

SOUTHEAST TEXAS CLASSIC AUTOMOTIVE, INC. 401(K) PROFIT SHARING PLAN

AUTOMATIC CONTRIBUTION ARRANGEMENT NOTICE

THIS NOTICE CONTAINS IMPORTANT INFORMATION REGARDING YOUR PARTICIPATION IN THE PLAN.

This is an annual notice and only applies to the Plan Year beginning on January 1, 2023.

Automatic deferral. This notice advises you of certain rights and obligations you have under the Plan. The Plan includes an Automatic Contribution Arrangement ("ACA"). Under the ACA provisions of the Plan, your Employer will automatically withhold a portion of your compensation from your pay each payroll period and contribute that amount to the Plan as a Pre-Tax 401(k) deferral. If you wish to defer the automatic deferral percentage, you do not need to make a deferral election. If you do not wish to defer any of your compensation, or you wish to defer a percentage of your compensation different from (either more or less than) the automatic deferral percentage, you may make this election by accessing your account at Empower's Internet site at www.prudential.com/online/retirement or by accessing your account through Empower's toll-free phone number (877)-778-2100.

Application of automatic deferral provisions. The automatic deferral provisions will only apply to the following Participants.

- **Application to existing Participants.** For those Participants in the Plan as of the effective date of the deferral provisions, the automatic deferral provisions apply to all Participants except those who have a salary reduction agreement in effect on the automatic deferral provisions effective date, provided that the elective deferral amount under the salary reduction agreement is greater than 0%.

Deferral amount. The following provisions apply to these automatic deferrals:

- The amount to be automatically withheld from your pay each payroll period will be equal to 3% of your compensation, and that amount will increase by 1% each Plan Year until the amount withheld from your paycheck reaches 15% of your compensation unless the Employer amends the Plan or you enter a Salary Reduction Agreement.
- The increase in the amount automatically withheld from your pay will be effective August 1st, beginning with the first August 1st following the date deferrals were first automatically withheld from your pay. However, if your first automatic deferral is made during the same plan year that includes the date for the first increase to your automatic deferral amount, the increase will not apply until that date in the following plan year.

Rehired participants. If your employment terminates and you are rehired following the automatic deferral effective date, the amount to be automatically withheld from your pay each payroll period will be reset to the initial automatic deferral amount.

- Effective from April 1, 2017 to September 30, 2017, the population of Employees that auto enrollment applied to was New Participants - each Employee whose Entry Date is on or following the Automatic Deferral Effective Date.

Automatic Escalation of Salary Reduction Agreement pre-tax deferral amount. The Plan includes automatic escalation provisions that apply only to pre-tax deferrals. Accordingly, if you have completed a Salary Reduction Agreement specifying the amount to be withheld as a pre-tax deferral from your pay each payroll period, the Employer will automatically increase the amount withheld from your pay as indicated below.

- **Application to Participants with an existing Salary Reduction Agreement specifying an amount to be withheld as a pre-tax deferral.** The automatic escalation provisions apply to all Participants who have a Salary Reduction Agreement in effect to defer at least 1% of compensation as a pre-tax deferral, unless and until they make a contrary election after the automatic escalation provisions effective date.
- The amount withheld from your pay each payroll period as a pre-tax deferral will be increased by 1% each Plan Year until the amount withheld from your paycheck as a pre-tax deferral reaches 15% of your compensation, unless you make a contrary election. If the amount of pre-tax deferrals withheld from your paycheck reaches 15% of your compensation as a result of these automatic escalation provisions and you then file a Salary Reduction Agreement to defer less than 15% of your compensation as a pre-tax deferral, the automatic escalation provisions will not apply to you unless you specify that you want the automatic escalation provisions to apply to your reduced pre-tax deferral amount.
- The increase in the amount automatically withheld from your pay will be effective August 1st following the date you file a Salary Reduction Agreement, or, if sooner, the effective date of the automatic escalation provisions.

Right to direct investment/default investment. You have the right to direct the investment of your Pre-Tax 401(k) and Roth 401(k) deferrals (whether the deferrals result from the Plan's automatic deferral or from a salary reduction agreement) and also other accounts under the Plan (your "directed accounts") in any of the investment choices explained in the investment information materials provided to you.

Automatic Contribution Notice

We encourage you to make an investment election to ensure that amounts in the Plan are invested in accordance with your long-term investment and retirement plans. However, **if you do not make an investment election**, then the amounts that you could have elected to invest will be invested in a default investment that the Plan officials have selected.

Additional information

You can change your contribution level, change your investments, get daily investment performance information, and perform many other transactions at www.prudential.com/online/retirement, or by calling Empower's toll-free phone number **(877)-778-2100** Monday through Friday from 8 a.m. to 9 p.m., ET. You can also find out more about the Plan in the Plan's SPD.

If you need additional information or have any questions regarding the information provided in this notice, please contact the Plan Administrator.

The Plan Administrator is the Employer. You may contact the Employer at:

Contact: Southeast Texas Classic Automotive, Inc.

Address: 1000 Interstate 10 N

 Beaumont, Texas 77702-1003