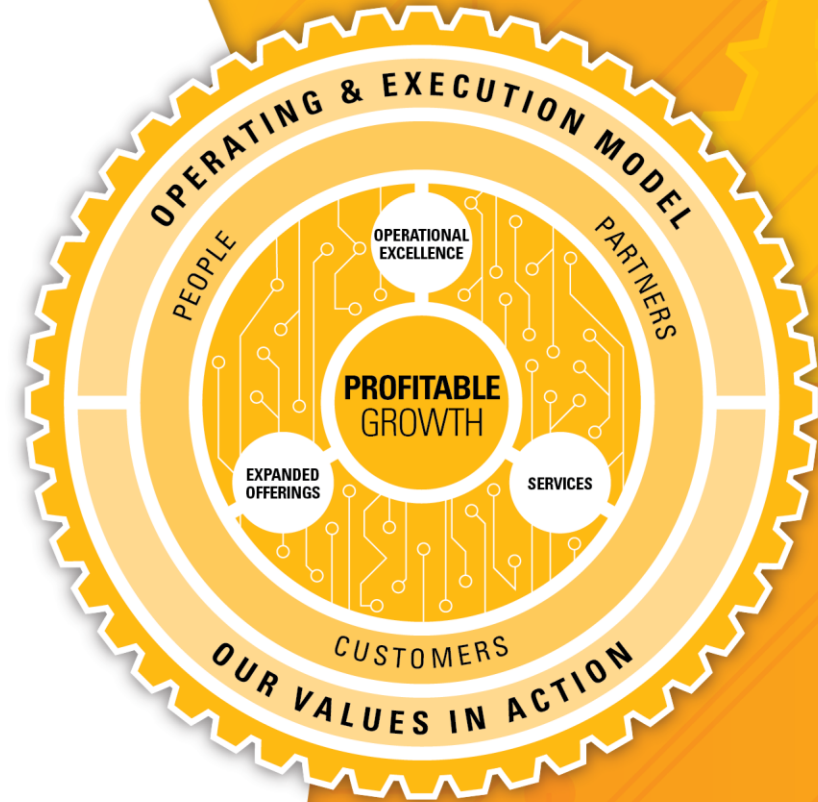


401(k) Overview



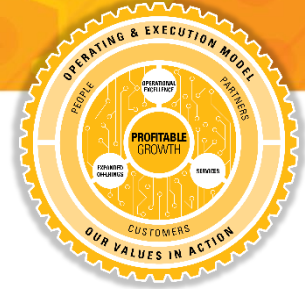
OUR SOLUTIONS HELP OUR CUSTOMERS BUILD A BETTER WORLD.

OUR SOLUTIONS HELP OUR CUSTOMERS BUILD A BETTER WORLD.

CONTRIBUTIONS

Employee and Employer



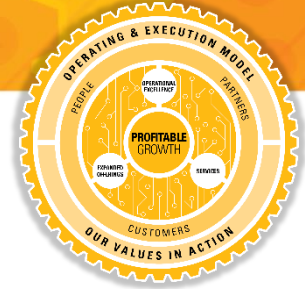


Employee contributions

- Defer up to 70% of base pay
- Defer up to 70% of incentive payment
- Defer on a pre-tax and/or Roth (after-tax) basis

For Example:

401(k) Plan contribution rates:					
Base Pay		Pre-Tax:	15%	Roth:	0%
Incentive Pay		Pre-Tax:	0%	Roth:	6%

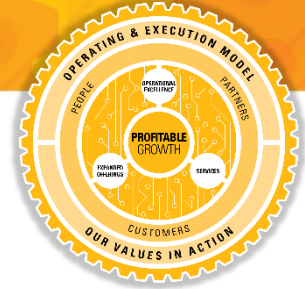


Deferral limits

Roth and pre-tax 401(k) accounts

- Employee annual **combined** IRS contribution limit for 2018
 - \$18,500 if under age 50
 - \$24,500 (\$6,000 additional catch-up contribution) if age 50 or over by December 31st
- Plan limits your contribution to 70% of eligible compensation but current taxes may limit the amount you may defer

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UPoint Website: Accessible through Cat@Work or via resources.hewitt.com/cat

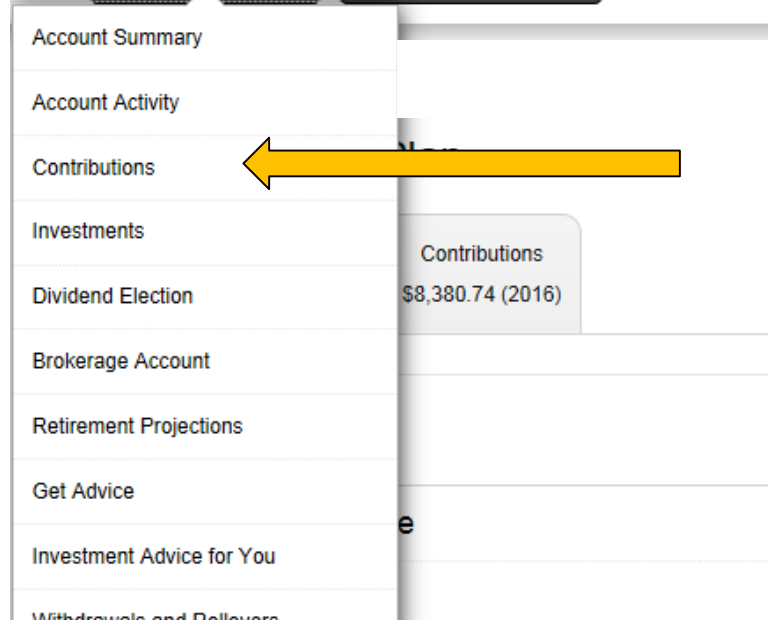
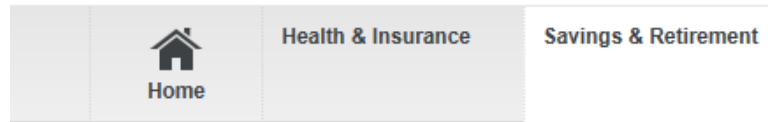
The screenshot shows the UPoint website interface. At the top, there is a navigation bar with the user's name "Your Name Here" and the Caterpillar logo. Below the navigation bar is a large banner image of a yellow Caterpillar excavator at a construction site. The main content area is divided into several sections:

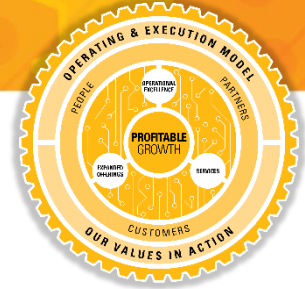
- 401(k) Savings Plan:** A section with a yellow highlight that says "Your Selected Plan Name & Name of Insured(s)" and "You, Jalen".
- Retirement Income:** A section with a yellow highlight that says "Your Selected Plan Name & Name of Insured(s)" and "You, Jalen".
- 401(k) Savings Plan Contributions:** A section showing "Monthly Estimates at Age 50" for the period "Jan 1, 2018–Apr 3, 2018".
- Your Last Investment Change:** A section showing "Activity occurred on: Sep 1, 2017".
- Other Resources:** A sidebar on the right with a checked box for "Other Resources" and links for "Plan Documents", "Confirm Your Personal Information", "Select a Beneficiary", and "Change Your Coverage".

At the bottom of the dashboard, there are three cards: "Account Statements" (with a description: "You can view and print your savings plan account overview."), "Manage Your Investments" (with an image of an excavator), and "Financial Education Center" (with an image of a bar chart and an upward arrow).



Deferral limits on UPoint[®]





Company match contributions

- Caterpillar provides 100% or 50% match of your employee contributions up to a maximum of 6% of pay
 - Example: You elect pre-tax base 4% contribution and Roth-after tax base 4% contribution. Your contributions total 8%. Company will match 6%.
- Eligible pay includes base and incentive payment
- Matching contributions are “trued-up” at the end of the year - Usually deposited by end of January
- Immediately vested in matching contributions



True-Up Example: 100% on 6% Match

Pay-Period	Salary	401(k) Contribution %	401(k) Contribution \$	Company Match \$
Jan	\$4,167	6%	\$250	\$250
Feb	\$4,167	6%	\$250	\$250
Mar	\$4,167	10%	\$417	\$250
Apr	\$4,167	6%	\$250	\$250
May	\$4,167	6%	\$250	\$250
Jun	\$4,167	3%	\$125	\$125
Jul	\$4,167	3%	\$125	\$125
Aug	\$4,167	3%	\$125	\$125
Sep	\$4,167	3%	\$125	\$125
Oct	\$4,167	20%	\$833	\$250
Nov	\$4,167	20%	\$833	\$250
Dec	\$4,167	20%	\$833	\$250
Total	\$50,000		\$4,417	\$2,500
		6% of Pay	\$3,000	
		Match Received	\$2,500	
		True Up Amount	\$500	



Annual Employer Contribution and Vesting*

- You will receive an annual employer contribution each year based on points that total your age plus Years of Benefit Service:

Points	Amount of Annual Employer Contribution
44 or less	3% of Compensation
45 to 64	4% of Compensation
65 or more	5% of Compensation

- The annual employer contributions are subject to the following vesting schedule:

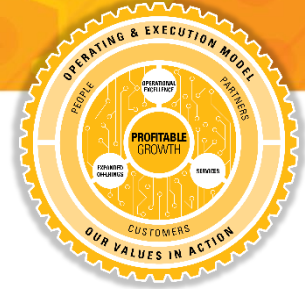
Years of Vesting Service	Vested Percentage
Less than 3 Years	0%
3 Years or more	100%

*Available for eligible employees

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LOANS AND WITHDRAWALS





Types of loans

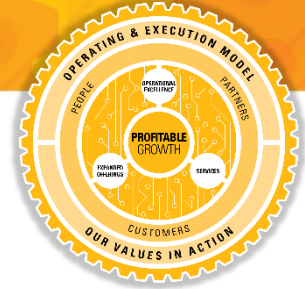
Two types of loans are available:

- **General purpose loan** -- You can take a general purpose loan for any reason and must repay it within 57 months. No application is required.
- **Primary residence loan** -- You must use this loan to purchase a primary residence (house, condo, new construction, co-op, or mobile home) for yourself and repay it within 117 months. The loan application and approval process can take up to 30 days.



Amount you can borrow

- The minimum amount you can borrow is \$1,000. The maximum amount you can borrow is the **lesser** of:
 - 50% of your vested account balance (including any outstanding loans) minus your current outstanding loan balance
 - \$50,000 minus your highest outstanding loan balance(s) within the last 12 months in all of your employer's qualified plans combined
- A loan isn't taxable and doesn't permanently reduce your account balance, as long as you repay it



Loan limits

- You'll be charged a \$50 fee, which will be added to the loan amount you request
- You can't have more than 2 outstanding loans at any time and only one of the outstanding loans can be a primary residence loan
- If you already have the maximum number of outstanding loans, you must pay off one of your outstanding loans before requesting a new one

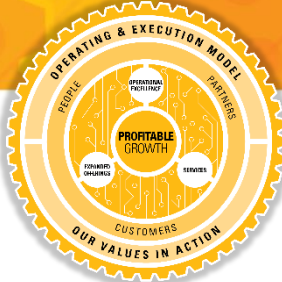


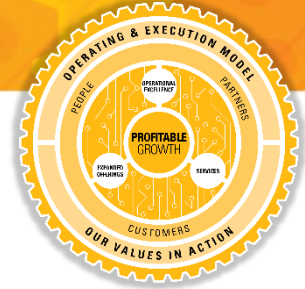
When can you withdraw money?

- Retirement or separation
 - Roll over to IRA or Qualified Plans preserve tax deferred status
 - Lump Sum (subject to ordinary income tax + 10% excise tax if before age 59 ½ years)
- In service withdrawals
 - Allowed after age 59 ½ years
 - Anytime from rollover accounts, EIP1
 - Hardship withdrawals
- Roth qualified distributions
 - Allowed after age 59 ½ years
 - Roth 401(k) account is at least 5 years old
- Minimum required distributions
 - April 1 of year following year in which you turn age 70 ½ years old
- Disability
 - SSDI or eligible for LTD benefit from Caterpillar

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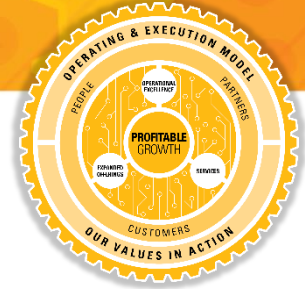
MANAGE YOUR INVESTMENTS: Do-It-Myself OR Do-It-For-Me



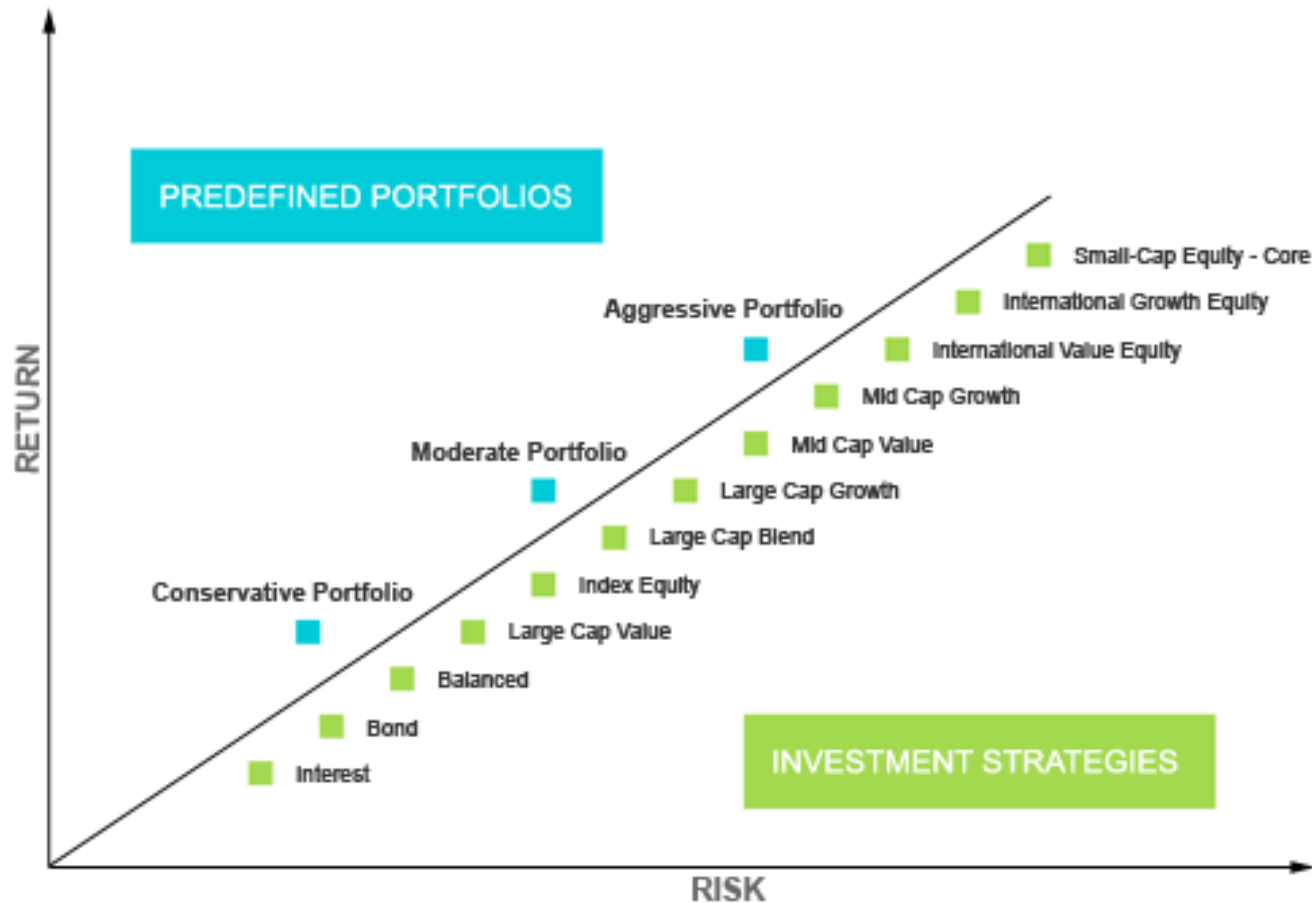


401(k) Investment Options

- 11 core investment funds (includes stable principal, money market, bond, large cap, small/mid cap, international equity) including the Caterpillar Stock Fund
- 10 Target Retirement Fund Options
 - Professionally managed
 - You can only select one target retirement fund option
 - Fund becomes more conservative over time
- Brokerage account—Alight Financial Solutions



Investment Risk vs Return





Fund Fact Sheets on UPoint

Home | Health & Insurance | Savings & Retirement | Life Events | Other Benefits | Messages (1)

401(k) Plan | Financial Education

Investments

Portfolio | Fund Performance | Change Investments

Fund Performance for 401(k) Savings Plan

Table | Graph | Fact Sheets

Fund Fact Sheet for Target Retirement Income Fund

Target Retirement Income Fund

Overview | Performance | Fees | Portfolio | Management | View All

Data as of 05-31-2016 unless otherwise noted

Lipper Classification

Target Retirement Income Fund

POWERED BY LIPPER

Overview | Performance | Lipper Ratings | Fees | Risk | Portfolio | Management | View All | Print

Data as of 04-30-2018 unless otherwise noted

Glossary (Lipper) | Disclosure

Lipper Classification

Mixed-Asset Target Today Funds
Funds that, by portfolio practice, maintain a conservative mix of equity, bonds, cash, and cash equivalents designed to provide income to investors who are in or close to retirement.

Lipper Ratings

Consistent Return Rating out of 137 Mixed-Asset Target Today Funds

5 (Best) | 4 | 3 | 2 | 1 (Worst)

Fund Objective

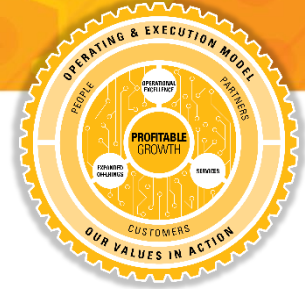
The Fund seeks to provide investment return, shifting from an emphasis on capital appreciation to an emphasis on income and inflation protection as the Fund approaches and passes its target retirement date.

[Review Investment Policy](#)

Historical Performance

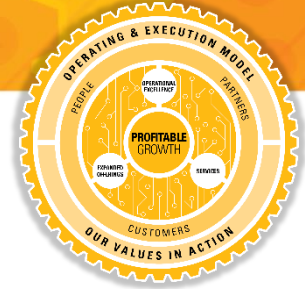
	Target Retirement Income Fund	Target Retirement Income Custom Benchmark
Year to Date	-0.74	-0.83
1 Year*	5.85	6.24
3 Years*	4.52	4.57
5 Years*		
10 Years*		
Fund Inception*	4.83	4.92

*Annualized Data



SDBA window

- Brokerage account—Alight Financial Solutions (AFS)
 - Over 10,000 mutual fund choices
 - Individual company stocks as well as ETF's
 - Bonds
 - Your account is charged \$20/quarter if you have a balance
- Mutual fund commission of \$19.95
- AFS offers Caterpillar participants over 6,400 mutual funds with no transaction fees and waived loads
- AFS does not market retail products to plan participants and focuses solely on the self-directed brokerage accounts



Investment advisory services

Alight Financial Advisors in partnership with Financial Engines



Online Advice

Manage your account on your own

- A source for online help if you're already managing your own account and want to continue doing so.
- Get investment recommendations and see how different choices could impact your financial future.
- Online Advice is available at no additional cost to you.



Professional Management

Have AFA manage your account for you

- A personalized plan and ongoing management from a team of expert investment advisors.
- AFA will create your personalized retirement strategy, put your plan into action and help keep you on track.
- Professional Management is available at a competitive rate.



Investment advisory services

Align Financial Advisors in partnership with Financial Engines



Online Advice

Available through your plan for no additional fee.

- Log in to <http://resources.hewitt.com/cat>, select *Get Advice* from the *Savings and Retirement* menu.



Professional Management

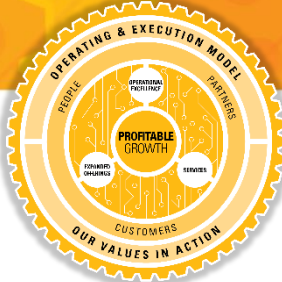
- How much does it cost?

Portion of Account	Annual Rate	Monthly Amount
Up to \$100k	0.40%	\$3.33 per \$10k
\$100k to \$250k	0.30%	\$2.50 per \$10k
>\$250k	0.20%	\$1.67 per \$10k

- To enroll go online at www.aonhewittadvisors.com/for-cat or Call AFA at 1-866-560-7256

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ADDITIONAL INFORMATION AND RESOURCES





Plan Administrative Fee

- Cost: \$5 per month
- Used to cover recordkeeping and trustee charges

Home | Health & Insurance | Savings & Retirement | Life Events | Other Benefits

401(k) Plan | Financial Education

Print

Transaction History

Take Action and Learn

401(k) Savings Plan from 05-02-2016 to 05-31-2016, All Funds

Change Date/Fund

Activity	Amount
Opening Balance	
Before-Tax	
Company Match	
Plan Administration Fee	-\$5.00
Gain/Losses	
Closing Balance	



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Cat @work

Search C

Home **Compensation & Benefits** Career & Learning Support Services Cat Info & News Values & Strategy Search

Overview [Pay & Financial Security](#) Health & Insurance Work & Life Changes Activities, Discounts & Other Benefits Time Reporting

Compensation & Benefits

- Pay & Financial Security »
- Health & Insurance
- Work & Life Changes
- Activities, Discounts & Other Benefits
- Time Reporting



Quick Access

Health Coverage

- Dental
- Medical
- Rx (Prescription Drug)
- Vision

Benefit Vendors & Resources

- myUHC.com
- myCIGNA Dental
- HMOs
- Caterpillar Benefits Center at Aon Hewitt
- ActiveHealth
- Summary Plan Descriptions (SPDs)
- CatHealthBenefits.com
- Benefit Vendor Contacts
- CH Employee Benefits Center (Switzerland)

Work & Life Changes

- Getting Married
- Getting Divorced
- Dependent Child Loses Benefits Eligibility
- Death of a Family Member

Time

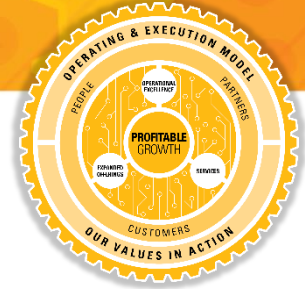
- Time Reporting

Pay & Financial

- Retirement & Savings Management
- [Set up or Change Direct Deposit \(Electronic Funds Transfer\)](#)
- Total Rewards web site

Activities, Discounts, Resources

- Employee and Retiree Discounts
- Social & Networking Opportunities
- Rewards & Recognition



Total Rewards website: See the value of your Retirement Income

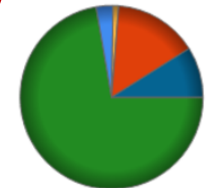
MY TOTAL REWARDS CAT
\$99.81 ↑ 0.44 (0.44%)
As of Apr 1 4:00:PM ET

- HOME
- MY TOTAL REWARDS**
- PAY SUMMARY
- HEALTH & WELFARE BENEFITS
- RETIREMENT INCOME
- MY WEALTH TODAY
- MODEL MY FUTURE
- TIME OFF & OTHER BENEFITS
- MY LEARNING & DEVELOPMENT
- PAY STUB / TAX INFORMATION



My Total Rewards Statement

This is a snapshot of the value of your Total Rewards from Caterpillar-sponsored plans and programs delivered to you last year or in the past 12 months.



- Annualized Base Salary
- Incentives
- Other Cash Compensation
- Health & Welfare Benefits
- Retirement Income

	% of Total Value	Value
Annualized Base Salary	72.80 %	\$68,112.00
Incentives	2.71 %	\$2,533.90
Other Cash Compensation	0.30 %	\$279.04
Health & Welfare Benefits	15.43 %	\$14,441.29
Retirement Income	8.76 %	\$8,196.84
My Total Rewards	100.00 %	\$93,563.07

Data Detail

	Value
MY PAY	
Total Cash Compensation	
• Annualized Base Salary	\$68,112.00
• Short-Term Incentives Plan (STIP)	\$2,533.90
• Other Cash Compensation	\$279.04
MY BENEFITS	
Health & Welfare Benefits (Caterpillar's Investment)	
• Health Plan (Medical, Dental, Prescription Drug and Vision Care)	\$12,806.00
• Income Protection	\$445.00



Total Rewards website: See your 401(k) Plan information

MY TOTAL REWARDS

CAT
\$99.81 ↑ 0.44 (0.44%)
As of Apr 1 4:00:PM ET

- HOME
- MY TOTAL REWARDS
- PAY SUMMARY
- HEALTH & WELFARE BENEFITS
- RETIREMENT INCOME
- Pension Plan
- 401(k) Plan**
- Caterpillar Financial Investment Services
- MY WEALTH TODAY
- MODEL MY FUTURE
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- MY LEARNING & DEVELOPMENT
- PAY STUB / TAX INFORMATION



Caterpillar 401(k) Savings Plan

Under the Caterpillar 401(k) Savings Plan, you elect to save a percentage of your pay (base pay, incentive pay, gainsharing pay, etc.) through automatic payroll deductions. Your contributions come out of each paycheck, making it easy and convenient to save money for your future. Because your future financial needs are important to the company, Caterpillar matches your contribution dollar for dollar on the first 6% of pay. In addition, Caterpillar will contribute 3%, 4% or 5% of your eligible pay to the plan each year based on your points, which is the sum of your age plus years of benefit service as of December 31.

Points	Amount of Annual Employer Contribution
44 or less	3% of Compensation
45 to 64	4% of Compensation
65 or more	5% of Compensation

Your current 401(k) Plan contribution rates are:

- Base pay: Pre-Tax 6% Roth 0%
- Incentive or gainsharing pay: Pre-Tax 10% Roth 0%

My Current Value

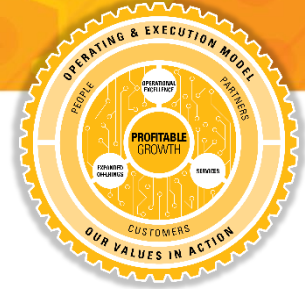
Your total 401(k) SP account balance is **\$6,762.15**.

Your total Tax Deferred Retirement Plan (TDRP) account balance (vested and non-vested) is **\$10,059.97**.

Data Effective as of 03/30/2014 02:30:00 AM

Year	Your Pre-Tax Contribution*	Your Roth Contribution±	Caterpillar's Matching Contribution	Caterpillar's Annual Employer Contribution
2014	\$934.51	\$0.00	\$833.16	\$1,263.53
2013	\$1,702.80	\$0.00	\$1,702.80	\$0.00
2012	\$0.00	\$0.00	\$0.00	\$0.00

* Your pre-tax contribution may include pre-tax and catch-up contributions.
± Your Roth contribution may include Roth and Roth catch-up contributions.

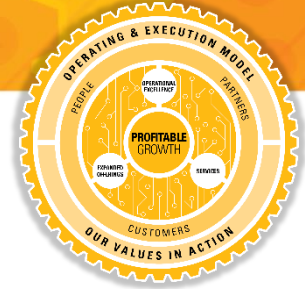


Caterpillar Benefits Center – Alight

- Health & Welfare
- Benefits eligibility
- Qualified status changes
- Dependent coverage (add/drop)
- FSA enrollment
- Pension
- Investments
- Retirement
- Retiree address changes
- Summary Plan Description
- Benefits issues and questions

Tel #: 1-877-228-4010

Mon-Fri 8:00 a.m. - 6:00 p.m.
(Central time)



Tools and calculators

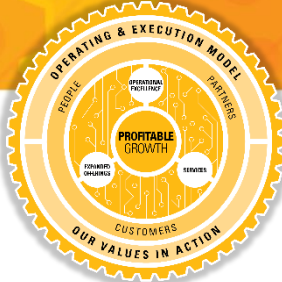
Saving and Investing

- Compare Roth 401(k) vs. Before-Tax
- Evaluate Your Saving Strategy
- Investment Risk Tutorial
- Taxable vs. Tax-Deferred Savings
- Budget to Save More

Borrowing and Withdrawing

- Loan Estimator
- Impact of Early Withdrawal
- Cash Out vs. Roll Over
- Future Required Distributions
- Current Required Distributions

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QUESTIONS?