOLED EMPLOYER PLAN PROVISIONS

8.01 Pooled Employer Plans (PEPs). [Applies to all Plans.] If elected under AA §2-6, the Plan is treated as a PEP consistent with the rules under Code §413(c), Code §413(e), ERISA §3(43) and applicable regulations or guidance. To the extent the IRS or the Department of Labor has not issued guidance with respect to provisions applicable to PEPs, a PEP Participating Employer, the Pooled Plan Provider (PPP) and the PEP Trustee for the Plan may reasonably and in good faith interpret the requirements of Code §413(c), Code §413(e) and ERISA §3(43) as applicable to PEPs.

- (a) **Application of qualification rules to PEPs.** If the Plan is a PEP, the following qualification rules apply, unless the IRS issues guidance indicating that one or more qualification rules are applied differently or are not applicable to PEPs.
- (1) **Eligibility requirements.** The eligibility rules under Section 2 of the BPD are applied as if the Employees of all the Employers participating in the PEP are employed by a single Employer.
 - (2) **Vesting rules.** The vesting rules under Section 7 of the BPD are applied as if the Employees of all the Employers participating in the PEP are employed by a single Employer.
 - (3) **Code §415 Limit.** The Code §415 Limit under Section 5.03 of the BPD is applied as if the Employees of all the Employers participating in the PEP are employed by a single Employer. Thus, if a Participant receives contributions from more than one PEP Participating Employer within the PEP, such contributions must be aggregated for purposes of applying the Code §415 Limit. For this purpose, Total Compensation from all PEP Participating Employers may be considered in applying the Code §415 Limit.
 - (4) **Top Heavy rules.** The determination of whether the Plan is Top Heavy under Section 4 of the BPD is made separately with respect to each Employer that participates in the PEP, taking into account only the Account Balances of Employees of that Employer. If the Plan is a Top Heavy Plan with respect to a PEP Participating Employer, the minimum benefit required under Section 4.04 of the BPD is determined based solely on the

Employees of the Top Heavy PEP Participating Employer.

- (5) **Minimum coverage and nondiscrimination testing.** Each Employer that participates in a PEP must separately satisfy the minimum coverage requirements under Code §410(b) and the nondiscrimination requirements under Code §401(a)(4) (including the ADP and ACP Tests if the Plan is a 401(k) Plan) taking into account only Employees of that PEP Participating Employer.
- (6) **Other rules applicable to PEPs.** To the extent not addressed in this S2IA §8.01, the rules under Code §401(a), Code §413(c), Code §413(e) and applicable regulations and guidance will apply to the PEP, as provided by the IRS and the Department of Labor.

(b) **Definitions that apply to PEPs.**

- (1) **Pooled Employer Plan (PEP).** A PEP is a tax qualified plan under Code §401(a) which is established and maintained for the purpose of providing benefits to the Employees of two or more PEP Participating Employers. A PEP shall not include a Plan maintained by employers which have a common interest other than having adopted the Plan. The PEP shall be treated as a single employee pension benefit plan or single pension plan for purposes of ERISA. ERISA §210(a) applies to the Plan.

PEPs are subject to the following rules and requirements:

- (i) The PEP must designate the Pooled Plan Provider (PPP) under the Pooled Employer Plan Adoption Page.
- (ii) The PEP must designate one or more named fiduciaries (or other entity allowed by law or regulation) to be responsible for collecting contributions to the PEP. Such named fiduciary may not be a PEP Participating Employer and must implement written procedures for collecting contributions that are reasonable, diligent and systematic. Unless otherwise designed under Elective Provision §S2-18, the fiduciary responsible for collecting contributions is the PPP.
- (iii) Each PEP Participating Employer retains fiduciary responsibility under ERISA §404(a) for:
 - (A) the selection and monitoring of the PPP and any other person, designated as a Named Fiduciary of the PEP and
 - (B) to the extent not otherwise delegated to another fiduciary (such as a 3(38) investment manager) by the PPP and subject to the provisions of ERISA §404(c), the investment and management of the portion of the PEP's assets attributable to the Employees of the PEP Participating Employer (or beneficiaries of such Employees).
- (iv) PEP Participating Employers, Participants and beneficiaries will not be subject to unreasonable restrictions, fees, or penalties with regard to ceasing participation, receipt of distributions, or otherwise transferring assets of the Plan in accordance with ERISA §208 or ERISA §3(44)(C)(i)(II).
- (v) The PPP must provide the PEP Participating Employers with any disclosures or other information which the IRS or Department of Labor may require, including any disclosures or other information to facilitate the selection or any monitoring of the PPP by the PEP Participating Employers.
- (vi) Each PEP Participating Employer must take such actions as the IRS, the Department of Labor or the PPP determines are necessary to administer the Plan or for the Plan to meet any requirement applicable under ERISA or the Code.
- (vii) The PEP or the PPP may provide any disclosure or other information required to be provided by the IRS or Department of Labor in electronic form. Such disclosures or other information will be designed to ensure only reasonable costs are imposed on PPPs and PEP Participating Employers.
- (viii) The PEP may not be a multiemployer plan.
- (ix) A Plan established before January 1, 2021 may not be a PEP unless the Plan Administrator or Employer elects that the Plan will be treated as a PEP and the Plan meets the requirements applicable to a PEP established on or after such date.
- (2) **PEP Participating Employer.** An Employer which executes a Pooled Employer Plan Adoption Page. Except with respect to the administrative duties assumed by the PPP, each PEP Participating Employer in the Plan is the Plan sponsor with respect to the portion of the Plan attributable to Employees (or beneficiaries) of such PEP Participating Employer.
- (3) **Pooled Plan Provider (PPP).** A PPP is the person who is identified as the Pooled Plan Provider on the Pooled Employer Plan Adoption Page.

- (i) The PPP must register as a PPP with the Department of Labor before beginning operations as a PPP.
 - (ii) The PPP is a Named Fiduciary, is the Plan Administrator and is responsible for performing all administrative duties, including conducting proper testing with respect to the Plan and the Participants of each PEP Participating Employer which are reasonably necessary to ensure that:
 - (A) the Plan meets any applicable requirements under ERISA and Code §401(a); and
 - (B) each PEP Participating Employer in the Plan takes such actions as the IRS, the Department of Labor or the PPP determines are necessary under ERISA or the Code, including providing an applicable disclosure or other information.
 - (iii) The PPP must acknowledge it is a Named Fiduciary under the Pooled Employer Plan Adoption Page.
 - (iv) The PPP will ensure that all persons who handle assets of, or who are fiduciaries of the Plan are bonded in accordance with ERISA §412.
 - (v) The PPP includes all persons and entities aggregated under the related employer rules of Code §§414(b), (c), (m), or (o).
 - (vi) The PPP must choose the elective provisions of the Adoption Agreement for each Lead PEP and assumes the appropriate duties otherwise required of an Employer, as defined under the Plan. The PPP may reasonably interpret the terms of the Plan as such terms apply to a PEP.
- (4) **Lead PEP.** The Lead PEP is the PEP identified on the Pooled Employer Plan Adoption Page that includes the Adoption Agreement elections made by the PPP. To the extent permitted by the PPP, a PEP Participating Employer may modify the Adoption Agreement selections made in the Lead PEP. Any modifications made by a PEP Participating Employer may be described under the Pooled Employer Plan Adoption Page or in an attachment to the Pooled Employer Plan Adoption Page for that PEP Participating Employer.
- (5) **PEP Trustee(s).** The PEP Trustee(s), as designated under the Pooled Employer Plan Adoption Page, is responsible for holding assets of the PEP.
- (c) **Special rules for PEPs.**
- (1) **Allocation of contributions.** Any contributions (and forfeitures relating to such contributions) made by a PEP Participating Employer will be allocated only to the Participants employed by the PEP Participating Employer making such contributions. By adopting the Plan, a PEP Participating Employer agrees to make any contributions required under the Plan to maintain the qualified status of the Plan.
- If a PEP Participating Employer elects to separately apply the Safe Harbor 401(k) Plan provisions, such provisions will be applied solely with respect to the PEP Participating Employer electing Safe Harbor 401(k) status. Thus, Traditional Safe Harbor/QACA Safe Harbor Contributions only need to be made for Participants of the PEP Participating Employer and the Plan of the PEP Participating Employer will qualify as a Safe Harbor 401(k) Plan if it separately satisfies the requirements for a Safe Harbor 401(k) Plan.
- (2) **Failures by PEP Participating Employer.** If a PEP Participating Employer fails to take actions required under Code §413(c), the assets of the Plan attributable to Employees (and their beneficiaries) of such PEP Participating Employer will be transferred to a plan maintained only by such PEP Participating Employer (or its successor), to an Eligible Retirement Plan for each individual whose account is transferred, or to any other arrangement that the IRS or Department of Labor determines is appropriate, unless the IRS or the Department of Labor determines that it is in the best interest of the Employees (and their beneficiaries) of such PEP Participating Employer to retain the assets in the Plan. Furthermore, if a PEP Participating Employer fails to take actions required under Code §413(c), such PEP Participating Employer (and not the PEP or any other PEP Participating Employer under the Plan) shall, except to the extent provided by the IRS or the Department of Labor, be liable for any liabilities with respect to the PEP attributable to Employees (or their beneficiaries) of such PEP Participating Employer.
- (3) **Failures by PPP.** If the PPP for the Plan does not perform substantially all of the administrative duties which are required of the PPP under subsection (b)(3) above for any Plan Year, the IRS may provide that the determination as to whether the Plan meets the requirements applicable to a PEP shall be made in the same manner as would be made without regard to whether the Plan is a PEP.
- (4) **Other special rules applicable to the PEP.** The PEP Participating Employer and/or PPP for the Plan may describe any modification, clarification, or revision to a specific PEP in the PEP Participating Employer's Adoption Agreement or List of Modifications. Any special rules must satisfy the nondiscrimination requirements under Code §401(a)(4) as applicable to PEPs and must satisfy the rules applicable to PEPs under Code §413(e).
- (5) **Administrative procedures.** The PEP Participating Employer, PPP and the PEP Trustee may develop separate

written procedures deemed necessary to properly administer the PEP. Such administrative procedures must satisfy the nondiscrimination requirements under Code §401(a)(4) as applicable to the PEP and must satisfy the rules applicable to PEPs under Code §413(e).

ARTICLE IX
PRE-APPROVED CYCLE 3 DEFINED CONTRIBUTION PLAN
SECURE 2.0 ACT INTERIM AMENDMENT

ELECTIVE PROVISIONS

These Elective Provisions provide for elections related to the SECURE 2.0 Act Interim Amendment (S2IA).

ELECTIVE PROVISIONS RELATING TO EMPLOYER CONTRIBUTIONS

S2-1. OPTIONAL TREATMENT OF EMPLOYER CONTRIBUTIONS AS DESIGNATED ROTH NONELECTIVE CONTRIBUTIONS. (S2IA §3.01)

[Applies to all Plans with 401(k) provisions.]

- ☒ (a) A Participant may not elect to treat a nonforfeitable Employer Contribution made on behalf of such Participant as a Designated Roth Nonelective Contribution.
- ☐ (b) Effective __ (insert date on or after December 30, 2022), a Participant MAY elect to treat a nonforfeitable Employer Contribution made on behalf of such Participant as a Designated Roth Nonelective Contribution.
- ☐ (c) Describe any rules relating to the optional treatment of nonforfeitable Employer Contributions as a Designated Roth Nonelective Contribution: _____

S2-2. EXCLUSION OF “OTHERWISE EXCLUDABLE EMPLOYEES” FOR TOP-HEAVY PLAN PURPOSES. (S2IA §3.02)

[Applies to all Plans with 401(k) provisions, except the Owners Only (Solo k) and the Governmental Plan.]

Effective for Plan Years beginning after December 31, 2023, the Plan excludes Employees who do not meet the minimum age and service requirements under Code §410(a)(1) (i.e., “otherwise excludable Employees”) from consideration in determining whether the Plan satisfies the Top-Heavy Plan requirements under Section 4 of the BPD. Such otherwise excludable Employees will not receive a Top-Heavy Plan minimum allocation unless the Employer elects otherwise below.

- ☐ (a) “Otherwise excludable Employees” who are otherwise eligible to receive Employer Contributions will receive a Top-Heavy Plan minimum allocation.
- ☐ (b) The Employer has the discretion, on an annual basis, whether to allocate the otherwise applicable Top-Heavy minimum allocation to “otherwise excludable Employees.”
- ☐ (c) Describe any special rules relating to “otherwise excludable Employees”: _____

ELECTIVE PROVISIONS RELATING TO SALARY DEFERRALS

S2-3. MANDATORY AUTOMATIC ENROLLMENT. (S2IA §4.01)

[Applies to all Plans with 401(k) provisions, except the Governmental Plan and the Church Plan.]

[Note: The mandatory automatic enrollment requirements do not apply to the Pre-Approved Governmental Plan (#03-001) or the Pre-Approved Church Plan (#05-001). The mandatory automatic enrollment requirements also do not apply to the Pre-Approved Defined Contribution Plan (#01-001, 002,003, or 004), the Pre-Approved Owners Only Plan (#02-001) or the Pre-Approved ESOP, if such Plan is exempt from the requirements under Code §414A, including a Plan maintained by an Employer that

normally employs 10 or fewer Employees, a Plan maintained by an Employer that has been in existence for less than 3 years, or a Plan established before December 29, 2022. (See S21A §4.01(e).)

- ☐ (a) **The Plan is exempt from the mandatory automatic enrollment requirements.** [Note: Designation under this §S2-3(a) as to whether and why the Plan is exempt from the automatic enrollment requirements is optional. The exemption may be determined administratively.]

The Plan is exempt from the mandatory automatic enrollment requirements because:

- ☐ (1) The Plan was established before December 29, 2022.
- ☐ (2) The Plan is maintained by an Employer that normally employs 10 or fewer Employees.
- ☐ (3) The Plan is maintained by an Employer that has been in existence for less than 3 years.
- ☐ (4) The Plan is a governmental plan (within the meaning of Code §414(d).
- ☐ (5) The Plan is a church plan (within the meaning of Code §414(e).

[Note: If the Plan is exempt from the mandatory automatic enrollment requirements, do not complete the elective provisions under (b) – (f) below. Additionally, an Employer is not required to complete the following elective provisions if the elections in the Adoption Agreement already satisfy the mandatory automatic enrollment requirements.]

The following elections apply for the first Plan Year beginning after December 31, 2024 or, if later, the date the Plan is initially effective, unless the Employer designates a special effective date under subsection (f) below.

- ☐ (b) **Eligible Automatic Contribution Arrangement deferral percentage and automatic increase.**

- ☐ (1) **Initial automatic (default) Salary Deferral percentage.** ____% of Plan Compensation (percentage must be between 3% and 10%)
- ☐ (2) **Automatic (default) Salary Deferral percentage increase.** For each Plan Year beginning after an Employee's initial period under the arrangement, the percentage of the default Salary Deferral is increased by 1 percentage point until the percentage is ____% of Plan Compensation (must be at least 10%, but may not exceed 15%)
- ☐ (3) **Special application of automatic increase provisions.** The Employer may describe under this subsection (3) special rules applicable to automatic increase provisions: _____

[Note: Special rules must satisfy all applicable statutory and regulatory requirements.]

- ☐ (c) **Application of automatic (default) Salary Deferral provisions.** The automatic (default) Salary Deferral election under subsection (b) will apply to Participants who enter the Plan after the automatic (default) Salary Deferral provisions are effective and to current Participants eligible to participate in the Plan at the time the automatic (default) Salary Deferral provisions are effective as set forth below:

- ☐ (1) **Current Participants.** The automatic (default) Salary Deferral provisions apply to all other eligible Participants as follows:
- ☐ (i) Automatic (default) Salary Deferral provisions apply to current Participants who have not entered into an affirmative Salary Deferral Election. (Under this election, the automatic (default) Salary Deferral provisions do not apply to current Participants who have made an affirmative Salary Deferral Election to not defer into the Plan.)
- ☐ (ii) Automatic (default) Salary Deferral provisions apply to current Participants who have not entered into a Salary Deferral Election and to current Participants who have made an affirmative Salary Deferral Election not to defer under the Plan.
- ☐ (iii) Automatic (default) Salary Deferral provisions apply to all current Participants who have not entered into a Salary Deferral Election that is at least equal to the automatic (default) Salary Deferral amount under subsection (b)(1). Current Participants who have made a Salary Deferral Election that is less than the automatic (default) Salary Deferral amount, or who have not made a Salary Deferral Election, will automatically be increased to the automatic (default) Salary Deferral amount unless the Participant enters into a new Salary Deferral Election on or before the effective date of the automatic (default) Salary Deferral provisions.
- ☐ (iv) Describe: _____

- ☐ (2) **Expiration of affirmative deferral elections.** Unless this subsection (2) is elected, for purposes of the automatic (default) Salary Deferral provisions of the Plan, a Participant's affirmative Salary Deferral Election will not expire. If this subsection (2) is elected, a Participant's affirmative Salary Deferral Election will expire:

☐ (i) At the end of each Plan Year.

☐ (ii) Describe date that the affirmative Salary Deferral Election will expire: _____

Expiration applies to the following:

☐ (iii) All affirmative Salary Deferral elections.

☐ (iv) Only to affirmative Salary Deferral elections that are less than the current automatic (default) Salary Deferral rate.

If a Participant fails to complete a new affirmative Salary Deferral Election subsequent to the prior election expiring, the Participant becomes subject to the automatic (default) Salary Deferral percentage as specified in the Plan pursuant to the automatic (default) Salary Deferral provisions. Each year, the Participant may always complete a new affirmative Salary Deferral Election and designate a new Salary Deferral percentage.

- (3) **Treatment of automatic (default) Salary Deferral.** Any Salary Deferrals made pursuant to an automatic (default) Salary Deferral Election will be treated as Pre-Tax Deferrals, unless designated otherwise under this subsection (3).

☐ Any Salary Deferrals made pursuant to an automatic (default) Salary Deferral Election will be treated as Roth Deferrals.

[*Note: This subsection (3) may only be checked if Roth Deferrals are permitted under the Plan.*]

- (d) **Permissive redetermination of periods without automatic (default) Salary Deferrals.** The uniform automatic (default) Salary Deferral percentages under (b) above are based on the date the Employee's initial period begins. However, if, after the Employee's initial period began, the Employee did not have automatic (default) Salary Deferral made for an entire Plan Year, then an Employee's initial period is redetermined as follows or under separate administrative procedures: (If no elections are made below or under separate administrative procedures, the initial period is not redetermined.)

- ☐ (1) **Redetermination for Employee who became ineligible.** If, for an entire Plan Year, no automatic (default) Salary Deferral were made solely because the Employee was not eligible to make Salary Deferrals under the Plan for that Plan Year, then the Employee's initial period is redetermined so that it begins on the date the Employee is again eligible to make Salary Deferrals under the Plan.

- ☐ (2) **Redetermination for Employee who remained eligible and made an affirmative Salary Deferral Election.** If, for an entire Plan Year, no automatic (default) Salary Deferrals were made to the Plan solely because the Employee made an affirmative Salary Deferral Election in a different amount (including an election not to make Salary Deferrals) and the Employee's affirmative election expires pursuant to an election in (c)(2) above, such Employee's initial period is redetermined so that it begins:

☐ (i) On the first day of the Plan Year that begins after the first full Plan Year in which the affirmative election was in effect.

☐ (ii) Describe date for which an Employee's initial period is redetermined (may not be earlier than the first day of the Plan Year beginning after the last day of the Plan Year that follows the Plan Year that includes the date the initial period began): _____

- (e) **Permissible withdrawals.**

- (1) **Time period for electing a permissible withdrawal.** A Participant who had an automatic (default) Salary Deferral made under the Plan must be allowed to withdraw such contributions (and earnings attributable thereto). Unless otherwise elected below, a Participant must request a permissible withdrawal no later than 90 days after the date of the Participant's first automatic (default) Salary Deferral under the EACA.

☐ Instead of a 90-day election period, a Participant must request a permissible withdrawal no later than ____ [may not be less than 30 nor more than 90] days after the date the Plan Compensation from which automatic (default) Salary Deferral are withheld would otherwise have been included in gross income.

- (2) **Employee with no automatic (default) Salary Deferral for a full Plan Year.** Unless elected otherwise below, an Employee who would otherwise be subject to the automatic (default) Salary Deferral requirements but who for an entire Plan Year did not have automatic (default) Salary Deferral made under the Plan (e.g., a Participant who terminated employment) may elect a permissible withdrawal within the applicable time period if automatic (default) Salary Deferrals begin at a later time (e.g., the Employee is rehired).
- ☐ The ability to take permissible withdrawals does not apply to an Employee who would otherwise be subject to the automatic (default) Salary Deferral requirements but who for an entire Plan Year did not have automatic (default) Salary Deferral made under the Plan.

- ☐ (f) Describe special rules, including effective date rules, applicable to the mandatory automatic enrollment under the Plan:

S2-4. CATCH-UP CONTRIBUTIONS. (S2IA §4.02)

[Applies to all Plans with 401(k) provisions.]

[Note: If the Employer has elected to not permit Catch-Up Contributions under the Adoption Agreement, no elections are necessary under this §S2-4. Note that the Plan default is that the Plan permits Catch-Up Contributions.]

- (a) **Catch-Up Contribution elections.** Unless otherwise elected under this §S2-4(a), a Plan that permits Catch-Up Contributions added the higher Catch-Up Contribution Limit for Participants who have attained ages 60 - 63, effective for taxable years beginning on or after January 1, 2025.
- ☐ (1) The higher Catch-Up Contribution Limit for Participants who have attained ages 60 - 63 is not permitted under the Plan.
- ☐ (2) The higher Catch-Up Contribution Limit for Participants who have attained ages 60 - 63 was added to the Plan effective ____ [insert date after January 1, 2025].
- ☐ (3) The higher Catch-Up Contributions for Participants who have attained ages 60 - 63 were permitted for taxable years beginning on or after January 1, 2025, but are no longer permitted under the Plan, effective ____ [insert date].
- ☐ (4) Collectively Bargained Employees who are eligible to make Salary Deferrals under the Plan are not eligible for the higher Catch-Up Contribution Limit for Participants who have attained ages 60 - 63.
- (b) **Catch-Up Contributions that are eligible for Matching Contributions.** Unless elected otherwise under this §S2-4(b), a Plan that includes an election to make Catch-Up Contributions that are eligible for Matching Contributions (see AA §6B-3) will provide such Matching Contributions on all Catch-Up Contributions (including higher Catch-Up Contributions) that are permitted under the Plan.
- ☐ (1) Only regular Catch-Up Contributions are eligible for Matching Contributions. Higher Catch-Up Contributions for Participants who have attained ages 60 - 63 are not eligible for Matching Contributions.
- ☐ (2) Only regular Catch-Up Contributions are eligible for Matching Contributions. Matching Contributions on higher Catch-Up Contributions for Participants who have attained ages 60 - 63 are no longer made to the Plan, effective ____ [insert date after January 1, 2025].
- ☐ (3) Describe any special rules or provisions, including effective dates, relating to Catch-Up Contributions and their eligibility for Matching Contributions: _____

[Note: If no elections are made above, the Plan will treat higher Catch-Up Contributions in the same manner as Catch-Up Contributions as designated under AA §6B-3.]

- (c) **Elections relating to Roth Deferrals and Catch-Up Contributions.**

[Note: In lieu of making elections under this subsection (c), the Employer may make appropriate elections (i.e., to remove Catch-Up Contributions or to add Roth Deferrals) under the Adoption Agreement. If Roth Deferrals are added under subsection (2) below, the Plan defaults for Roth Deferrals will apply unless otherwise described under subsection (f) below.]

- ☐ (1) Catch-Up Contributions are removed from the Plan effective ____ [insert date on or after January 1, 2024].
- ☐ (2) Roth Deferrals are added to the Plan effective ____ [insert date on or after January 1, 2024].
- ☐ (3) Highly Paid Individuals (i.e., any eligible Participant whose wages (as defined in Code §3121(a) for the preceding calendar year from the employer sponsoring the Plan exceeded \$150,000 (as adjusted)) are not eligible to make Catch-Up Contributions under the Plan.
- ☐ (4) Highly Compensated Employees and Highly Paid Individuals (i.e., any eligible Participant whose wages (as defined in Code §3121(a)) for the preceding calendar year from the employer sponsoring the Plan exceeded \$150,000 (as adjusted) are not eligible to make Catch-Up Contributions under the Plan.

- ☐ (5) Highly Compensated Employees with net earnings from self-employment for the preceding calendar year that exceeded \$150,000 (as adjusted) and Highly Paid Individuals (i.e., any eligible Participant whose wages (as defined in Code §3121(a)) for the preceding calendar year from the employer sponsoring the Plan exceeded \$150,000 (as adjusted) are not eligible to make Catch-Up Contributions under the Plan.
- (d) **Deemed Roth Catch-Up Contribution election.** Unless elected otherwise below, the Plan deems a Participant who is subject to the Roth Catch-Up Contribution requirement to have irrevocably designated any Catch-Up Contributions as a Roth Deferral.
- ☐ (1) The Plan does not provide for a deemed Roth Catch-Up Contribution election, unless the Plan Administrator notifies the Participant of such a deemed Roth Catch-Up Contribution election before the Participant makes a Salary Deferral election. (See S2IA §4.02(d).)
- ☒ (2) The Plan does not provide for a deemed Roth Catch-Up Contribution election. The Participant must make an election to treat Catch-Up Contributions as Roth Catch-Up Contributions. (See S2IA §4.02(d).)
- ☐ (e) **Aggregation of employers for determining the “employer sponsoring the Plan” for purposes of Code §414(v)(7).** To determine the Highly Paid Individuals for purposes of Code §414(v)(7) and determining wages from the “employer sponsoring the Plan,” the following employers are aggregated, as allowed under Treas. Reg. §1.414(v)-2(b)(4) (e.g., employers using a common paymaster or part of a Related Employer group): _____
- [Note: In lieu of listing aggregated employers above, the Employer may describe such aggregated employers in a separate written administrative procedure.]
- ☐ (f) Describe other special rules or provisions, including effective date rules, relating to Catch-Up Contributions: _____

S2-5. LTPT EMPLOYEES. (S2IA §4.03)

[Applies to all Plans with 401(k) provisions.]

[Note: If the Employer has made elections related to Long-Term Part-Time Employees under the CARE/SECURE Interim Amendment, such elections will not be overridden unless elected otherwise below. However, changes to the LTPT Employee rules under the SECURE 2.0 apply.]

The Plan must permit LTPT Employees to make Salary Deferrals into the Plan, as required under Code §§401(k)(2)(D)(ii) and 401(k)(15) and applicable regulations. The Employer may make elections under this §S2-5 consistent with the requirements of S2IA §4.03. Elections under this §S2-5 are not necessary if no Employees are eligible to make Salary Deferrals solely because of the LTPT Employee requirements under Code §§401(k)(2)(D)(ii) and 401(k)(15).

- ☐ (a) **Eligibility for Employer Contributions and Matching Contributions.** Unless elected otherwise below, LTPT Employees are not eligible for Employer Contributions or Matching Contributions under the Plan.
- In addition to the ability to make Salary Deferrals, LTPT Employee may receive the following in the same manner and under the same conditions as other Eligible Employees under the Plan:
- ☐ (1) All available Employer Contributions and Matching Contributions, effective ____.
- ☐ (2) Employer Contributions (including Qualified Nonelective Employer Contributions), effective ____.
- ☐ (3) Matching Contributions (including Qualified Matching Contributions), effective ____.
- ☐ (4) Safe Harbor 401(k) Plan Contributions, effective ____.
- ☐ (5) Describe: _____
- ☐ (b) **Eligibility Computation Period (ECP).** Unless elected otherwise below, the ECP rules under the Plan apply to LTPT Employees.
- ☐ (1) The ECP for an LTPT Employee is based on Anniversary Years and will not switch to the Plan Year.
- ☐ (2) Describe ECP rules applicable to LTPT Employees: _____
- [Note: Any description under this (2) must be consistent with requirements for ECPs under the Plan.]
- ☐ (c) **Entry Date.** Unless elected otherwise below, the Entry Date rules under the Plan apply to LTPT Employees.
- ☐ (1) The Entry Date for LTPT Employees will be the first day of the 1st and 7th month of the Plan Year.
- ☐ (2) Describe the Entry Date rules applicable to LTPT Employees: _____
- [Note: Any description under this (2) must be consistent with requirements for Entry Dates under the Plan.]
- (d) **Collectively Bargained Employees and non-resident aliens.** If Collectively Bargained Employees and/or non-resident aliens who receive no compensation from the Employer that constitutes U.S. source income are otherwise eligible for

the Plan, the Employer may elect to not exclude such Employees from the LTPT Employee rules below:

- ☐ (1) Collectively Bargained Employees are not excluded from eligibility as LTPT Employees.
- ☐ (2) Non-resident aliens who receive no compensation from the Employer that constitutes U.S. source income are not excluded from eligibility as LTPT Employees.
- (c) **Roth Deferrals.** LTPT Employees may make Roth Deferrals if Roth Deferrals are permitted under the Plan, unless the Employer elects otherwise below:
 - ☐ LTPT Employees are not permitted to make Roth Deferrals under the Plan.
- (f) **After-Tax Employee Contributions.** LTPT Employees may make After-Tax Employee Contributions if After-Tax Employee Contributions are permitted under the Plan, unless the Employer elects otherwise below:
 - ☐ LTPT Employees are not permitted to make After-Tax Employee Contributions under the Plan.
- (g) **Rollover Contributions.** LTPT Employees may make Rollover Contributions if Rollover Contributions are permitted under the Plan, unless the Employer elects otherwise below:
 - ☐ LTPT Employees are not permitted to make Rollover Contributions under the Plan.
- (h) **Automatic Contribution Arrangements.** LTPT Employees are subject to the Plan's Automatic Contribution Arrangement provisions (including automatic escalation), unless the Employer elects otherwise below:
 - ☐ (1) LTPT Employees are not subject to the Automatic Contribution Arrangement provisions of the Plan.
 - ☐ (2) LTPT Employees are subject to the Plan's Automatic Contribution Arrangement provisions (**excluding automatic escalation**).

[Note: If the Plan is subject to the mandatory automatic enrollment rules under S2IA §4.01, LTPT Employees must be automatically enrolled in the Plan and the above elections do not apply.]
- (i) **Vesting Computation Periods (VCPs).** LTPT Employee will not receive vesting credit for VCPs beginning before January 1, 2021, unless the Employer elects otherwise below:
 - ☐ (1) All VCPs beginning before January 1, 2021 will be taken into account for determining vesting credit for LTPT Employees.
 - ☐ (2) Describe the VCPs beginning before January 1, 2021 that will be taken into account for determining vesting credit for LTPT Employees: _____
- (j) **Nondiscrimination and coverage election.** If the Plan is not a Safe Harbor 401(k) Plan, the Employer may administratively elect on an annual basis to exclude LTPT Employees from all nondiscrimination and coverage tests listed under S2IA §4.03(f).
 If the Plan is a Safe Harbor 401(k) Plan, the Employer excludes LTPT Employees from all nondiscrimination and coverage tests listed under S2IA §4.03(f), unless elected otherwise below:
 - ☐ The Plan is a Safe Harbor 401(k) Plan intended to satisfy the ADP safe harbor provisions of Code §§401(k)(12) or (13) and/or the ACP safe harbor provisions of Code §§401(m)(11) or (12) and the Employer elects to INCLUDE LTPT Employees in all nondiscrimination and coverage tests listed under S2IA §4.03(f). (The Employer must make this nondiscrimination and coverage election before the Plan Year for which the election applies.)
- (k) **Top-Heavy Plan election.** LTPT Employees will not receive a Top-Heavy Plan minimum allocation as provided under Section 4 of the BPD, unless the Employer elects otherwise below.
 - ☐ LTPT Employees will receive a Top-Heavy Plan minimum allocation as provided under Section 4 of the BPD, if applicable.
- ☐ (l) **Describe other rules applicable to LTPT Employees:** _____

[Note: Any rules under this (l) must be consistent with requirements for the participation of LTPT Employees as set forth under S2IA §4.03.]

S2-6. STARTER 401(k) PLANS FOR EMPLOYERS WITH NO RETIREMENT PLAN. (S2IA §4.05)

[Applies to all Plans with 401(k) provisions, except the Governmental Plan and the Church Plan.]

- ☐ **Establishment of Starter 401(k) Plan.** The Employer establishes a Starter 401(k) Plan, as of the effective date indicated on the Employer Signature Page of the Adoption Agreement. The effective date may be no earlier than December 31, 2023.

[Note: An Employer adopting a Starter 401(k) Plan should complete the Adoption Agreement consistent with the requirements applicable to a Starter 401(k) Plan, as described under S2IA §4.05. The Employer must designate an automatic (default) deferral percentage of at least 3% and not more than 15%, a minimum service requirement of not more than one Year of Service, a minimum age requirement of not more than age 21, and an Entry Date.]

S2-7. PENSION-LINKED EMERGENCY SAVINGS ACCOUNT (PLESA). (S2IA §4.06)

[Applies to all Plans with 401(k) provisions.]

- (a) **Establishment of a PLESA.** Unless otherwise elected below, the Plan does not include PLESAs.
- ☐ Effective for Plan Years beginning on or after ____ [enter a date no earlier than January 1, 2024], the Employer establishes, as part of the Plan, a PLESA for the benefit of eligible Participants, as provided under Code §402A(e) and ERISA §§801 – 804.
- (b) **Elections relating to PLESAs.** If PLESAs are established under the Plan, the Employer may make the following elections:
- ☐ (1) Instead of \$2,500 the Plan limits the portion of a Participant's Account attributable to PLESA contributions to \$____ [insert amount less than \$2,500]
- ☐ (2) Instead of requiring an affirmative election by a Participant to contribute to the PLESA, the Plan will automatically enroll eligible Participants at a rate of ____% [must be 3% or less]

S2-8 SIMPLE 401(k) PLAN PROVISIONS. (S2IA §4.07)

[Applies to the DC Plan if used as a SIMPLE 401(k) Plan. New SIMPLE 401(k) Plans must also complete AA §6A-10.]

Subject to the increased Salary Deferral and Catch-Up Contribution limits described under S2IA §4.07(b) and (c), the Provisions under the current Plan document will apply to SIMPLE 401(k) Plans, unless elections are made under this §S2-8. See §S2-4 for elections relating to higher Catch-Up Contributions for Participants who have attained ages 60-63.

- ☐ (a) **Election of Matching Contribution or Employer Contribution.**
- ☐ Instead of the election under AA §6A-10(a), the Employer will determine whether to make Matching Contributions or Employer Contributions under S2IA §§4.07(b)(4) or 4.07(c)(4) on an annual basis.
- ☐ (b) **Additional Employer Contributions to SIMPLE 401(k) Plan.** Effective for taxable years beginning on or after January 1, 2024, an Employer may make additional discretionary Employer Contributions to its SIMPLE 401(k) Plan for each Eligible Employee in a uniform manner, provided that such contribution may not exceed the lesser of up to 10% of compensation or \$5,000 (indexed for inflation). The Employer may elect below to make the additional Employer Contribution as a fixed contribution to the Plan.
- ☐ Effective for Plan Years beginning on or after ____ [no earlier than January 1, 2024], the Employer elects to make an additional fixed Employer Contribution to the SIMPLE 401(k) Plan for the Plan Year equal to ____% of SIMPLE Compensation [may not exceed 10%] up to:
- ☐ (1) \$5,000
- ☐ (2) \$____ [must be less than \$5,000]
- ☐ (c) **Election to increase contribution limits for Employers with more than 25 Employees.** Effective for taxable years beginning on or after January 1, 2024, for an Employer with 26 to 100 Employees who receive at least \$5,000 of compensation for the preceding year that sponsors a SIMPLE 401(k), the otherwise applicable Salary Deferral limit and the limit on the SIMPLE 401(k) Catch-Up Contribution are increased by 10% if the Employer elects below to either provide for a 4% Matching Contribution or a 3% Employer Contribution.
- ☐ (1) Effective for taxable years beginning on or after ____ [no earlier than the taxable year beginning on or after January 1, 2024], the Employer elects to contribute a Matching Contribution equal to an Eligible Employee's Salary Deferrals up to 4% of the Employee's SIMPLE Compensation for the full calendar year.
- ☐ (2) Effective for taxable years beginning on or after ____ [no earlier than the taxable year beginning on or after January 1, 2024], the Employer elects to contribute an Employer Contribution of 3% of SIMPLE Compensation for the full calendar year for each Eligible Employee.
- ☐ (3) Effective for taxable years beginning on or after ____ [no earlier than the taxable year beginning on or after January 1, 2024], the Employer will determine on an annual basis whether to make Matching Contributions equal to the Eligible Employee's Salary Deferrals up to 4% of the Employee's SIMPLE Compensation for the full calendar year or Employer Contributions of 3% of SIMPLE Compensation of the Eligible Employee for the full calendar year.
- ☐ (d) Other SIMPLE 401(k) provisions: _____

[Note: Any special rules under subsection (e) must satisfy the nondiscrimination requirements under Code §401(a)(4) and the requirements for a SIMPLE 401(k) Plan as described in S2IA §4.07.]

S2-9 RETROACTIVE FIRST YEAR SALARY DEFERRALS FOR SOLE PROPRIETORS. (S2IA §4.08)

[Applies to all Plans with 401(k) provisions, except the Governmental Plan and the Church Plan.]

- ☐ As provided under S2IA §4.08, the Employer, as an eligible sole proprietor, elects to adopt the Plan, including the ability of a sole proprietor to make Salary Deferrals, retroactively to ____ [insert first day of the Plan Year for which Plan is initially effective – date must be on or after December 30, 2022.]

ELECTIVE PROVISIONS RELATING TO MATCHING CONTRIBUTIONS

S2-10. OPTIONAL TREATMENT OF MATCHING CONTRIBUTIONS AS DESIGNATED ROTH MATCHING CONTRIBUTIONS. (S2IA §5.01)

[Applies to all Plans with 401(k) provisions.]

- ☒ (a) A Participant may not elect to treat a nonforfeitable Matching Contribution made on behalf of such Participant as a Designated Roth Matching Contribution.
- ☐ (b) Effective ____ [insert date on or after December 30, 2022], a Participant MAY elect to treat a nonforfeitable Matching Contribution made on behalf of such Participant as a Designated Roth Matching Contribution.
- ☐ (c) Describe any special rules relating to the optional treatment of nonforfeitable Matching Contributions as a Designated Roth Matching Contribution: _____

S2-11. TREATMENT OF QUALIFIED STUDENT LOAN PAYMENTS (QSLPs) AS SALARY DEFERRALS FOR PURPOSES OF MATCHING CONTRIBUTIONS. (S2IA §5.02)

[Applies to all Plans with 401(k) provisions.]

- ☒ (a) The Plan does not treat QSLPs as Salary Deferrals (or After-Tax Employee Contributions, if applicable) for purposes of Matching Contributions.
- ☐ (b) Effective for Plan Years beginning on or after ____ [enter a date no earlier than January 1, 2024], the Plan will treat QSLPs as Salary Deferrals (or After-Tax Employee Contributions, if applicable) for purposes of Matching Contributions, as provided for under §110 of the SECURE 2.0 Act.
- ☐ (c) Describe any special rules relating to the treatment of QSLPs as Salary Deferrals (or After-Tax Employee Contributions, if applicable) for purposes of Matching Contributions: _____

S2-12. FEDERAL SAVER'S MATCHING CONTRIBUTION. (S2IA §5.03)

[Applies to all Plans with 401(k) provisions. Note, an Owners Only (Solo k) Plan may accept federal saver's matching contributions to the extent allowed under applicable IRS guidance.]

- ☒ (a) Employer will not accept receipt of the federal saver's matching contribution.
- ☐ (b) The Employer elects to accept the receipt of the federal saver's matching contribution, effective ____ [insert date on or after January 1, 2027].
- ☐ (c) Describe special rules applicable to the federal saver's matching contribution: _____

ELECTIVE PROVISIONS RELATING TO DISTRIBUTIONS

S2-13. AVAILABILITY OF INVOLUNTARY CASH-OUT DISTRIBUTIONS. (S2IA §6.01)

[Applies to all Plans.]

- ☐ (a) **No change to Involuntary Cash-Out Distribution related-provisions as elected under the Adoption Agreement and as applicable before January 1, 2024 (i.e., prior to the effective date of §304 of the SECURE 2.0 Act).**
- ☒ (b) **Involuntary Cash-Out Distributions.** Beginning January 1, 2024, or, if later, April 1, 2024 ____ [insert date after January 1, 2024], a Participant who has a termination of employment with a vested Account Balance of \$7,000 or less will receive an Involuntary Cash-Out Distribution, subject to the Automatic Rollover provisions under the Plan.
- ☐ (c) **No Involuntary Cash-Out Distributions.** Beginning January 1, 2024, or, if later, ____ [insert date after January 1, 2024], the Plan does not provide for Involuntary Cash-Out Distributions. A Participant who has a termination of

employment must consent to any distribution from the Plan.

- ☐ (d) **Lower Involuntary Cash-Out Distribution threshold.** Beginning January 1, 2024, or, if later, ____ [insert date after January 1, 2024], a Participant who has a termination of employment will receive an Involuntary Cash-Out Distribution only if the Participant's vested Account Balance is less than or equal to:
- ☐ (1) \$1,000
- ☐ (2) \$5,000
- ☐ (3) \$____ (must be less than \$7,000)
- ☐ (e) **Application to spousal consent requirements.** Beginning January 1, 2024, or, if later, ____ [insert date after January 1, 2024], if the Plan is subject to the Qualified Joint and Survivor Annuity rules and this subsection (e) is elected, the elections in subsections (a) - (d) do not apply in determining the dollar threshold for spousal consent under the Plan and instead the spousal consent threshold is \$7,000 or such lower amount as selected below:
- ☐ (1) \$1,000
- ☐ (2) \$5,000
- ☐ (3) \$____ (must be less than \$7,000)
- ☐ (f) Describe any special rules relating to Involuntary Cash Out Distributions and/or spousal consent requirements: _____

S2-14. AVAILABILITY OF IN-SERVICE DISTRIBUTIONS. (S2IA §§6.03, 6.04, 6.05 and 6.07)

[Applies to all Plans, except the Money Purchase Plan.]

A Participant may withdraw all or any portion of such Participant's vested Account Balance, to the extent designated, upon the occurrence of any of the event(s) selected under this §S2-14. If more than one option is selected for a particular contribution type under this §S2-14, a Participant may take an in-service distribution upon the occurrence of any of the selected events, unless designated otherwise under this §S2-14.

If the Plan allows for Rollover Contributions under AA §C-2 or After-Tax Employee Contributions under AA §6D, unless elected otherwise under this §S2-14, a Participant may take an in-service distribution from such Participant's Rollover Account and After-Tax Employee Contribution Account at any time. If the Plan provides for Safe Harbor Contributions (SH) under AA §6C, unless elected otherwise under this §S2-14, a Participant may take an in-service distribution from such Participant's Safe Harbor Contribution Account at the same time as elected for Salary Deferrals under §S2-14. Unless otherwise described under §S2-14(e), a Participant may take an in-service distribution from a Transfer Account as allowed for the underlying contribution source.

All Available Sources	Deferral	Match	ER	R/O	AT	SH	
☐	☐	☐	☐	☐	☐	☐	(a) As an Emergency Personal Expense Distribution beginning January 1, 2024, or, if later, ____ [insert date after January 1, 2024].
☐	☐	☐	☐	☐	☐	☐	(b) As a Domestic Abuse Distribution beginning January 1, 2024, or, if later, ____ [insert date after January 1, 2024].
☐	☐	☐	☐	☐	☐	☐	(c) As a Qualified Long-Term Care Distribution beginning December 30, 2025, or, if later, ____ [insert date after December 30, 2025].
☐	☐	☐	☐	☐	☐	☐	(d) As a Terminally Ill Individual Distribution beginning December 30, 2022, or, if later, ____ [insert date after December 30, 2022]. [Note: Not available with respect to Salary Deferrals, Traditional Safe Harbor Contributions, QACA Safe Harbor Contributions, QNECs and QMACs, unless legislation amends Code §72(t)(2)(L) to allow a Terminally Ill Individual Distribution as a permissible distribution event.]
☐	☐	☐	☐	☐	☐	☐	(e) Describe: _____

[**Note:** Unless designated otherwise under subsection (e), any selection(s) in the Deferral column also apply to Roth Contributions, QMACs and QNECs. Except, Qualified Long-Term Care Distributions may not be taken from Roth accounts. Elections under the ER column also apply to Mandatory Contributions, unless otherwise provided in subsection (e). Any event described in subsection (e) may not violate the permissible distribution events under the Plan.]

☐ (f) **Special distribution rules for in-service distributions.**

- ☐ (1) The following are not available to Participants who have had a termination of employment:
- ☐ (i) Emergency Personal Expense Distributions
 - ☐ (ii) Domestic Abuse Distributions
 - ☐ (iii) Qualified Long-Term Care Distributions
 - ☐ (iv) Terminally Ill Individual Distributions
- ☐ (2) The following are not available unless the Participant is 100% vested in the source from which the distribution is taken:
- ☐ (i) Emergency Personal Expense Distributions
 - ☐ (ii) Domestic Abuse Distributions
 - ☐ (iii) Qualified Long-Term Care Distributions
 - ☐ (iv) Terminally Ill Individual Distributions
- ☐ (3) Other distribution rules: _____

S2-15. REQUIRED MINIMUM DISTRIBUTIONS ELECTIONS AND RULES. (S2IA §6.08) [If the Employer has made elections related to the required minimum distribution rules under the CARE/SECURE Interim Amendment, such elections will not be overridden unless elected otherwise below.]

[Applies to all Plans.]

[Note: The Plan shall comply with the required minimum distribution requirements of Code §401(a)(9) and applicable regulations. The Employer may develop administrative procedures to assist the Plan in complying with the required minimum distribution requirements.]

(a) **Application of life expectancy and 10-year rules to Eligible Designated Beneficiaries.**

Unless the Employer elects otherwise under this subsection (a), required minimum distributions under the Plan when the Participant dies prior to the Required Beginning Date shall be made as follows: (1) if the Participant does not have a Designated Beneficiary, distributions must satisfy the 5-year rule under Code §401(a)(9)(B)(ii); (2) if the Participant has a Designated Beneficiary that is not an Eligible Designated Beneficiary, distributions must satisfy the 10-year rule; or (3) if the Participant has an Eligible Designated Beneficiary, distributions must satisfy the life expectancy rule.

- ☐ Instead of the above default rule, the Plan will apply the following rule:
- ☐ (1) The 10-year rule applies to all Eligible Designated Beneficiaries.
 - ☐ (2) The entire interest of an Eligible Designated Beneficiary will be distributed by the end of the ____ calendar year [may not be greater than 9th] following the year the Participant dies.
 - ☐ (3) The Participant or Eligible Designated Beneficiary may elect to apply either the 10-year rule or the life expectancy rule to determine the required minimum distributions when the Participant dies before such Participant's Required Beginning Date. If the Participant or Eligible Designated Beneficiary does not make such an election on a timely basis:
 - ☐ (i) the life expectancy rule applies to all Eligible Designated Beneficiaries.
 - ☐ (ii) the 10-year rule applies to all Eligible Designated Beneficiaries.
 - ☐ (iii) the 10-year rule, reduced to ____ years, applies to all Eligible Designated Beneficiaries.
 - ☐ (4) Describe the manner (including effective date) in which the 10-year rule and life expectancy rule apply to Eligible Designated Beneficiaries: _____

(b) **Describe any rules relating to the application of the required minimum distribution rules under Code §401(a)(9):** _____

MISCELLANEOUS PROVISIONS

S2- 16 PLAN AMENDMENT INCREASING EMPLOYER CONTRIBUTIONS FOR PREVIOUS PLAN YEAR. (S2IA §7.06)

[Applies to all Plans.]

- ☐ (a) Effective ____ [insert date during the immediately preceding Plan Year that is no earlier than January 1, 2024], the Employer elects to amend the Plan to increase Employer Contributions (as provided for in the Adoption Agreement) and to treat such amendment as having been adopted as of the last day of the Plan Year in which the amendment is effective.
- ☐ (b) Describe special rules relating to plan amendment increasing Employer Contributions for previous Plan Year: _____

[Note: In lieu of an election under this §S2-16, the Employer may include the effective date of the Plan amendment on the Employer Signature Page. Any Adoption Agreement restriction that the effective date may be no earlier than the first day of the Plan Year in which the amendment is adopted does not apply.]

S2-17 MILITARY SPOUSE PLAN ELIGIBILITY. (S2IA §7.07)

[Applies to all DC Plans, except the Owners Only (Solo k) Plan, the Governmental Plan and the Church Plan.]

Effective for taxable years beginning after December 29, 2022, if the Employer is an Eligible Small Employer that meets the requirements of Code §45AA, such Employer may be entitled to a tax credit with respect to each Military Spouse Employee who participates in the Plan. Although Code §45AA is not a qualification requirement under Code §401(a), the Employer may want to design the Plan to satisfy the applicable requirements. The Employer may design the Plan to meet the Code §45AA requirements under the terms of the Adoption Agreement or under this §S2-17.

- ☐ (a) **The Employer elects the following special provisions applicable to Military Spouses. All Matching Contributions and/or Employer Contributions made on behalf of Military Spouses are immediately 100% vested.**
 - ☐ (1) A Military Spouse will enter the Plan immediately upon such Military Spouse's Employment Commencement Date and is immediately eligible to receive Matching Contributions and/or Employer Contributions which are not less than the amount of such contributions that a similarly situated Participant who is not a Military Spouse would be eligible to receive under the Plan after two (2) Years of Service for eligibility purposes.

- ☐ (2) A Military Spouse will enter the Plan on the date which is two months after such Military Spouse's Employment Commencement Date and is then immediately eligible to receive Matching Contributions and/or Employer Contributions which are not less than the amount of such contributions that a similarly situated Participant who is not a Military Spouse would be eligible to receive under the Plan after two (2) Years of Service for eligibility purposes.
- ☐ (3) A Military Spouse will enter the Plan on the next Entry Date following such Military Spouse's Employment Commencement Date, but in no event later than two months after such Employment Commencement Date, and is then immediately eligible to receive Matching Contributions and/or Employer Contributions which are not less than the amount of such contributions that a similarly situated Participant who is not a Military Spouse would be eligible to receive under the Plan after two (2) Years of Service for eligibility purposes.
- ☐ (4) A Military Spouse will enter the Plan on the date which is ____ months (cannot exceed two (2)) or ____ days (cannot exceed 60) after such Military Spouse's Employment Commencement Date and is then immediately eligible to receive Matching Contributions and/or Employer Contributions which are not less than the amount of such contributions that a similarly situated Participant who is not a Military Spouse would be eligible to receive under the Plan after two (2) Years of Service for eligibility purposes.
- ☐ (b) Effective date of special provisions applicable to Military Spouses: _____
- ☐ (c) Describe special rules relating to contributions for Military Spouses: _____

S2-18. PEP FIDUCIARY FOR COLLECTING CONTRIBUTIONS TO THE PEP. (S2IA §8.01)

- ☐ Instead of the PPP, the fiduciary for collecting contributions to the PEP is: _____

S2-19. SPECIAL PROVISIONS.**[Applies to all Plans.]**

If the Employer wishes to provide additional or clarifying provisions to this SECURE 2.0 Act Interim Amendment, the Employer may include such provisions below.

- ☐ Describe any special rules related to this SECURE 2.0 Act Interim Amendment: _____

APPLICATION OF THE SECURE 2.0 ACT INTERIM AMENDMENT

[Signature required only for Employers who override the Provider's default elections.]

Pursuant to Revenue Procedure 2023-37 and Section 14.01(a) of the BPD, this SECURE 2.0 Act Interim Amendment has been adopted by the Pre-Approved Plan Provider on behalf of all adopting Employers. If the Employer wishes to override the Provider's (default) elections, the Employer (or the authorized representative of the Employer) must execute this SECURE 2.0 Act Interim Amendment by signing below. This amendment applies to the signatory Employer and all Participating Employers under the Plan.

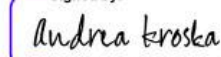
John Wiley & Sons, Inc. Employees' Savings Plan
Name of Plan

John Wiley & Sons, Inc.
(Name of Employer)

Andrea Kroska
(Name of Authorized Representative, if applicable)

VP, Global Benefits, Wellbeing, S
(Title)

Signed by:


56F385752B88484...
(Signature)

07-07-2026 | 10:34 AM EDT
(Date)

CERTIFICATIONS PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Matthew S. Kissner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of John Wiley & Sons, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Matthew S. Kissner
 Matthew S. Kissner
 President and Chief Executive Officer
 Dated: September 4, 2026

CERTIFICATIONS PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Craig Albright, certify that:

1. I have reviewed this quarterly report on Form 10-Q of John Wiley & Sons, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Craig Albright
Craig Albright
Executive Vice President and Chief Financial Officer
Dated: September 4, 2026

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of John Wiley & Sons, Inc. (the "Company") on Form 10-Q for the period ended July 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Matthew S. Kissner, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that based on my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Matthew S. Kissner
Matthew S. Kissner
President and Chief Executive Officer

Dated: September 4, 2026

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of John Wiley & Sons, Inc. (the "Company") on Form 10-Q for the period ended July 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Craig Albright, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that based on my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Craig Albright
Craig Albright
Executive Vice President and Chief Financial Officer

Dated: September 4, 2026