

REI RETIREMENT AND PROFIT SHARING PLAN

This is a summary of material modifications (“SMM”) to the Recreational Equipment, Inc. Retirement and Profit Sharing Plan (“Plan”) for eligible participants. The SMM has information about changes or clarifications to your benefits. Please read this notice carefully and keep it where you can find it, with your copy of the Summary Plan Description for the Plan.

CONTRIBUTIONS FROM REI

Effective January 1, 2020, if you meet the eligibility requirements, REI will contribute a Profit Sharing Contribution equal to 5% of your eligible compensation for the Plan Year. No additional, discretionary Profit Sharing Contributions above 5% of eligible compensation will be paid on or after January 1, 2020.

VESTING

Vesting refers to your “ownership” and right to receive the value of your Plan accounts when you leave REI. Effective May 1, 2021, you earn a vested, nonforfeitable right to your Deferred Profit Sharing Account based on your years of service as shown below.

REI Contributions BEFORE May 1, 2021	
Years of Service for Vesting	Percent Vested in REI Contributions
Less than 1	0%
1	20%
2	40%
3	60%
4	80%
5 or more	100%

REI Contributions ON OR AFTER May 1, 2021	
Years of Service for Vesting	Percent Vested in REI Contributions
Less than 1	0%
1	33%
2	66%
3	100%

In addition, you have a 100% vested, nonforfeitable right to your Deferred Profit Sharing Account upon death, becoming disabled, or attaining normal retirement age under the Plan (age 60), so long as you are an employee at the time, or upon death while performing qualified military service during USERRA Leave.

CARES ACT RETIREMENT PLAN CHANGES

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) took effect on March 27, 2020. This law allows certain changes to your Plan benefits during specific time periods.

Under the CARES Act, Coronavirus-Affected Participants meet one or more of the following requirements:

- You are diagnosed with SARS-CoV-2 or COVID-19 with a test approved by the Centers for Disease Control and Prevention (CDC)
- Your spouse or dependent is diagnosed with SARS-CoV-2 or COVID-19 with a test approved by the CDC
- You experience adverse financial consequences from being quarantined, furloughed, or laid off; having work hours reduced; being unable to work due to lack of childcare; closing or reducing the hours of a business you own or operate; or from other factors as determined by the Secretary of the U.S. Department of the Treasury.

You may self-certify to the plan administrator that you qualify for a coronavirus-related distribution under one or more of the above requirements.

Coronavirus-Related Distributions

Certified Coronavirus-Affected Participant could take a coronavirus-related distribution between January 1, 2020 and December 31, 2020. The amount of the distribution could not exceed the greater of your vested account balance (other than your Guaranteed Contribution Account) or \$100,000.

Rollover Contributions

If you received a coronavirus-related distribution from the Plan or another qualified plan or individual retirement account (IRA) during 2020, you can contribute all or a portion of such distribution to the Plan during the 3-year period beginning on the date you received your payment. The contribution will be treated as an eligible rollover distribution (and a direct trustee-to-trustee transfer).

Required Minimum Distributions

Under the terms of the Plan and applicable law, participants and beneficiaries are required to begin receiving benefits on April 1 of the year following the calendar year in which they reach age:

- 70-1/2 in 2019 or earlier, or
- 72 in 2020 or after

Required Minimum Distributions (RMDs) for 2020 (including distributions required no later than April 1, 2020 for the 2019 plan year RMDs) were waived. Note that 2020 RMDs were treated as eligible rollover distributions for participants who elected to receive RMDs during 2020, absent the waiver.

Loan Amounts

From March 27, 2020 until September 23, 2020, the maximum loan amount Coronavirus-Affected Participants could take from the Plan increased to:

- 100% of your vested accounts, or
- \$100,000

After September 23, 2020, the loan cap returned to 50% of vested accounts or \$50,000 (reduced by the highest loan balance within the preceding 12 months).

Loan Repayment Suspension

Certified Coronavirus-Affected Participants with outstanding loans could request loan repayments due between March 27, 2020 and December 31, 2020 be suspended until January 2021. The original term of the loan was extended by the loan payment suspension period and repayments were re-amortized over the remaining period of the loan.

OUTSTANDING LOAN BALANCE AT TERMINATION

Prior to October 1, 2019, terminating your employment with an outstanding loan balance defaulted your loan and the entire loan balance became due and payable. As of October 1, 2019, terminating employment will not automatically default your remaining loan balance. Also, you can make repayments for your outstanding loan balance directly to the Plan. Contact Schwab Retirement Plan Services at 1-800-724-7526 or workplace.schwab.com for instructions.

If you have an outstanding loan balance and apply for a distribution or withdrawal, the amount of the distribution or withdrawal will be offset by the amount of the loan and any accrued interest.

This SMM and the Summary Plan Description dated January 1, 2019 comprise the summary plan description for the REI Retirement and Profit Sharing Plan. The SMM is not a guarantee of employment. Either you or REI can terminate the employment relationship at any time for any reason, with or without cause. REI reserves the right to amend, terminate or partially terminate the Plan or to change Plan provisions at any time. If the Plan is changed in any way that affects your eligibility or benefits, REI will provide you with an explanation of the changes. For questions regarding your benefits or this SMM, or to request a copy of the Summary Plan Description, contact the Employee Service Center at HRHR@rei.com or 1-800-999-4734.