

FOUNDATION BUILDING MATERIALS 401(K)  
PROFIT SHARING PLAN AND TRUST  
Automatic Enrollment Notice

October 31, 2023

Contact Us:  
Phone: 800-724-7526  
Website: [workplace.schwab.com](https://workplace.schwab.com)

Dear Participant,

We all know it's important to save -- especially for a goal like retirement that may be many years away. Foundation Building Materials, LLC wants everyone to look forward to an active and healthy future. Retirement saving requires the commitment of both employer and employee. Please review the enclosed information regarding your plan features to help you achieve your retirement goals.

The enclosed Automatic Enrollment Notice should help you understand your Plan's automatic features, investment options and how they may affect your account.

If you have any questions about your retirement account, investment choices or want to know more about saving and how Schwab Retirement Plan Services "SRPS" can help, please call us at **800-724-7526 (en español 877-905-2553)**. We're here Monday - Friday from 8 a.m. to 10 p.m. Eastern Time. You can access your account, obtain information on plan related investment alternatives, check performance or use the planning tools at any time on **[workplace.schwab.com](https://workplace.schwab.com)**.

Sincerely,  
Schwab Retirement Plan Services, Inc.

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

## **FOUNDATION BUILDING MATERIALS 401(K) PROFIT SHARING PLAN AND TRUST** **Automatic Contribution Arrangement and Qualified Default Investment Alternative Notice**

Foundation Building Materials, LLC is making saving for retirement under the FOUNDATION BUILDING MATERIALS 401(K) PROFIT SHARING PLAN AND TRUST (the Plan) even easier by offering an automatic enrollment feature.

The automatic feature won't change your contribution level if you've already elected the level of your contributions to the Plan or affirmatively elected not to contribute. Your earlier election will continue to be followed.

If you do not affirmatively elect a contribution rate or elect not to participate ("opt out") by the day you become eligible as described in your Summary Plan Description you will be automatically enrolled in the Plan as shown below:

<u>Contribution Source</u>	<u>Deferral Rate</u>
Employee 401(k)	5%

This means that amounts will be taken from your eligible pay on a pre-tax basis each pay period and contributed to the Plan, unless you choose otherwise.

This notice gives you important information about some provisions with respect to the Plan, including the Plan's automatic investment and enrollment feature. The notice covers these points:

- Whether the Plan's automatic enrollment feature applies to you;
- What amounts will be automatically taken from your pay and contributed to the Plan;
- How your Plan account will be invested;
- When your Plan account will be vested (that is, not forfeited when you leave your job), and when you can get your Plan account; and
- How you can change your contributions.

You can find out more about the Plan in another document, the Plan's Summary Plan Description (SPD). If you would like a copy of the Plan's SPD or other Plan documents, please contact Schwab at **800-724-7526 (en español 877-905-2553)**.

### **1. Does the Plan's automatic enrollment feature apply to me?**

The Plan's auto features may apply to you unless you have already elected to make contributions to the Plan or you have elected to not contribute ("opt out"). If you made such an election, your contribution level will not automatically change. Remember, you can always change your contribution level.

You may change your election by the day you become eligible as described in your SPD. This means money will be automatically taken from your pay and contributed to your Plan account.

### **2. If I do nothing, how much will be taken from my pay and contributed to my Plan account?**

If you choose not to make an election when you first become eligible (either to contribute or opt out), each pay period an amount will be taken from your eligible pay and contributed to your Plan account as shown below:

<u>Contribution Source</u>	<u>Deferral Rate</u>
Employee 401(k)	5%

Your 401(k) contributions to the Plan are taken out of your pay and are not subject to federal income tax at that time. Instead, they are contributed to your Plan account and may grow over time with earnings. This helpful tax rule is a reason to save for retirement through 401(k) contributions. Your account will be subject to federal income tax when withdrawn.

If you want to contribute more to your account than would be provided automatically, there are limits on the maximum amount. You may elect to defer up to the Plan's maximum rate of your eligible compensation into the Plan for each employee contribution source. In general, the current maximum rate is:

<u>Source Name</u>	<u>Maximum Rate</u>
Employee 401(k)	100%
Bonus Employee 401(k)	100%
Employee Roth 401(k)	100%
Bonus Employee Roth 401(k)	100%

Employee 401(k) contributions are subject to an IRS-imposed limit. If you are age 50 or older during the calendar year, you may also make catch-up contributions to the Plan up to the IRS imposed limit. These limits are described in the section of the Plan's Summary Plan Description (SPD) related to contributions.

Again, you are already enrolled in the Plan and contributions may be taken out of your pay unless you have made an election to not participate. But you are in charge of the amount that you contribute. You may decide to contribute an amount that better meets your needs.

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**3. How will my Plan account be invested?**

The Plan lets you allocate your account in a number of different options. Unless you choose differently, your Plan account may be automatically allocated as outlined below:

An option will be selected for you based upon your birth date in the chart below, as determined by the Plan. Each option is designed to provide different degrees of long-term appreciation and income through a mix of stock, bond and capital preservation alternatives based on the target retirement date. The models range from more aggressive, for a participant with a longer investment horizon, to more conservative, for those near and in retirement. The more aggressive models will likely have a greater chance of having a short term loss versus the more conservative models. There is no guarantee a fund will accomplish its objective and the investments can lose money. The underlying options have expenses for investment management and administration of the options. This is shown below as Operating Expense. For more detailed information about the investment objectives, risks, expenses, fees or other restrictions, please see the fact sheet available on [workplace.schwab.com](http://workplace.schwab.com) or refer to the information previously sent to you in your Plan Enrollment guide.

<b>Date of Birth</b>	<b>Default Position</b>	<b>Election Percent</b>	<b>Operating Expense</b>
1998 & after	Vanguard Target Retirement 2065 Fund	100%	0.08%
1993 - 1997	Vanguard Target Retirement 2060 Fund	100%	0.08%
1988 - 1992	Vanguard Target Retirement 2055 Fund	100%	0.08%
1983 - 1987	Vanguard Target Retirement 2050 Fund	100%	0.08%
1978 - 1982	Vanguard Target Retirement 2045 Fund	100%	0.08%
1973 - 1977	Vanguard Target Retirement 2040 Fund	100%	0.08%
1968 - 1972	Vanguard Target Retirement 2035 Fund	100%	0.08%
1963 - 1967	Vanguard Target Retirement 2030 Fund	100%	0.08%
1958 - 1962	Vanguard Target Retirement 2025 Fund	100%	0.08%
1953 - 1957	Vanguard Target Retirement 2020 Fund	100%	0.08%
1952 and Prior	Vanguard Target Retirement Income Fund	100%	0.08%
Undetermined*	Vanguard Target Retirement Income Fund	100%	0.08%

\* Undetermined is used if SRPS does not know your date of birth when contributions are made.

Data provided by Morningstar, Inc. at [www.morningstar.com](http://www.morningstar.com) or by your plan administrator.

**Vanguard Target Retirement Income Fund.** The investment seeks to provide current income and some capital appreciation. The fund invests in a mix of Vanguard mutual funds according to an asset allocation strategy designed for investors currently in retirement. Its indirect bond holdings are a diversified mix of short-, intermediate-, and long-term U.S. government, U.S. agency, and investment-grade U.S. corporate bonds; inflation-protected public obligations issued by the U.S. Treasury; mortgage-backed and asset-backed securities; and government, agency, corporate, and securitized investment-grade foreign bonds issued in currencies other than the U.S. dollar. The Operating Expense for the fund is 0.08%. Vanguard Target Retirement Income Fund can not be repurchased within 30 days of a sale due to fund transfer.

**Vanguard Target Retirement 2020 Fund.** The investment seeks to provide capital appreciation and current income consistent with its current asset allocation. The fund invests in a mix of Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2020 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. The Operating Expense for the fund is 0.08%. Vanguard Target Retirement 2020 Fund can not be repurchased within 30 days of a sale due to fund transfer.

**Vanguard Target Retirement 2025 Fund.** The investment seeks to provide capital appreciation and current income consistent with its current asset allocation. The fund invests in a mix of Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2025 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. The Operating Expense for the fund is 0.08%. Vanguard Target Retirement 2025 Fund can not be repurchased within 30 days of a sale due to fund transfer.

**Vanguard Target Retirement 2030 Fund.** The investment seeks to provide capital appreciation and current income consistent with its current asset allocation. The fund invests in a mix of Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2030 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. The Operating Expense for the fund is 0.08%. Vanguard Target Retirement 2030 Fund can not be repurchased within 30 days of a sale due to fund transfer.

**Vanguard Target Retirement 2035 Fund.** The investment seeks to provide capital appreciation and current income consistent with its current asset allocation. The fund invests in a mix of Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2035 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. The Operating Expense for the fund is 0.08%. Vanguard Target Retirement 2035 Fund can not be repurchased within 30 days of a sale due to fund transfer.

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**Vanguard Target Retirement 2040 Fund.** The investment seeks to provide capital appreciation and current income consistent with its current asset allocation. The fund invests in a mix of Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2040 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. The Operating Expense for the fund is 0.08%. Vanguard Target Retirement 2040 Fund can not be repurchased within 30 days of a sale due to fund transfer.

**Vanguard Target Retirement 2045 Fund.** The investment seeks to provide capital appreciation and current income consistent with its current asset allocation. The fund invests in a mix of Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2045 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. The Operating Expense for the fund is 0.08%. Vanguard Target Retirement 2045 Fund can not be repurchased within 30 days of a sale due to fund transfer.

**Vanguard Target Retirement 2050 Fund.** The investment seeks to provide capital appreciation and current income consistent with its current asset allocation. The fund invests in a mix of Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2050 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. The Operating Expense for the fund is 0.08%. Vanguard Target Retirement 2050 Fund can not be repurchased within 30 days of a sale due to fund transfer.

**Vanguard Target Retirement 2055 Fund.** The investment seeks to provide capital appreciation and current income consistent with its current asset allocation. The fund invests in a mix of Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2055 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. The Operating Expense for the fund is 0.08%. Vanguard Target Retirement 2055 Fund can not be repurchased within 30 days of a sale due to fund transfer.

**Vanguard Target Retirement 2060 Fund.** The investment seeks to provide capital appreciation and current income consistent with its current asset allocation. The fund invests in a mix of Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2060 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. The Operating Expense for the fund is 0.08%. Vanguard Target Retirement 2060 Fund can not be repurchased within 30 days of a sale due to fund transfer.

**Vanguard Target Retirement 2065 Fund.** The investment seeks to provide capital appreciation and current income consistent with its current asset allocation. The fund invests in a mix of Vanguard mutual funds according to an asset allocation strategy designed for investors planning to retire and leave the workforce in or within a few years of 2065 (the target year). The fund's asset allocation will become more conservative over time, meaning that the percentage of assets allocated to stocks will decrease while the percentage of assets allocated to bonds and other fixed income investments will increase. The Operating Expense for the fund is 0.08%. Vanguard Target Retirement 2065 Fund can not be repurchased within 30 days of a sale due to fund transfer.

The Plan may change from time to time which alternative is used for investing your contributions that are deposited before you make your own investment election (the "default fund"). Any previous contributions may remain invested in the Plan's default fund in place at the time contributions were made. Your current balances are illustrated on [workplace.schwab.com](http://workplace.schwab.com) along with more detailed information which is available for all positions currently held in the Plan, including investment alternatives which may have previously been the Plan's default fund.

If some or all of your account in the Plan is automatically invested, you still have the opportunity to choose the allocation in your account in any combination of the investment options offered by the Plan by requesting a transfer or rebalance (subject to prospectus requirements and trading restrictions placed by your plan sponsor).

To learn more about the Plan's investment alternatives and to change how your Plan account is invested you can visit [workplace.schwab.com](http://workplace.schwab.com) anytime or call **800-724-7526 (en español 877-905-2553)**. We're here Monday - Friday from 8 a.m. to 10 p.m. Eastern Time.

#### **4. When will my Plan account be vested and available to me?**

You will always be fully vested in your contributions to the Plan. Each source of employer contributions in the Plan may have its own vesting schedule. You will be fully vested in each employer contribution source after completing the years of service outlined below:

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<u>Source Name</u>	<u>Years of Service for Full Vesting</u>
QNEC	Always Fully Vested
QMAC	Always Fully Vested
Prior Vested Employer Balance	Always Fully Vested
Prior Match Vested	Always Fully Vested
Prior Match Graded Vesting	After 6 Years
Prior P/Sharing Graded Vesting	After 6 Years
Employer Matching	After 1 Year
Safe Harbor Match	Always Fully Vested
Safe Harbor Profit Sharing	Always Fully Vested
Employer Profit Sharing	After 1 Year

To be fully vested in Plan contributions means that the contributions (together with any investment gain or loss) will always belong to you, and you will not lose them when you leave your job. Your beneficiary is entitled to any vested amount remaining in your account when you die. For more information about years of service and vesting, you can review the section of the Plan's SPD related to vesting.

Even if you are vested in your Plan account, there are limits on when you may withdraw your funds. These limits may be important to you in deciding how much, if any, to contribute to the Plan. Generally you may only withdraw vested money after you leave your job, reach age 59 ½, or become disabled. Also, there is generally an extra 10% tax on distributions before age 59 ½.

You may be able to borrow certain amounts from your vested Plan account, and may be able to take out certain vested money if you have a hardship. Hardship distributions are permitted from those accounts as provided for under the Plan. Hardship distributions must be for a specified reason as provided by the Plan. Before you can take a hardship distribution, you must have taken other permitted withdrawals from qualifying employer plans.

A portion of your account may also be available for other withdrawals while you are still employed with the employer. You may withdraw your rollover contributions at any time. After age 59 ½, you may be able to withdraw certain 401(k), after-tax, matching contribution, employer profit sharing, rollover, QNEC-QMAC, and other contributions.

You can learn more about the Plan's withdrawal and loan rules in the Plan's SPD. You can also learn more about the extra 10% tax in IRS Publication 575, Pension and Annuity Income.

## 5. Can I change the amount of contributions?

You can always change the amount you contribute to the Plan.

## 6. Contact Us

You can contact us or make changes to your account on [workplace.schwab.com](http://workplace.schwab.com) anytime or by calling **800-724-7526 (en español 877-905-2553)**. We're here Monday - Friday from 8 a.m. to 10 p.m. Eastern Time.

You may contact us if you would like to change your contribution level or opt out, make changes to your elections, have any questions about how the Plan works or your rights and obligations under the Plan, or if you would like a copy of the Plan's SPD or other Plan documents.

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This notice is intended to comply with notification requirements applicable to safe harbor, automatic enrollment, and automatic investment programs. The contribution percentage and investments listed do not constitute recommendations by your employer or SRPS. You are responsible for determining an investment strategy to meet the needs of your retirement.

You should consult the Plan Document and Summary Plan Description for further information regarding your rights under the Plan. This notice is not intended to, nor should you construe it as, modifying any aspect of the Plan Document or SPD. Subject to certain conditions, your employer retains the right to amend the Plan, including the right to change or discontinue Safe Harbor contributions. Your employer also has the right to terminate the Plan at any time, which will result in the discontinuance of all contributions to the Plan, including any Safe Harbor contributions accrued after the date of Plan termination.

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.

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.

Trust, custody and deposit products and services are available through Charles Schwab Bank and Charles Schwab Trust Bank, Member of FDIC.

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