



401(K) PLAN HIGHLIGHTS

GATES MATCHMAKER 401(K) PLAN



ELIGIBILITY & AUTOMATIC ENROLLMENT

You are immediately eligible* to enroll and make contributions to the Gates Matchmaker 401(k) Plan (the “401(k) Plan”). If you do not enroll yourself or opt out, you will be automatically enrolled after 30 days at a 3% pre-tax contribution rate. Your contributions will occur as soon as administratively feasible after enrollment.

*Temporary employees are eligible after one year of service and at least 1,000 hours of service in a twelve-month period.

AUTOMATIC SAVINGS ADJUSTMENT

Every April, your pre-tax contributions will automatically increase by 1%, and will continue to increase by 1% each year thereafter until you reach 8% of eligible compensation. No action is required on your part to make this happen.

Please note that you always have the ability to opt out of this automatic adjustment, or change your contribution rate on your own at any time.

YOUR CONTRIBUTIONS

You determine how much to contribute from each paycheck. The 401(k) Plan allows pre-tax, Roth 401(k), after-tax, and catch-up contributions (if eligible).

With automatic enrollment, your contributions will be invested in the Target Retirement Date Investment Model (TDM) based on your date of birth, as determined by the 401(k) Plan and shown to the right, until you make a new investment election.

If you prefer not to participate, you MUST go online to workplace.schwab.com or contact Participant Services at **1-800-724-7526** and opt out of participation.

Year of Birth	Target Retirement Date Investment Model
1942 or earlier	Conservative Income Model
1943–1947	Target 2010
1948–1952	Target 2015
1953–1957	Target 2020
1958–1962	Target 2025
1963–1967	Target 2030
1968–1972	Target 2035
1973–1977	Target 2040
1978–1982	Target 2045
1983–1987	Target 2050
1988–1992	Target 2055
1993 or later	Target 2060

The information provided was prepared for the Gates 401(k) Plan by Robert W. Baird & Co. Incorporated. These entities are independent of Schwab Retirement Plan Services, Inc. (SRPS) and its affiliates. SRPS does not guarantee the accuracy, timeliness, completeness, or correct sequencing of the information or warrant any results from use of the information.

YOUR CONTRIBUTIONS

PRE-TAX CONTRIBUTIONS

You may contribute any whole percentage from 1% to 75% of your compensation for each payroll period on a pre-tax basis, up to 75% of eligible compensation or the IRS limit, whichever is less. Federal law limits the amount you can contribute in a given year. The contribution limits are set annually and can be found at **workplace.schwab.com**. Pre-tax contributions are made before taxes, reducing your current taxable income. Taxes are deferred until you withdraw money from your account. There is a combined limit of 75% for pre-tax, Roth 401(k), and/or after-tax contributions.

ROTH 401(K) CONTRIBUTIONS

You may contribute any whole percentage from 1% to 75% of your compensation for each payroll period on a Roth 401(k) basis, up to 75% of eligible compensation or the IRS limit, whichever is less. Federal law limits the amount you can contribute in a given year. The contribution limits are set annually and can be found at **workplace.schwab.com**. Roth 401(k) contributions are made on an after-tax basis, and both the contributions and any earnings are not subject to additional taxes or penalties upon distribution as long as the contributions have been held for at least five years and you have reached age 59½, become disabled, or died. Your combined pre-tax and Roth 401(k) contributions cannot exceed the annual federal limit.

AFTER-TAX CONTRIBUTIONS

You may contribute any whole percentage from 1% to 75% of your compensation for each payroll period on an after-tax basis. There is a combined limit of 75% for pre-tax, Roth 401(k), and/or after-tax contributions.

CATCH-UP CONTRIBUTIONS

For each calendar year in which you are age 50 or older, you are entitled to make additional pre-tax deferral and/or Roth 401(k) contributions, called catch-up contributions. The contribution limits are set annually and can be found at **workplace.schwab.com**.

CHANGING YOUR CONTRIBUTIONS

You may change your contribution rate or stop contributions at any time. Any change will be made as soon as administratively feasible.

COMPANY CONTRIBUTIONS

As a benefit for eligible 401(k) Plan members, the company will make a company Basic Contribution in the amount of 3% of your eligible compensation each payroll period, starting immediately upon hire.

The company will also match 100% on the first 3% of eligible compensation that you contribute to the 401(k) Plan as pre-tax or Roth 401(k) contributions each payroll period.

Catch-up contributions are not eligible for company matching contributions.

The employer contribution is paid on a pre-tax basis and may be taxable at withdrawal.

INVESTING YOUR ACCOUNT

At the time you enroll in the 401(k) Plan, you will be asked to direct the investment of your contributions and applicable company contributions. The 401(k) Plan offers several investment options, including diversified Target Retirement Date Investment Models. Or take advantage of the third-party retirement plan advice and managed account service that offers a personalized retirement savings and investment strategy provided by Morningstar Investment Management LLC.¹

If you do not make an investment election, your funds will be invested in a Target Retirement Date Investment Model as outlined in the chart above, which is the Qualified Default Investment Alternative.

Investors should carefully consider information contained in the prospectus, including investment objectives, risks, trading policies, charges, and expenses. You can request a prospectus by calling Participant Services at **1-800-724-7526**. You may also request a prospectus at **workplace.schwab.com**. Please read the prospectus carefully before investing.

CHANGING YOUR INVESTMENTS

You may request a change to your investment selection at any time (subject to prospectus requirements). If your request is received by 3 p.m. CT, it will commence processing that day. Requests received after 3 p.m. CT or on weekends or holidays will commence processing the following business day.

Investment direction for future contributions may also be changed at any time. Your new investment percentages are processed immediately and future contributions are automatically invested according to your most recent selection.

VESTING

Vesting refers to the amount of your 401(k) Plan account that you could take after you leave Gates employment. **You are 100% vested in your own contributions and any associated earnings. You are also immediately 100% vested in the company Basic Contribution.**

You will be vested in the company's matching contributions according to the following schedule:

Years of Service	Company Match Vesting Schedule [§]
1 year	0%
2 years	0%
3 years	100%

[§]Account balances are 100% vested if you reach age 65, die, or become disabled while employed by Gates.

ROLLOVERS

If you have assets in a qualified retirement plan with a previous employer, there may be several options available to help you manage an additional retirement account. For more information about your options, call Participant Services at **1-800-724-7526** from 7 a.m. to 9 p.m. CT, Monday through Friday, or log in to your account at **workplace.schwab.com**.

ACCESSING YOUR MONEY

Although the primary purpose of the 401(k) Plan is to help you save for your retirement years, there may be a time when you need access to the funds in your 401(k) Plan account.

LOANS

The loan feature enables you to borrow from your 401(k) Plan account if you are actively employed.

Loan repayments are automatically deducted from each paycheck, interest is nondeductible, and all interest paid is credited to your 401(k) Plan account as earnings. The following provisions apply:

- » Loans will be charged the prime rate at the time you take out your loan, plus 1%.
- » Only one loan may be outstanding at any time.
- » The loan set-up fee: \$50.
- » The minimum loan amount is \$1,000.
- » The maximum amount you may borrow is \$50,000 or 50% of your vested balance, whichever is less. The \$50,000 limit is reduced by the highest outstanding balance on any existing 401(k) Plan loan during the 12-month period ending on the date the loan is made.
- » General purpose loans must be paid in full within 54 months.

If you terminate your employment at Gates with an unpaid loan balance, you will be given the opportunity to repay the balance, including making payments via electronic funds transfer. If you fail to do so, the unpaid amount will be considered a distribution, and applicable taxes will be assessed.

IN-SERVICE WITHDRAWALS

- » You may withdraw certain benefits anytime after you reach age 59½.
- » You may request all or a portion of your 401(k) Plan rollover account at any time.
- » If you experience a financial hardship, you may withdraw money from your 401(k) Plan account. Please refer to the Summary Plan Description for more details.
- » Taxes and penalties may apply.

OTHER DISTRIBUTION OPTIONS

A distribution of your 401(k) Plan account is permitted when you separate from service. The normal retirement age is 65. A distribution may also be made due to total and permanent disability or death. Please consult the Summary Plan Description for information about the specific distribution options and requirements.

This information is not intended to be a substitute for specific individualized tax, legal, or investment planning advice. Where specific advice is necessary or appropriate, you should consult with a qualified tax advisor, CPA, financial planner, or investment manager.

YOUR OPTIONS UPON LEAVING EMPLOYMENT**

- » Keep your money invested in the 401(k) Plan if your vested balance is at least \$1,000.
- » Roll your vested balance to an Individual Retirement Account (IRA) or another qualified retirement plan.
- » Request a full or partial lump-sum distribution. Partial distributions require a \$5,000 minimum.
- » Request monthly, quarterly, semiannual, or annual equal installment payments over a timeline not to exceed life expectancy.

**Certain withdrawals are subject to ordinary income taxes. They may also be subject to a 10% non-deductible tax penalty if you are under the age of 59½.

ACCESSING YOUR ACCOUNT

You may access your account and make changes to your information at any time in the following ways:



Go online to the 401(k) Plan's website at **workplace.schwab.com**.



Please use the **Register Now** link to establish your login ID and password. Once you have successfully created your login credentials, you will be able to log in to **workplace.schwab.com** or the Schwab Retirement Workplace App² and follow the prompts to enroll.



Contact Participant Services at **1-800-724-7526**, Monday through Friday, 7 a.m. to 9 p.m. CT.

GO GREEN WITH E-DELIVERY



Gates is committed to minimizing the environmental impact of its operations. In conjunction with the company's overall efforts, you can "go green" by visiting the 401(k) Plan's website and providing your preferred email address to receive notifications for statements and other documents that are ready to view.

¹At the direction of the Plan Sponsor or Plan Administrator, Participants may have access to advice services that can provide Participants with a retirement savings and investment strategy for their Plan account, furnished by Morningstar Investment Management LLC, an independent registered investment adviser and subsidiary of Morningstar, Inc. Recommendations are formulated and provided by Morningstar Investment Management through Morningstar® Retirement ManagerSM, an advice (non-discretionary investment advice) and managed accounts (discretionary investment advice and asset management) program which is intended for citizens or legal residents of the United States and its territories, and can be accessed through workplace.schwab.com. Morningstar Investment Management will select investment options appropriate for each Participant's strategy from the investment options available under the Plan as selected by the Plan Sponsor, Plan Administrator or other Plan fiduciary. **There is no guarantee a Participant's savings and investment strategy will provide adequate income at or through their retirement.** Morningstar Investment Management is not affiliated with or an agent of Schwab Retirement Plan Services, Inc. (SRPS); Charles Schwab & Co., Inc. (CS&Co.), a federally registered investment advisor; or their affiliates. Neither SRPS, CS&Co., nor their affiliates supervise, make recommendations with respect to, or take responsibility for monitoring the advice services provided to the Participants by Morningstar Investment Management. The Morningstar name and logo are registered marks of Morningstar, Inc.

²Requires a wireless signal or mobile connection. System availability and response times are subject to market conditions and mobile connection limitations.

Schwab Retirement Plan Services, Inc. provides recordkeeping and related services with respect to retirement plans and has provided this communication to you as part of the recordkeeping services it provides to the Plan.

Access to electronic services may be limited or unavailable during periods of peak demand, market volatility, systems upgrades, maintenance, or for other reasons.

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