

The Walmart 401(k) Plan

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The Walmart 401(k) Plan

THE WALMART 401(K) PLAN RESOURCES		
Find What You Need	Online	Other Resources
Enroll in or change your 401(k) contribution and your catch-up contribution	Go to the WIRE , WalmartOne.com or the Plan's website at benefits.ml.com	Call the Customer Service Center at 888-968-4015
<ul style="list-style-type: none"> Request a rollover packet to make a rollover contribution Get a fee disclosure sheet Get information about your Plan accounts Get a copy of your quarterly statement Request a hardship withdrawal or a withdrawal after you reach age 59½ Change your investment fund choices Request a payout when you leave Walmart Get information about your Plan investment options Request a withdrawal of your rollover contributions Request a loan from your Plan account 	Go to benefits.ml.com	Call the Customer Service Center at 888-968-4015
<ul style="list-style-type: none"> Designate a beneficiary 	Go to the WIRE or WalmartOne.com	

What you need to know about the Walmart 401(k) Plan

- You are eligible to make your own contributions to the Plan as soon as administratively feasible after your date of hire is entered into the payroll system. You can contribute from 1% to 50% of each paycheck to the Plan.
- You will begin receiving matching contributions on the first day of the calendar month following your first anniversary of employment with Walmart if you are credited with at least 1,000 hours of service during your first year and you are contributing to Your 401(k) Account. (Matching contributions will not be made with respect to contributions you make before you become eligible for matching contributions.)
- The matching contribution will be a dollar-for-dollar match on each dollar you contribute to the Plan after you become eligible for matching contributions, up to 6% of your eligible annual pay.
- You will always be 100% vested in the money you contribute to Your 401(k) Account and the money Walmart contributes to your Company Match Account.
- You choose how to invest all contributions to your account, including your Company Match Account.
- If you do not elect how your current contributions to the Plan will be invested, they will be automatically invested in the Plan's default investment alternative, currently the *myRetirement Funds*.
- You pay no federal income tax on contributions or any investment earnings until you receive a payout from the Plan.
- You can access and monitor your account any time at [benefits.ml.com](#).
- Beginning February 1, 2016, you can withdraw your rollover contributions at any time. You may also request a loan from your Plan account. Loans are subject to certain requirements outlined later in this summary.

This is a summary of benefits offered under the Plan as of October 1, 2015. Should any questions ever arise about the nature and extent of your benefits, the formal language of the Plan document, not the informal wording of this summary, will govern.

Walmart 401(k) Plan eligibility

ASSOCIATES WHO ARE ELIGIBLE TO PARTICIPATE IN THE PLAN

All associates of Wal-Mart Stores, Inc. or a participating subsidiary are eligible to participate in the Plan, except:

- Leased employees; nonresident aliens with no income from U.S. sources; independent contractors or consultants;
- Anyone not treated as an employee of Walmart or its participating subsidiaries;
- Associates covered by a collective bargaining agreement, to the extent that the agreement does not provide for participation in this Plan; and
- Associates represented by a collective bargaining representative after Walmart has negotiated in good faith to impasse with the representative on the question of benefits.

For purposes of this Summary Plan Description, all participating subsidiaries are referred to as "Walmart."

WHEN PARTICIPATION FOR SALARY DEFERRAL PURPOSES BEGINS

Eligible associates may begin making their own contributions to the Plan as soon as administratively feasible after their date of hire is entered into the payroll system.

To begin making contributions to the Plan, you can enroll on WalmartOne.com, the WIRE, or through benefits.ml.com (see [Enrolling in the Plan](#) later in this summary).

WHEN PARTICIPATION FOR MATCHING CONTRIBUTION PURPOSES BEGINS

If you are an eligible associate, you will begin receiving matching contributions on the first day of the calendar month following your first anniversary of employment with Walmart if you are credited with at least 1,000 hours of service during the first year and are contributing to Your 401(k) Account. (Matching contributions will not be made with respect to contributions you make before you become eligible for matching contributions.) For example, if your date of hire was December 15, 2014 and you are credited with 1,095 hours by December 15, 2015 (your first anniversary), then you will begin receiving matching contributions on January 1, 2016 with respect to any contributions you make to the Plan on or after that date.

If you are not credited with 1,000 hours of service during that first year, you will be eligible to receive matching contributions on any contributions you make to the Plan on or after the February 1 after the first Plan year (February 1–January 31)

in which you are credited with at least 1,000 hours of service. For example, if your date of hire is December 15, 2014 and you are credited with only 595 hours by December 15, 2015 (your first anniversary), but you work 1,095 hours during the February 1, 2015–January 31, 2016 plan year, you will begin receiving matching contributions on February 1, 2016 with respect to any contributions you make to the Plan on or after that date.

HOW HOURS OF SERVICE ARE CREDITED UNDER THE PLAN

For hourly associates, hours of service are credited as follows:

- All eligible hours, including overtime hours, worked by hourly associates for Walmart or any subsidiary are counted toward the 1,000-hour requirement.
- Paid vacation, sick time and personal time are also counted.
- Hours are credited for the Plan year worked. Before February 1, 2015, hours for a payroll period that overlaps years are prorated between the two years. On and after February 1, 2015, actual hours worked for each day are counted.

For salaried associates and truck drivers, hours of service are credited as follows:

- Salaried associates and truck drivers are credited with 190 hours per month for each month in which they work at least one hour for Walmart or a subsidiary.
- In general, you must work at least six months of the Plan year to have 1,000 hours credited for the year. (Vacation pay after you leave Walmart will not give you an additional 190 hours of credit.)

If you became a Walmart associate as the result of Walmart's acquisition of your prior employer, special service crediting rules may apply to you.

Under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), veterans who return to Walmart after a qualifying deployment may be eligible to have their qualified military service considered toward their hours of service under the Plan. If you think you may be affected by this rule, call Benefits Customer Service at **800-421-1362** for more details.

Enrolling in the Plan

Shortly after you become eligible for participation (i.e., shortly after your date of hire), you will receive an enrollment packet at your home address on file. This packet tells you how you can make contributions from your pay on a pretax basis into Your 401(k) Account and explains how you can direct

the investment of your Plan funds from among a menu of investment options with varying investment objectives and associated risks. Because the Plan is intended to be an important source for your financial security at retirement, you should read all information pertaining to the Plan carefully, and consult with your family, tax and financial advisors before making any decisions.

When making elections regarding your contributions to the Plan, keep in mind that you will not be eligible to receive matching contributions on your contributions until you satisfy the eligibility requirements for matching contributions, as explained above. Once you satisfy the matching contribution eligibility requirements, Walmart will match all of your subsequent contributions dollar-for-dollar up to 6% of eligible annual pay. You will always be 100% vested in Your 401(k) Account and the Company Match Account.

To begin making contributions to the Plan, you can enroll online at WalmartOne.com, the WIRE, or benefits.ml.com or by calling the Customer Service Center at **888-968-4015**. You can enroll at any time after you become eligible.

When you enroll, you can choose:

- The percentage amount you want to contribute on a per-pay-period basis (see [Making contributions to Your 401\(k\) Account](#) later in this summary); and
- How to invest your account among the Plan's investment options. The Plan's investment funds and procedures are described in the enrollment packet.

After you enroll, a confirmation statement will be mailed to your home address, or you will receive an email notification when the confirmation is available if you have chosen electronic delivery of Plan documents, so that you can see whether your enrollment information is correct. It will show the percentage of your pay that you have chosen to contribute from each check and the investment fund(s) you have elected.

Your contributions to the Plan will be effective as soon as administratively feasible, normally within two pay periods. No contributions will be taken from your pay before you become an eligible participant in the Plan. Only participants who elect to contribute their own funds to the Plan will have those contributions matched by the Company (after they meet the eligibility requirements for matching contributions, as explained above).

It is your responsibility to review your paychecks to confirm that your election was implemented. If you believe your election was not implemented, you must promptly notify the Customer Service Center at **888-968-4015**, but in no event later than six months after your election, for corrective steps to be taken. If you do not notify the Customer Service Center in a timely manner, the amount that is being withheld from your paycheck will be treated as your deferral election.

Your Walmart 401(k) Plan accounts

The Walmart 401(k) Plan consists of several accounts. You will have some or all of the following accounts:

- **Your 401(k) Account:** This account holds your contributions to the Plan (including your catch-up contributions, if any), as adjusted for earnings or losses on those contributions.
- **Company Match Account:** This account holds Walmart's matching contributions, as adjusted for earnings or losses on those contributions.
- **401(k) Rollover Account:** This account holds any contributions that you rolled over to this Plan from another eligible retirement plan, as adjusted for earnings or losses on those contributions.
- **Company Funded 401(k) Account:** This account holds the discretionary Company contributions to the 401(k) portion of the Plan made for Plan years ended on or before January 31, 2011, as adjusted for earnings or losses on those contributions.
- **Company Funded Profit Sharing Account:** This account holds the discretionary Company contributions to the profit-sharing portion of the Plan made for Plan years ended on or before January 31, 2011, as adjusted for earnings or losses on those contributions.

The chart on the following page provides a summary of some of the differences between these accounts. These differences are discussed in more detail throughout this summary.

Making a rollover from a previous employer's plan or IRA

When you come to work for Walmart, you may have pretax funds owed to you from a previous employer's retirement plan (including a 401(k) plan, a profit-sharing plan, a 403(b) plan of a tax-exempt employer or a 457(b) plan of a governmental employer). If so, you may be able to roll over that money to this Plan. You may also roll over pretax funds you have in an Individual Retirement Account (IRA). If you roll over funds to this Plan, you should keep these points in mind:

- Once you roll funds into the Walmart 401(k) Plan, those funds will be subject to the rules of this Plan, including payout rules, and not the rules of your former employer's plan or your IRA;
- Your rollover contribution will be placed in your 401(k) Rollover Account and will be 100% vested; and
- You may withdraw all or any portion of your rollover contributions at any time.

If you're interested in making a rollover contribution to the Plan, you should contact the Customer Service Center at **888-968-4015** or go online to benefits.ml.com to obtain a rollover packet.

Making contributions to Your 401(k) Account

After you become a participant in the Plan, you may choose to contribute from 1% up to 50% (in whole percentages) of each paycheck to Your 401(k) Account. Your contributions in any calendar year, however, may not exceed a limit set by the IRS. For 2015, the limit is \$18,000. This amount will be increased from time to time by the IRS. You are always 100% vested in all amounts contributed into Your 401(k) Account.

The IRS limits the amount of annual compensation that can be taken into account under the Plan for any participant. For 2015, this limit is \$265,000.

Your 401(k) contributions to the Plan are deducted from your pay before federal income taxes are withheld. This means that you don't pay federal income taxes on amounts you

pay to the Plan. Earnings on these contributions continue to accumulate tax-free and are not taxed until they are actually distributed to you from the Plan. You may also save on state and local taxes as well, depending on your location. Please note that your contributions are subject to Social Security taxes in the year the amount is deducted from your pay. Payouts from the Plan, however, are not subject to Social Security taxes.

In addition, if you contribute your own pay to Your 401(k) Account, you may be eligible for a "Saver's Credit." If you are a married taxpayer who files a joint tax return with an adjusted gross income (AGI) of \$61,000 or less (for 2015) or a single taxpayer with \$30,500 or less (for 2015) in AGI on your tax return, you are eligible for this tax credit, which can reduce your taxes. For more details, your tax preparer may refer to IRS Announcement 2001-106.

PROFIT SHARING AND 401(K) ACCOUNT DIFFERENCES

	Source of contributions	May participants choose investments?	Vesting percentage	Are hardship withdrawals available?	Are in-service withdrawals available after age 59½?
Your 401(k) Account	You	Yes	100%	Yes	Yes
Company Match Account	Walmart	Yes	100%	No	Yes
401(k) Rollover Account	You	Yes	100%	Yes	Yes
Company Funded 401(k) Account	Walmart	Yes	100%	No	Yes
Company Funded Profit Sharing Account	Walmart (except for rollovers you made to the Profit Sharing Plan)	Yes	2 years — 20% 3 years — 40% 4 years — 60% 5 years — 80% 6 years — 100% (Rollovers are immediately 100% vested)	No	Yes (to the extent vested)

HOW YOUR 401(K) CONTRIBUTION IS DETERMINED

The percentage of pay you elect to contribute to the Plan will be applied to the following pay:

- Regular salary or wages, including bonuses and any pretax dollars you use for your 401(k) contributions or to purchase benefits available under Walmart's Associates' Health and Welfare Plan, unless paid more than 2½ months after your termination of employment or after the end of the Plan year in which your termination occurs;
- Overtime, sick time, vacation, holiday, personal, bereavement, jury duty and premium pay;
- Most incentive plan payments;
- Holiday and fire brigade bonuses;
- Special recognition awards, such as the Outstanding Performance Award; and
- Differential wage payments you receive from Walmart while you are on a qualified military leave. This means that the contribution you have in effect when you go on the leave will continue to be applied to your differential wage payments while you are on the leave unless you change your election.

Your contribution will not be withheld from:

- The 15% Walmart match on the Associate Stock Purchase Plan;
- Reimbursement for expenses like relocation;
- Equity income, including income from stock options or restricted stock rights; or
- A final paycheck upon your termination of employment that is paid prior to the end of a normal pay cycle (unless it is administratively practicable to withhold your contribution from that paycheck).

CHANGING YOUR 401(K) CONTRIBUTION AMOUNT

You can increase, decrease, stop, or begin your contributions at any time by logging on to WalmartOne.com, the WIRE or benefits.ml.com. You may also call the Customer Service Center at **888-968-4015**. Your change will be effective as soon as administratively feasible, normally within two pay periods. If you change your contribution amount, a confirmation notice will be sent to your home address or, if you have chosen electronic delivery of Plan documents, you will receive an email notification when the confirmation is available. It is your responsibility to review your paychecks to confirm that your election was implemented. If you believe your election was not implemented, you must notify the Customer Service Center at **888-968-4015** in a timely manner, so that corrective steps can be taken. Your notification will not be considered timely if it is more than six months after the date your election is made. If you do not notify the Customer Service Center in a timely manner, the amount that is being withheld from your paycheck will be treated as your deferral election.

IF YOU ARE AGE 50 OR OLDER (CATCH-UP CONTRIBUTIONS)

If you are age 50 or older (or will be age 50 by the end of the applicable calendar year) and you are contributing up to the Plan or legal limits, you are allowed to make additional contributions. These are called catch-up contributions and are made by payroll deduction just like your normal contributions. For 2015, your catch-up contributions may be any amount up to the lesser of \$6,000 or 75% of your eligible annual pay. This amount may be adjusted from time to time by the IRS. Your catch-up contributions will be credited to Your 401(k) Account.

For example, if you elect to contribute the maximum amount of \$18,000 in the 2015 calendar year, or if you elect to contribute the maximum percentage of your eligible annual pay allowed under the Plan, you could elect to contribute up to an additional \$6,000 during the 2015 calendar year. If you are interested in making catch-up contributions, you can enroll online at WalmartOne.com, the WIRE or benefits.ml.com, or by calling the Customer Service Center at **888-968-4015**.

CONTRIBUTING TO MORE THAN ONE PLAN DURING THE YEAR

The total amount you can contribute to this Plan and to any other employer plan (including 403(b) annuity plans, simplified employee pensions or other 401(k) plans) is \$18,000 for the 2015 calendar year. (Your catch-up contributions do not count toward this limit.) This amount may be increased from time to time by the IRS. If you contribute to more than one plan during the year, it is your responsibility to determine if you have exceeded the legal limit.

If your total contributions go over the legal limit for a calendar year, the excess must be included in your income for that year and will be taxed. In addition, you may be taxed a second time when the excess amount is later paid to you (after you terminate employment). For this reason, you may wish to request that the excess amount be returned to you. If you wish to request that the excess be returned to you from this Plan, you must contact Benefits Customer Service at **800-421-1362** no later than **March 1** following the calendar year in which the excess contributions were made. Any matching contributions related to refunded contributions will be forfeited.

IF YOU HAVE QUALIFIED MILITARY SERVICE

If you miss work because of qualified military service, you may be entitled under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) to make up contributions you missed during your military service (that is, to make contributions equal to the amount you would have been eligible to make if you were working for Walmart).

Because you will only have a certain period of time after you return to work to make these contributions (generally three times the period of military service, up to five years), you should contact Benefits Customer Service at **800-421-1362** if you think you may be affected by these rules.

Walmart's contributions to your Company Match Account

As explained above, you are eligible to receive matching contributions on the first day of the calendar month following your first anniversary of employment with Walmart if you are credited with at least 1,000 hours of service during the first year. Once you have satisfied these requirements, Walmart will make matching contributions to your Company Match Account equal to 100% of your subsequent contributions to Your 401(k) Account, including catch-up contributions, up to 6% of your eligible annual pay. (Matching contributions will not be made with respect to contributions you make before you become eligible for matching contributions.) After you become eligible for matching contributions, the company matching contribution will be made into your Company Match Account each pay period in which you make a deferral and will continue until you reach the full amount of the company matching contribution for which you are eligible for that Plan year. Your eligible annual pay for this purpose is the same as outlined above for determining your 401(k) contributions to the Plan, but does not include amounts paid before you become eligible to receive matching contributions.

As previously noted, if you miss work because of qualified military service, you may be entitled under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) to make up 401(k) contributions that you missed during your military service. If you do make up any 401(k) contributions, Walmart is required to make up matching contributions you would have received with respect to those contributions. If you think this rule may apply to you, you should contact Benefits Customer Service at **800-421-1362**.

VESTING IN YOUR COMPANY MATCH ACCOUNT

You are always 100% vested in Walmart's matching contributions to your Company Match Account.

VESTING IN YOUR COMPANY FUNDED PROFIT SHARING ACCOUNT

If you have a Company Funded Profit Sharing Account (see [Your Walmart 401\(k\) Plan accounts](#) earlier in this summary), the vested percentage of your Company Funded Profit Sharing

Account is the portion that you are entitled to receive if you leave Walmart. Your account statements show your vested percentage.

You become vested in your Company Funded Profit Sharing Account (other than rollovers in that account, which are always 100% vested) depending on your years of service with Walmart as follows:

PROFIT SHARING VESTING SCHEDULE*	
Years of Service	Vested percentage
Less than two	0%
Two	20%
Three	40%
Four	60%
Five	80%
Six or more	100%

*Applies to participants actively employed on or after January 31, 2008.

NOTE: If you terminated employment before January 31, 2008, your payout was based on the prior vesting schedule and not the vesting schedule shown above.

A year of service for this purpose is a Plan year (February 1–January 31) in which you are credited with at least 1,000 hours of service under the hours of service rules (see [How hours of service are credited under the Plan](#) earlier in this summary). If you are credited with less than 1,000 hours in a Plan year, your vesting does not increase. (Please note that years of service for this purpose are not determined by your anniversary date.)

If you leave Walmart because of retirement (at age 65 or older), death or total and permanent disability, your Company Funded Profit Sharing Account will be 100% vested, regardless of your years of service. Your Company Funded Profit Sharing Account will also be 100% vested if the Plan is ever terminated.

To be considered for a disability payout, contact Benefits Customer Service at **800-421-1362** to find out what information is required from the Social Security Administration to provide proof that you were declared disabled while still employed with Walmart.

VESTING IN YOUR COMPANY FUNDED 401(K) ACCOUNT

You are always 100% vested in Walmart's contributions to your Company Funded 401(k) Account.

Investing your accounts

YOUR INVESTMENT OPTIONS

You decide how your accounts will be invested. You can choose:

- The *myRetirement Funds*. The *myRetirement Funds* are a series of customized investment options created solely for Plan participants by the Retirement Plans Committee and are commonly known as “target retirement date” funds. The *myRetirement Funds* are diversified investment options that automatically change their asset allocation over time to become more conservative as a participant gets closer to retirement. This is done by shifting the amount of money that is invested in more aggressive investments, such as stocks, and allocating those amounts to more conservative investments, such as bonds, as a participant gets closer to retirement. “*myRetirement Funds*” is a term developed by Walmart for describing its funds specific to the Plan.
- From among a menu of investment options made available under the Plan. Note that Walmart stock is an investment option only for your Company Funded Profit Sharing Account. Walmart stock is not available for investment through any of your other Plan accounts (although to the extent these other accounts hold Walmart stock, you may always sell such shares, but no future purchases of Walmart stock are allowed).

You may choose one of the investment options or you may spread your money among the various investment choices. The investment gains or losses on your accounts will depend upon the performance of the investments you choose.

If you do not make an investment choice for current contributions to your account, they will be invested in one of the *myRetirement Funds* based on your age. For more information, refer to the Qualified Default Investment Alternative (QDIA) notice and your enrollment packet. These documents can both be obtained by going to benefits.ml.com or by calling the Customer Service Center at **888-968-4015**.

Because the Company Funded Profit Sharing Account is an Employee Stock Ownership Plan, for Plan years ending prior to January 31, 2006, all or a significant portion of Walmart’s profit-sharing contribution was invested in Walmart stock. If you were a participant in the Plan prior to that date, you may have Walmart stock in your Company Funded Profit Sharing Account. For Plan years ending January 31, 2007 or later, Walmart’s profit-sharing contribution was not invested in Walmart stock.

A description of all investment options, including the *myRetirement Funds*, is included in the enrollment packet you receive when you are eligible to enroll. You also may obtain additional information for each investment option by reviewing the Annual Participant Fee Disclosure Notice. You may obtain a copy free of charge by accessing your account online at benefits.ml.com or by calling the Customer Service Center at **888-968-4015**.

Please note that this Plan is intended to be an “ERISA Section 404(c) plan.” This means that you assume all investment risks connected with the investment options you choose in the Plan, or in which your funds are invested if you fail to make investment selections, including the increase or decrease in market value. Walmart, the Retirement Plans Committee and the trustee are not responsible for losses to your accounts which are the direct and necessary result of investment decisions you make or, if you fail to make an affirmative investment decision, as a result of your accounts being invested in a default fund.

If you have a Company Funded Profit Sharing Account (see [Your Walmart 401\(k\) Plan accounts](#) earlier in this summary) and you choose to invest some or all of your Company Funded Profit Sharing Account in Walmart stock or retain Walmart stock in your other accounts, be aware that since this option is a single stock investment, it generally carries more risk than the funds offered through the Plan.

HOW TO OBTAIN MORE INVESTMENT INFORMATION

It is also important to periodically review your investment portfolio, your investment objectives and the investment options under the Plan to help ensure that your investments are in line with your objectives and your risk tolerance. If you would like more sources of information on individual investing and diversification, you may go to the website of the Department of Labor, <http://www.dol.gov/ebsa/investing.html>.

You may obtain more specific information regarding your investment rights and investment options under the Plan at benefits.ml.com or by calling the Customer Service Center at **888-968-4015**.

CHANGING YOUR INVESTMENT CHOICES

You can change your investment choices at any time online at benefits.ml.com or by calling the Customer Service Center at **888-968-4015**. If you make an investment change, a confirmation notice will be sent to your home address or you will receive an email notification when the confirmation is available if you have chosen electronic delivery of your confirmation notices. It is your responsibility to make sure your change is made. If you do not receive a confirmation notice or you do not see that your change has been applied, contact the Customer Service Center at **888-968-4015**.

If you call the Customer Service Center at **888-968-4015** prior to 3:00 p.m. Eastern time, your investment change generally will be processed on the day you call. Depending on the investment change, there may be up to a three-day settlement period before your funds are invested in your new election.

DIVERSIFICATION

To help you diversify your retirement savings, the Plan offers a variety of investment options with different levels of risk and potential for increase in value. To “diversify” means that you “put your eggs in more than one basket.” To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. This strategy can help reduce risk and may provide consistent returns because a decline in the value of one investment may potentially be offset by an increase in the value of another. If you invest more than 20% of your retirement savings in any one company, such as Walmart stock, or any one industry, your savings may not be properly diversified. Although diversification cannot ensure a profit or protect against loss, it can be an effective strategy to help you manage investment risk.

When deciding how to invest your retirement savings, you should take into account all of your assets, including any retirement savings outside of the Plan. For example, you may own Walmart stock through other means. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk. Therefore, you should keep in mind your rights to diversify your account and carefully consider how you choose to invest your Accounts in the Plan. You can obtain information about your right to diversify your Account and all of the investment options available under the Plan by accessing your account online at benefits.ml.com or by calling the Customer Service Center at 888-968-4015. It is also important to periodically review your investment portfolio, your investment objectives and the investment options under the Plan to help ensure that your investments remain appropriate for your retirement goals and your tolerance for investment risk. If you would like more sources on individual investing and diversification, you may go to the website of the Department of Labor, <http://www.dol.gov/ebsa/investing.html>.

More about owning Walmart stock

VOTING

If any part of your account is invested in Walmart stock through the Plan, each year you will receive all of the materials generally distributed to the shareholders of Walmart, including an instruction card telling the trustee how you would like the shares in your Plan account to be voted. The materials will be mailed to your home address or sent electronically, based on your online elections.

You can instruct the trustee, through the company’s transfer agent, to vote Walmart stock held in your Plan accounts. This usually occurs in May of each year. Your instructions to the transfer agent and the trustee are kept confidential at

all times. You will send your voting instructions directly to the transfer agent, who will compile the votes and notify the Retirement Plans Committee of the total votes cast. The Retirement Plans Committee will then notify the Plan trustee of the total votes that are to be cast.

If you do not provide instruction to the trustee on how you would like your shares voted, the Retirement Plans Committee will vote those shares at its discretion. If neither you nor the Retirement Plans Committee exercise voting rights, the trustee or an independent fiduciary appointed by the trustee may vote the unvoted shares.

CONFIDENTIALITY

Procedures have been designed to protect the confidentiality of your rights with respect to shares of Walmart stock held under the Plan, including the right to purchase, sell, hold or vote on proxy matters. For example, procedures with the Company’s transfer agent for Walmart stock have been implemented that prevent Walmart from finding out how any individual participant or beneficiary voted (except as necessary to comply with securities laws) and from having access to your individual proxy cards or proxy card shareholder comments.

In addition, access to information about your decisions to buy, sell or hold Walmart stock generally is limited to those assisting in the administration of the Plan. The Retirement Plans Committee is responsible for ensuring that these procedures are sufficient to protect the confidentiality of this information and that the procedures are being followed. If the Retirement Plans Committee determines that a situation has potential for undue influence by the Company with respect to your rights as shareholder (through your Plan Account), the Retirement Plans Committee will appoint an independent party to perform activities that are necessary to prevent undue influence.

DIVIDENDS ON YOUR WALMART STOCK

If you have Walmart stock in your accounts, your accounts will be credited with any dividends paid by Walmart with respect to its stock. Dividends allocated to Your 401(k) Account, your Company Funded 401(k) Account or your 401(k) Rollover Account will be automatically reinvested in Walmart stock. Dividends allocated to your Company Funded Profit Sharing Account (and Profit Sharing Rollover Account) will also be reinvested in Walmart stock, except as noted below.

If you are an active participant with six or more years of service, you have an option to take a cash payout of any dividends paid on Walmart stock held in your Company Funded Profit Sharing Account (and Profit Sharing Rollover Account). Also, if you are a terminated participant who had more than six years of service when you terminated and you continue to maintain

your balance in the Plan after you leave, you will have the option to elect a cash payout of dividends paid on Walmart stock held in your Company Funded Profit Sharing Account (and Profit Sharing Rollover Account). If you do not opt for the cash payout, your dividends will be reinvested in Walmart stock.

You may make an election any time by calling the Customer Service Center at **888-968-4015**. Your most recently filed election will apply to all subsequent dividends until you change your election. (You may change your election only once each business day.) Keep in mind that your election must be made no later than the close of business on the day prior to the record date for the dividend in order to be effective for that dividend. You will not be able to make any elections or election changes during the period from the record date of the dividend through the dividend pay date (which is usually three to four weeks after the record date).

Each year, Walmart releases the quarterly record dates for dividend payouts. You can find this information on walmart.com. You may also contact the Customer Service Center at **888-968-4015** if you need information about upcoming record dates for dividends. You should keep in mind that a dividend payout will be taxable to you.

Please note that if you request a hardship payout from Your 401(k) Account within five business days of the record date for a dividend and you have the right to elect a cash distribution of the dividend, tax laws require that the dividend be automatically paid to you in cash.

Account balances and statements

At least once a year, you'll receive a statement on your accounts showing contributions made by you and by Walmart, if any, the performance of your investment funds, the values of your accounts and fees assessed to your account during the quarter. You can easily get information about your accounts, including a quarterly statement, at any time online at benefits.ml.com or by calling the Customer Service Center at **888-968-4015**. You can also request a paper copy of any quarterly statement at any time free of charge by calling the Customer Service Center at **888-968-4015**.

FEES CHARGED TO YOUR ACCOUNT

Administrative and investment fees may be assessed to your account. You can find information on fees in the Annual Participant Fee Disclosure Notice and online at benefits.ml.com.

Receiving a payout while working for Walmart

Generally, you are not entitled to a payout from the Walmart 401(k) Plan until you stop working for Walmart. However, in the following limited situations you may be entitled to receive a payout of some or all of your accounts while you're still working:

- In the case of a financial hardship (as defined by the IRS); and after you attain age 59½.
- Beginning February 1, 2016, rollovers can be withdrawn at any time.
- Beginning February 1, 2016, you may also request a loan from your Plan account.

It's important to understand how any type of payout from the Walmart 401(k) Plan affects your tax situation. For more information, see [The income tax consequences of a payout](#) later in this summary.

FINANCIAL HARDSHIP WITHDRAWALS

You may withdraw some or all of Your 401(k) Account (other than earnings on those contributions) and your 401(k) Rollover Account as necessary to meet a "financial hardship."

Under IRS guidelines, a financial hardship may exist if the request is for:

- Payment of medical care expenses not covered by insurance for you, your spouse, your dependents or your affirmatively-designated primary beneficiary;
- Costs directly related to the purchase of your primary residence (home);
- Payment of tuition, fees and room and board expenses for up to the next 12 months of post-high school education for you, your spouse, your dependents or your affirmatively-designated primary beneficiary;
- Payments necessary to prevent eviction from, or foreclosure on, your primary residence;
- Payment for burial or funeral expenses for your deceased parent, spouse, children, dependent or your affirmatively-designated primary beneficiary; or
- Expenses for the repair of damage to your principal residence that would qualify for a casualty deduction under federal income tax rules.

Federal tax law requires that you must have already obtained all in-service payouts available (including in-service withdrawals of rollover contributions or at age 59½ and any nontaxable participant loans available to you under this Plan) before you can request a financial hardship payout.

Also, federal tax laws will not allow you to contribute to this Plan and certain other retirement or stock purchase plans (including the Associate Stock Purchase Plan) for six months after the date of your financial hardship payout. If you are a management associate with stock options, you may not exercise options during this six-month period. Also, please note that if you request a financial hardship payout within five business days of the record date of a dividend and you are entitled to elect a cash payout of that dividend, the dividend will automatically be distributed to you in cash.

A financial hardship payout is immediately taxable to you, including a 10% penalty tax if you are under age 59½ or if the payout is not for certain medical purposes. For more information, see [The income tax consequences of a payout](#) later in this chapter.

You can make a request for a financial hardship payout online at benefits.ml.com or by calling the Customer Service Center at **888-968-4015**.

WITHDRAWALS AFTER YOU REACH AGE 59½

Any time after you reach age 59½, you may elect to withdraw all or any portion of your Plan accounts, to the extent vested, even though you are still working for Walmart. You can make a request for a withdrawal online at benefits.ml.com or by calling the Customer Service Center at **888-968-4015**.

WITHDRAWALS OF ROLLOVER CONTRIBUTIONS

Effective February 1, 2016, you may withdraw all or any portion of your 401(k) Rollover Account and your Profit Sharing Rollover Account at any time, even if you are still working for Walmart or its subsidiaries.

Any rollover contributions that were transferred to the Walmart 401(k) Plan from the Wal-Mart.com USA, LLC 401(k) Plan or the Kosmix Corp. 401(k) Plan may also be withdrawn at any time, even if you are still working for Walmart or its subsidiaries.

PLAN LOANS

Beginning February 1, 2016, you may apply for a loan from the vested portion of your Plan account while you are still working for Walmart. The Retirement Plans Committee has established a written loan program which explains these requirements

in more detail. You can request a copy of the loan program or make a request for a loan online at benefits.ml.com or by calling the Customer Service Center at **888-968-4015**.

Generally, the rules for loans include the following:

- The maximum loan amount is limited by IRS rules, which generally limit your total loan balances to the lesser of (1) 50% of your vested Plan account balance or (2) \$50,000 (reduced by the excess, if any, of your highest outstanding balance of loans from such plans during the one-year period prior to the date of the loan over your current outstanding balance of loans). The minimum loan amount is \$1,000.
- All loans must be secured by a pledge of up to one-half of your vested Plan account.
- A fee will be charged to process your loan application. Additional fees may be assessed for residential loans. (This amount may change from time to time.)
- All loans will bear a commercially reasonable rate of interest set by the Retirement Plans Committee from time to time.
- Loans must be repaid in regular installments over a one- to five-year period, unless you are using the loan proceeds to buy a house for yourself, in which case the repayment period may be longer as set forth in the written loan program from time to time.
- You may have only one general-purpose loan and one residential loan outstanding at any time.
- All loans will be considered a directed investment from your account under the Plan. Your payments of principal and interest on the loan will be credited to your Plan accounts.
- If you fail to make payments when due under the loan, you will be considered to be in default. Under certain circumstances, a loan that is in default may be considered a distribution from the Plan. The significance of the loan balance being treated as a distribution is that the amount of this distribution will be taxable to you as ordinary income and could be subject to excise taxes. A Form 1099-R will be issued to you and the total amount of the distribution will be reported to the IRS.

When you are on an authorized unpaid leave of absence, you may be excused from making scheduled loan repayments for a period up to one year. If you have an outstanding loan when you are called to qualified military service, special rules under the Uniformed Services Employment and Reemployment Rights Act of 1994 may apply. If you think you may be affected by these rules, call the Customer Service Center at **888-968-4015** for more details.

If you die: your designated beneficiary

In the event of your death, your entire Plan balance will be paid out to your beneficiary. It is very important for you to keep your beneficiary information up to date. Beneficiary choices should be made at [WalmartOne.com](https://www.walmartone.com) or on the [WIRE](#). Since your spouse or partner has certain rights in the death benefit, you should immediately update your beneficiary election if there is a change in your relationship status.

If you have a spouse and wish to name someone other than your spouse as your designated beneficiary, your spouse must consent to that designation. You must complete the Alternate Beneficiary Form for Married Participants Form B and your spouse must complete the Spousal Consent section. The Spousal Consent section must be notarized and must accompany the Form B in order to be valid.

Form B with the Spousal Consent section can be found on the [WIRE](#), or you may talk to the personnel representative at your facility. Any beneficiary designation you make will be effective for all of your accounts in the Plan — your 401(k) accounts and your Profit Sharing accounts.

If you do not designate a beneficiary, your death benefit will be distributed in accordance with the Plan's default provisions in the following order, as stated below:

- Living spouse or partner (as defined below); if none, then
- Living children (stepchildren are not included); if none, then
- Living parents; if none, then
- Living siblings; if none, then
- The estate.

Please note that if you designate your spouse as your beneficiary and you later divorce, your designation will not be effective after the divorce unless you complete a new designation form. Similarly, if you do not have a spouse and you later marry, your prior beneficiary designation will not be effective after the marriage unless you complete a new designation form with your spouse's consent.

Again, it is very important for you to keep your beneficiary information up to date. Beneficiary choices should be made at [WalmartOne.com](https://www.walmartone.com) or on the [WIRE](#).

NOTE: Effective June 26, 2013, your same-sex spouse will be treated in the same manner as an opposite-sex spouse for Plan purposes. Keep in mind that if you had a same-sex spouse on that date, any beneficiary designation you had in effect which designated someone other than your spouse as your beneficiary immediately became invalid on that date. Your spouse will automatically be your beneficiary unless you make a new beneficiary designation with your spouse's consent.

Effective January 1, 2014, if you have a "partner" and you have not made an affirmative beneficiary designation, your partner will be your beneficiary unless you affirmatively designate a different beneficiary (regardless of whether the designation occurred before or after your partnership began). Your "partner" for Plan purposes means:

- Your domestic partner, as long as you and your domestic partner:
 - Are in an ongoing, exclusive and committed relationship similar to marriage and have been for at least 12 months and intend to continue indefinitely;
 - Are not married to each other or to anyone else;
 - Meet the age for marriage in your home state and are mentally competent to consent to contract in that state;
 - Are not related in a manner that would bar a legal marriage in the state in which you live; and
 - Are not in the relationship solely for the purpose of obtaining benefits coverage; or
- Any other person to whom you are joined in a legal relationship recognized as creating some or all of the rights of marriage in the state or country in which the relationship was created.

You may need to take immediate action to ensure that your beneficiary under the Plan reflects your current intent. Beneficiary choices should be made at [WalmartOne.com](https://www.walmartone.com) or on the [WIRE](#).

BENEFICIARY DESIGNATIONS MADE BEFORE OCTOBER 31, 2003

If you made a beneficiary designation under the 401(k) Plan before October 31, 2003, that designation will continue to apply to Your 401(k) Account, your Company Funded 401(k) Account, your Company Match Account, and your 401(k) Rollover Account. Similarly, if you made a beneficiary designation under the Profit Sharing Plan before October 31, 2003, that designation will continue to apply to your Company Funded Profit Sharing Account and Profit Sharing Rollover Account.

Note that changes in your relationship status may affect your beneficiary designation, as explained above.

Any beneficiary designation you make after October 31, 2003, however, will be effective for all of your accounts in the Plan — both those in the 401(k) part of the Plan and those in the Profit Sharing part of the Plan.

Again, it is very important for you to keep your beneficiary information up to date. Beneficiary designations should be made at [WalmartOne.com](https://www.walmartone.com) or on the [WIRE](#).

If you get divorced

If you go through a divorce, all or part of your Plan balance may be awarded to an “alternate payee” in the court order, called a “Qualified Domestic Relations Order” (QDRO). An alternate payee may be your spouse or former spouse, child or other dependent. (Federal law at this time does not permit the recognition of a QDRO for a partner unless the partner is also a dependent of the participant.) Because there are very strict requirements for these cases, you should contact the QDRO Administrator at **877-MER-QDRO (877-637-7376)** for a free copy of the procedures your attorney should use in drafting the court order. After the court order is received by the QDRO Administrator, it must be reviewed to determine if it meets legal requirements for this type of order and will take a period of time to be processed. The administrative fee for processing your QDRO will be charged to the participant’s account or as directed in the Order.

If you leave Walmart

When you stop working for Walmart, you are entitled to receive a payout of all of your vested accounts in the Plan.

It is important to understand how any type of payout from the Walmart 401(k) Plan affects your tax situation. For more information, see [The income tax consequences of a payout](#) later in this summary.

You may elect to receive your payout 30 calendar days after your termination is entered into the payroll system. For example, if your termination is entered into and processed by the payroll system on July 20, 2016, you may elect your payout on or after August 19, 2016.

A notice will normally be mailed to your home address or sent electronically, based on your delivery elections, after you leave Walmart and its subsidiaries to inform you that you are entitled to payment. Please make sure that your address is correct on your payroll check when you leave Walmart or a participating subsidiary, or that you give a forwarding address during your exit interview. If you have not received any information regarding your payout within 60 days of your termination date, you should contact the Customer Service Center at **888-968-4015**. To obtain your payout, you will need to access your account on benefits.ml.com or by calling the Customer Service Center at **888-968-4015**.

Your consent to the payout is not required and your payout will automatically be made to you:

- If your total vested Plan balance (both profit-sharing and 401(k) accounts) is or becomes \$1,000 or less. This automatic payout will be made as soon as possible after the last business day of the third calendar month following the calendar month in which your termination date is entered into the payroll

system, unless you consent to an earlier payout as described above. In the example above, if your account is eligible for automatic payout and you do not consent to payout on August 19, 2016, your payout will automatically be made to you as soon as possible after October 31, 2016; or

- If you are over age 70, regardless of the amount of your total vested Plan balance. This automatic payout will be made as soon as possible after the last business day of the second calendar month following the calendar month in which you turn age 70, unless you consent to an earlier payout as described above. For instance, if you turn age 70 in July 2016 and your account is eligible for automatic payout, and you do not consent to payout, your payout would automatically be made on the first scheduled date after September 30, 2016, according to Plan provisions.

If your total vested Plan balance is more than \$1,000 and you are under age 70, you must consent to your payout. Payout will be made as soon as possible after your consent is received by the Customer Service Center at **888-968-4015**, but no earlier than 30 calendar days after your termination is entered into the payroll system.

If you wish, you can delay your payout until any date up to age 70, but your Plan balance will be subject to an annual maintenance fee and possibly other expenses. For more information regarding these charges, refer to the Annual Participant Fee Disclosure Notice. If you choose to delay your payout, you will be able to continue to make changes in your investment choices just as you did while you were an active participant in the Plan.

If you return to work with Walmart before your payout is completed, the payout will be canceled and no payout will be made from your account.

THE AMOUNT OF YOUR PAYOUT

The entire value of Your 401(k) Account, your Company Funded 401(k) Account, your 401(k) Rollover Account and the Company Match Account will be paid out to you. In addition, if you have a Company Funded Profit Sharing Account (see [Your Walmart 401\(k\) Plan accounts](#) earlier in this summary), you will also be paid the value of the vested portion of your Company Funded Profit Sharing Account. You will forfeit (give up) the nonvested portion of your Company Funded Profit Sharing Account, as explained in the [Vesting in your Company Funded Profit Sharing Account](#) earlier in this summary.

The amount you will receive will be based on the value of your accounts as of the date the payout is processed. If a cash payout is made directly to you rather than rolled over to an Individual Retirement Account (IRA) or other employer plan, applicable taxes will be withheld from your check.

A check processing fee will be applied to your Plan balance when it is paid out to you.

HOW YOU RECEIVE YOUR PAYOUT

You have several options for receiving your payout.

Your accounts will be distributed in a single lump-sum payment directly to you, unless you elect to roll them over to an IRA or to another employer's retirement plan.

Your accounts will normally be paid to you in cash. However, you may elect to have your Company Funded Profit Sharing Account (and Profit Sharing Rollover Account) distributed to you in the form of Walmart stock (even if it is not invested in Walmart stock at the time your payout is processed) or partly in cash and partly in Walmart stock. You may also elect to have Your 401(k) Account, your Company Funded 401(k) Account and your 401(k) Rollover Account paid to you in Walmart stock to the extent those accounts are invested in Walmart stock at the time your distribution is processed. Any part of those accounts that is not invested in Walmart stock at the time of your payout will be distributed in cash.

If the total of your vested accounts is \$1,000 or less, or if you are over age 70 (regardless of the amount of your vested accounts), your payout will be made directly to you in a single cash payout. If you wish to take any of your payout in the form of Walmart stock or if you wish to roll over your payout to an IRA or other employer plan, you must contact the Customer Service Center at **888-968-4015** with your payout instructions within the time period shown in your payout notice. If you fail to contact the Customer Service Center at **888-968-4015** in a timely manner, your payout will be made in a single cash payment to you.

If the total of your vested accounts in the Plan is more than \$1,000, your payout will not be made until you make an election regarding the form of payout and consent to the distribution, or until you reach age 70. To obtain your payout, you should contact the Customer Service Center at **888-968-4015**.

If you leave and are rehired by Walmart

If you leave Walmart and its subsidiaries and are later rehired as an eligible associate, you will be immediately eligible to make your own contributions to the Plan on your date of rehire.

If you leave Walmart and its subsidiaries after you became eligible to receive matching contributions and are later rehired by Walmart or a participating subsidiary, you will automatically be eligible to receive matching contributions on your rehire date. Similarly, if you leave Walmart and its subsidiaries after you met the 1,000-hour requirement for matching contribution eligibility but before your actual participation date, you will be eligible to receive matching contributions beginning on the later of the date you would have initially become a participant or your rehire date (with respect to contributions you make after that date). If you were not a participant when you left, or had not satisfied the 1,000-hour

requirement, you will be treated as a new associate when you are rehired and will be required to complete the eligibility requirements (see **When participation begins** earlier in this summary) in order to be eligible to receive matching contributions under the Plan.

THE NONVESTED PORTION OF YOUR COMPANY FUNDED PROFIT SHARING ACCOUNT

When you terminate employment, the portion of your Company Funded Profit Sharing Account that is not vested (if any) will not be paid to you. This nonvested amount is called a "forfeiture."

- If you receive a total payout of your vested Plan balance after your termination of employment and while your Company Funded Profit Sharing Account is partially vested, the nonvested portion of your Company Funded Profit Sharing Account will be forfeited on the date of your payout.
- If you do not receive a total payout of your vested Plan balance after your termination of employment, the nonvested portion of your Company Funded Profit Sharing Account will not be forfeited until you have five consecutive "breaks in service." A break in service is a Plan year (February 1–January 31) in which you are credited with less than 500 hours of service. If you are absent from work due to an FMLA leave and have worked less than 500 hours in the Plan year, you will be credited with enough hours to bring you up to 500 hours so that you will not incur a break in service.

The nonvested portion of your Company Funded Profit Sharing Account that was forfeited will be reinstated (at its former value) if you are rehired by Walmart or a participating subsidiary before you have five consecutive breaks in service and you pay back to the Plan the total amount of your payout within five years after you are rehired. If you return to work with Walmart or a participating subsidiary after five or more consecutive breaks in service, or if you chose not to repay your payout as discussed above, the nonvested portion of your Company Funded Profit Sharing Account that was forfeited will not be reinstated.

If you were zero percent vested in your Company Funded Profit Sharing Account when you terminated employment, your nonvested Company Funded Profit Sharing Account will automatically be reinstated if you are rehired prior to five consecutive breaks in service.

Forfeitures of your nonvested Company Funded Profit Sharing Account generally are used to pay Plan expenses and for certain other purposes, such as to restore account balances as discussed above.

When you are rehired, your years of service with Walmart before you left will be counted for purposes of determining your vesting in Walmart's contributions to your Company Funded Profit Sharing Account.

The income tax consequences of a payout

The tax consequences of your participation in the Plan are your responsibility. This explanation is only a brief description of the U.S. federal tax consequences related to your participation in the Plan. This description is based on current law and current interpretations of the law by the Internal Revenue Service. Because the law is subject to change and because the application of the law may vary depending on your particular circumstances, this description is general in nature and you should not rely on it in determining your tax consequences. You are strongly urged to consult a tax advisor.

Walmart is entitled to a deduction on the amount of its contributions, as well as your contributions, to the Plan. Your contributions and Walmart's contributions to the Plan, as well as earnings on those contributions, generally are not subject to federal income taxes until they are paid to you.

Special taxation rules apply to Roth contributions transferred from the Kosmix Corp. 401(k) Plan. Contact the Plan Administrator or your tax advisor for more information.

POSTPONE PAYING TAXES ON PAYOUTS THROUGH A ROLLOVER

Although payouts from the Plan are subject to federal income taxes, the Internal Revenue Code provides favorable tax treatment to payouts in certain circumstances. For example, you can postpone paying taxes on your payout if you direct the Plan to issue your check directly to an IRA or to another employer's qualified retirement plan, a 403(b) plan or a governmental 457 plan. This is called a direct rollover. (The check will be made payable to the IRA or other plan trustee and will be delivered to you or your IRA or rollover institution. If the check is mailed to you, you will be responsible for delivering it to the IRA or other plan trustee within 60 days.)

If you elect this method for your payout, no taxes will be withheld from the amount you are rolling over. It will not be taxed until you later receive a payout from the IRA or other plan.

If you do not elect to have your payout directly rolled over, federal law requires that Walmart withhold 20% of the payout for federal taxes, in addition to any required state withholding. In some cases, 20% withholding may not be enough, which could mean that you will owe additional taxes when you file your income tax return.

If you do not elect a direct rollover (and instead receive an actual Plan distribution), you may still roll over those funds to an IRA or an employer's qualified retirement plan, 403(b) plan or governmental 457 plan, as long as you do so within 60 calendar days after you received the distribution. The amount rolled over will not be subject to federal income tax until you take it out of the IRA or other plan. If you want to roll

over 100% of your payout to an IRA or other plan, however, you will have to use other money to replace the 20% that was withheld from your payout. If you roll over only the 80% that you received, you will be taxed on the 20% that was withheld.

NOTE: You may roll over all or any portion of your account that is eligible for rollover to a Roth IRA. Any amount rolled over that would have been taxable if not rolled over will be taxable at the time of the rollover to the Roth IRA. (Note that you may voluntarily choose to have taxes withheld from amounts you roll over to a Roth IRA.)

For more information regarding these rollover rules, you should review the [Special tax notice addendum](#) that follows. You should retain this addendum for review when you are eligible to take a distribution.

EARLY WITHDRAWAL PENALTY

In addition to the income tax withholding, if you take a payout prior to age 59½ rather than rolling it over, in most cases you will be subject to a 10% early withdrawal penalty by the IRS. There are some exceptions to the penalty, such as death, disability, retirement after age 55 and payouts for certain medical expenses. Special rules also apply to distributions made to reservists who are called to active military duty.

TAXATION OF PAYOUTS OF WALMART STOCK

There are also special rules for distributions of Walmart common stock. If you receive cash (in excess of \$200) in addition to Walmart stock and the cash is not directly rolled over, some withholding may apply, but not greater than the amount of cash you receive.

Generally, if you receive Walmart common stock as part of your payout that is not rolled over, you are taxed only on the value of the stock at the time it was purchased by the Plan.

You should also keep in mind that if you elect cash payouts of dividends paid on Walmart stock held in your Company Funded Profit Sharing Account, the dividend is taxable to you and is not eligible for rollover. The dividend is also taxable if you request a financial hardship payout from Your 401(k) Account within five business days of the record date for a dividend and the dividend is automatically paid out to you in cash. The dividend payout is not subject to the 10% early withdrawal penalty discussed above. In some cases, Walmart will be entitled to deduct dividends paid on shares subject to this election.

TAXATION OF PAYOUTS TO BENEFICIARIES

The tax treatment discussed above applies only to payouts to participants. Different rules may apply to payouts to beneficiaries of deceased participants. In general, if your spouse is your beneficiary, he or she will have the same federal income tax

treatment and rollover options that you would have had. Other beneficiaries, including partners, will only be entitled to a direct rollover to an inherited IRA or Roth IRA. The 10% early withdrawal penalty does not apply to payouts to your beneficiary.

The spouses or former spouse of a participant who receives a payout from the Plan under a qualified domestic relations order (QDRO) generally has the same federal income tax treatment and options as the participant would have had. In some cases, however, a payout on behalf of a non-spouse dependent, including a partner, pursuant to a QDRO (e.g., state-ordered child support) may result in federal income taxation to the participant even though the payout is made to or on behalf of the dependent alternate payee.

TAXATION OF LOANS

Under current tax law, loans made from the Plan, regardless of their purpose, are not considered taxable income to the participant unless a default occurs. If you default on a loan from the Plan (as discussed herein), your tax statement will show the amount of income to report for the year of the default. You may also be subject to 10% early withdrawal penalty.

Filing a Walmart 401(k) Plan claim

If you think you are entitled to a benefit beyond that processed by the Plan's recordkeeper (Merrill Lynch), you may file a claim with the Retirement Plans Committee or its delegate at:

Wal-Mart Stores, Inc.
Attn: Benefits Customer Service
508 SW 8th Street
Bentonville, Arkansas 72716-0295

For questions about filing a claim, contact Benefits Customer Service at **800-421-1362**.

If your claim is partially or fully denied, you will receive written notice of the decision within a reasonable time, but no later than 90 days after Benefits Customer Service receives your claim. The Retirement Plans Committee or its delegate can extend this period for up to an additional 90 days if it determines that special circumstances require an extension. You will receive notice of any extension before the expiration of the original 90-day period. The written notice you receive will state the specific reasons for the denial of your claim, a specific reference to the provisions of the Plan upon which the denial is based, and a description of the review procedures and the time limits applicable to such procedures, including your right to bring a court action following a denial on appeal.

If you do not agree with the decision of the Retirement Plans Committee or its delegate, you can request a review of the decision by the Retirement Plans Committee. The Retirement Plans Committee has discretionary authority to resolve

all questions concerning administration, interpretation or application of the Plan. Your request must be made in writing and sent to the Retirement Plans Committee at:

Wal-Mart Stores, Inc.
Attn: Benefits Customer Service
508 SW 8th Street
Bentonville, Arkansas 72716-0295

Your request must be made within 60 calendar days of the denial. Your written request must contain all additional information that you wish the Retirement Plans Committee to consider. If you do not request a review within this time period, you will be deemed to have waived your right to a review.

The Retirement Plans Committee will promptly conduct the review. Written notice of the Retirement Plans Committee's decision on review will be provided to you within 60 calendar days after the receipt of your request, unless special circumstances require an extension of up to 60 additional days. In those circumstances where the review is delayed to allow you to provide additional information necessary for a proper review, the length of the delay will not be included in the calculation of the 60-day deadline and extension periods set forth above. The written notice of the Committee's decision will include specific reasons for the decision and will refer to the specific provisions of the Plan on which the decision is based.

You must exhaust these procedures before you can file a lawsuit with respect to your Plan benefits. If you file a lawsuit, it must be filed within one year from the date of your payout or, if no payout is made, the date your request for benefits is denied, in whole or in part, by the Committee on appeal (or, if earlier, the date the Committee fails to respond to your claim or appeal within the time periods provided above).

Administrative information

PLAN NAME

The legal name of the Plan is the Walmart 401(k) Plan.

PLAN SPONSOR AND PLAN ADMINISTRATOR

Wal-Mart Stores, Inc. is the Plan Sponsor. Its contact information for matters pertaining to the Plan is:

Wal-Mart Stores, Inc.
Attn: Benefits Customer Service
508 SW 8th Street
Bentonville, Arkansas 72716-0295
800-421-1362

As the Plan Administrator, Wal-Mart Stores, Inc. is responsible for reporting and disclosure obligations under the Employee Retirement Income Security Act of 1974 (ERISA) and all other obligations required to be performed by plan administrators

under the Internal Revenue Code and ERISA, except for those obligations delegated to the Retirement Plans Committee or the trustee of the Trust. ERISA is the federal law that imposes certain responsibilities on Walmart, the Retirement Plans Committee and the trustee with respect to our retirement benefits.

Subsidiaries of Walmart are permitted to participate in the Plan. You may obtain a list of subsidiaries currently participating in the Plan by contacting Benefits Customer Service.

PLAN SPONSOR'S EMPLOYER IDENTIFICATION NUMBER

71-0415188

NAMED FIDUCIARY

**Wal-Mart Stores, Inc.
Retirement Plans Committee
508 SW 8th Street
Bentonville, Arkansas 72716-0295**

As the named fiduciary of the Plan, the Retirement Plans Committee is generally responsible for the management, interpretation and administration of the Plan, including but not limited to eligibility determinations, investment policies, benefit payments and other functions required, necessary or advisable to carry out the purpose of the Plan.

PLAN TRUSTEE

**Northern Trust Company
50 S. LaSalle Street
Chicago, Illinois 60603**

One or more trusts hold all Plan assets, such as contributions by participants and Walmart's contributions. As trustee of the Trust, Northern Trust Company receives and holds contributions made to the Plan in trust and invests those contributions according to the policies established under the Plan.

AGENT FOR SERVICE OF LEGAL PROCESS

**Corporation Trust Company
1209 Orange Street
Corporation Trust Center
Wilmington, Delaware 19801**

Service of legal process may also be made on the Plan Administrator or the trustee.

PLAN NUMBER

003

PLAN YEAR

February 1 through January 31

TYPE OF PLAN

The Walmart 401(k) Plan is a defined contribution plan (401(k), profit sharing and employee stock ownership plan).

ASSIGNMENT

Because this is a retirement plan governed by ERISA and other federal laws, your accounts cannot be assigned or used as collateral for a loan, nor can your accounts be garnished or be subject to bankruptcy proceedings. They can, however, be part of a divorce settlement, as explained in the **If you get divorced** section earlier in this summary.

NO PBGC COVERAGE

ERISA created a governmental agency called the Pension Benefit Guaranty Corporation (PBGC). One of the purposes of the PBGC is to provide plan benefit insurance. However, this insurance is available only to defined benefit pension plans, and our Plan is a defined contribution plan. Therefore, benefits under the Plan are not insured by the PBGC.

PLAN AMENDMENT OR TERMINATION

Walmart reserves the right to amend or terminate the Plan at any time. Amendments are made by the Retirement Plans Committee with the prior written consent of the Executive Committee of Walmart's Board of Directors. Neither the Plan nor the benefits described in this summary may be orally amended. All oral statements and representations shall be without force or effect even if such statements and representations are made by a management associate of Walmart or a participating subsidiary, by any member of the Retirement Plans Committee or by Merrill Lynch.

You may obtain a copy of the formal Plan document by writing to:

**Wal-Mart Stores, Inc.
Attn: Benefits Customer Service
508 SW 8th Street
Bentonville, Arkansas 72716-0295**

You can also contact the Customer Service Center at **888-968-4015**.

MISTAKEN PAYOUTS

If any payout is made under the Plan to the wrong party, or if a payout is made to the right party but in the wrong amount, the Retirement Plans Committee can recover the mistaken payout from the recipient by either reducing his or her Plan account or future payouts due to the recipient, or may demand that the recipient promptly repay the Plan.

STATEMENT OF ERISA RIGHTS

As a participant in this Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants shall be entitled to:

- Examine, without charge, at the Plan Administrator's office and at other specified facilities, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 series) and updated Summary Plan Description. The Plan Administrator may make a reasonable charge for the copies. Your request must be mailed to:

**Wal-Mart Stores, Inc. — ERISA Section 104(b) Request
Attn: Benefits Customer Service
508 SW 8th Street
Bentonville, Arkansas 72716-0295**

- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of the summary financial report.
- Obtain a statement telling you the current balance of your account and the portion of your account that is nonforfeitable (vested). This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in your interest and in that of other Plan participants and beneficiaries. No one, including your employer or any other person, may fire or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a benefit is denied or ignored in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan

Administrator or the Retirement Plans Committee to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator or the Retirement Plans Committee. If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in a federal court.

If you have any questions about the Plan, you should contact the Plan Administrator or the Retirement Plans Committee. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest regional office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue NW, Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Special tax notice addendum

YOUR ROLLOVER OPTIONS

The law requires that participants receive this notice before receiving a distribution from the Plan that is eligible to be rolled over to an IRA or an employer plan. You may or may not currently be eligible to receive a distribution from the Plan. If you are eligible for a distribution, however, you should review this notice carefully before you elect a distribution from the Plan. This notice is intended to help you decide whether to elect a rollover. If you are not currently eligible for a distribution, you should retain this notice and review it when you are eligible for a distribution.

Rules that apply to most payments from the Plan are described in the [General information about rollovers](#) section. Special rules that only apply in certain circumstances are described in the [Special rules and options](#) section.

GENERAL INFORMATION ABOUT ROLLOVERS

How can a rollover affect my taxes? You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies, as explained below). If you do a rollover, however, you will not have to pay tax until you receive payment later and the 10% additional income tax will not apply if the payment is made after you are age 59½ (or if an exception applies).

Where may I roll over the payment? You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity, including a Roth IRA) or an employer plan (a tax-qualified plan, section 403(b) plan or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

How do I do a rollover? There are two ways to do a rollover. You can do either a “direct rollover” or a “60-day rollover.”

If you do a “direct rollover,” the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a “60-day rollover” by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash received). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

How much may I roll over? If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Generally, any payment from the Plan is eligible for rollover, *except*:

- Required minimum distributions after age 70½ (or after death)
- Hardship distributions
- ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations

The Plan Administrator or the payer can tell you what portion of a payment is eligible for rollover.

If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions? If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does *not* apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation
- Payments made due to disability
- Payments after your death
- Payments of ESOP dividends
- Corrective distributions of contributions that exceed tax law limitations
- Payments made directly to the government to satisfy a federal tax levy
- Payments made under a qualified domestic relations order (QDRO)
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001 for more than 179 days

If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA? If you

receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- An exception for payments made at least annually in equal or close to equal amounts over a specified period applies (without regard to whether you have had a separation from service).
- There are additional exceptions for (1) payments for qualified higher education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Will I owe state income taxes? This notice does not describe any state or local income tax rules (including withholding rules).

SPECIAL RULES AND OPTIONS

If you miss the 60-day rollover deadline: Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, *Individual Retirement Arrangements (IRAs)*.

If your payment includes employer stock that you do not roll over: If you do not do a rollover, you can apply a special rule to payments of employer stock that are paid in a lump sum after separation from service (or after age 59½, disability, or the participant's death). Under the special rule, the net unrealized appreciation on the stock will not be taxed when distributed from the Plan and will be taxed at capital gain rates when you sell the stock. Net unrealized appreciation is generally the increase in the value of employer stock after it was acquired by the Plan. If you do a rollover for a payment that includes employer stock (for example, by selling the stock and rolling over the proceeds within 60 days of the payment), the special rule relating to the distributed employer stock will not apply to any subsequent payments from the IRA or employer plan. The Plan Administrator can tell you the amount of any net unrealized appreciation.

If you were born on or before January 1, 1936: If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, *Pension and Annuity Income*.

If you roll over your payment to a Roth IRA: If you roll over a payment to a Roth IRA, a special rule applies under which the amount of the payment rolled over will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within five years, counting from January 1 of the year of the rollover). For payments from the Plan during 2010 that are rolled over to a Roth IRA, the taxable amount can be spread over a two-year period starting in 2011. If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have had a Roth IRA for at least five years. In applying this five-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not

qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590, *Individual Retirement Arrangements (IRAs)*.

You cannot roll over a payment from the Plan to a designated Roth account in an employer plan.

If you are not a plan participant

Payments after death of the participant. If you receive a distribution after the participant's death that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions does not apply, and the special rule described under the section **If you were born on or before January 1, 1936** applies only if the participant was born on or before January 1, 1936.

If you are a surviving spouse: If you receive a payment from the Plan as the surviving spouse of a deceased participant, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.

If you are a surviving beneficiary other than a spouse:

If you receive a payment from the Plan because of the participant's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA or Roth IRA. Payments from the inherited IRA or Roth IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA or Roth IRA.

Payments under a qualified domestic relations order. If you are the spouse or former spouse of the participant who receives a payment from the Plan under a qualified domestic relations order (QDRO), you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

If you are a nonresident alien: If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, *U.S. Tax Guide for Aliens*, and IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*.

If you are a former Kosmix employee with Roth contributions: The Kosmix Corp. 401(k) Plan was merged into the Walmart 401(k) Plan as of August 6, 2012. If you made designated Roth contributions to the Kosmix Corp. 401(k) Plan, those contributions are subject to special tax rules when they are distributed from the Walmart 401(k) Plan. In general, your Roth contributions are not taxed upon distribution, even if you do not elect a rollover.

Earnings on those contributions are also not taxed if the distribution is a "qualified distribution." A "qualified distribution" is a payment made after age 59½ (or after your death or disability) and after you have had a Roth account for at least five years (counting from January 1 of the year you made your first Roth contribution). If the distribution is not a qualified distribution, the earnings will be taxed and, if you are under 59½ (and no other exception applies), the additional 10% income tax would also apply, unless you elect a rollover.

You may roll over your Roth contributions only to a Roth IRA or to a designated Roth account in another employer plan that will accept the rollover. The rules of the Roth IRA or employer

plan that holds the rollover will determine your investment options, fees, and rights to payment from the Roth IRA or employer plan (for example, no spousal consent rules apply to Roth IRAs and Roth IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the Roth IRA or the designated account in the employer plan. In general, these tax rules are similar to those described above, but differences include:

- If you do a rollover to a Roth IRA, all of your Roth IRAs will be considered for purposes of determining whether you have satisfied the 5-year rule (counting from January 1 of the year for which your first contribution was made to any of your Roth IRAs).
- If you do a rollover to a Roth IRA, you will not be required to take a distribution from the Roth IRA during your lifetime and you must keep track of the aggregate amount of the after-tax contributions in all your Roth IRAs (in order to determine your taxable income for later Roth IRA payments that are not qualified distributions).
- Eligible rollover distributions from a Roth IRA can only be rolled over to another Roth IRA.

The tax rules governing Roth contributions are complex. You should consult with your tax advisor before electing distribution.

OTHER SPECIAL RULES

If your payments for the year are less than \$200, the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

FOR MORE INFORMATION

You may wish to consult with the Plan Administrator or payer, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590, *Individual Retirement Arrangements (IRAs)*; and IRS Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*. These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 800-TAX-FORM.