

ALERUS

PLAN HIGHLIGHTS

SAVINGS PLAN FOR EMPLOYEES OF AMERICAN LEATHER

EMPLOYEE ELIGIBILITY

Employees must be age 21 and have completed six months of service.

ENTRY DATES

The first of the month coincident with or next following the date you met the eligibility requirements above.

EMPLOYEE CONTRIBUTIONS

You may contribute the maximum as allowed by the IRS. These contributions may be made as regular deferrals (pre-tax) or Roth deferrals (after-tax). You may reduce to 0% at any time.

If a Salary Reduction Agreement is not completed, 6% will automatically be withheld pre-tax from your paycheck each payroll period.

ROLLOVER CONTRIBUTIONS

You may be permitted to rollover into the plan distributions received from other plans and certain IRAs.

EMPLOYER CONTRIBUTIONS

American Leather Operations, LLC may make a matching contribution based on eligible compensation you contribute to the plan.

American Leather Operations, LLC may make a discretionary profit sharing contribution on your behalf to the plan.

You must work at least 1,000 hours in the plan year and be employed on the last day of the plan year to receive an allocation of discretionary profit sharing contributions.

VESTING SCHEDULE

Employee contributions and rollover contributions are always 100% vested.

Employer contributions will vest according to your years of service:

- < 1 Year of Service = 0% Vested
- 1 Year of Service = 20% Vested
- 2 Years of Service = 40% Vested
- 3 Years of Service = 60% Vested
- 4 Years of Service = 80% Vested
- 5 Years of Service = 100% Vested

INVESTMENT INFORMATION

A complete list of investment options and detailed fund information, including mutual fund prospectuses, can be found by logging into Alerus online at alerusrb.com.

If you do not implement investment direction, any contributions made to the plan on your behalf will be invested in the plan's default investment.

You may change your investment allocation at any time by utilizing the Alerus website or phone service. Redemption fees may apply to some of the investment options. This information is available on the Alerus website.

This plan is intended to be an ERISA Section 404(c) plan. This means that you "exercise control" over some or all of the investments in your plan account. The fiduciaries of the plan may be relieved of liability, or responsibility, for any losses that you may experience as a direct result of your investment decisions.

WITHDRAWAL PROVISIONS

You may withdraw money from the plan by taking a loan, attaining age 59 1/2, upon hardship (as defined by the IRS) or upon termination of employment.

The information in this Plan Highlights is based on information taken from the Plan Document as of a certain point in time and is being provided for your convenience. It should not be relied upon in place of your Summary Plan Description or Plan Document. Any subsequent changes to the Plan provisions will impact the ongoing accuracy of this Plan Highlights. Please see your Summary Plan Description or Plan Document for more complete information. If there is a conflict between a statement in this Plan Highlights and the Plan Document, the terms of Plan Document shall govern.

CUSTOMER SERVICE :: 800.433.1685 | WEBSITE :: alerusrb.com



**Savings Plan for Employees of American Leather
Automatic Contribution Arrangement (Including Default Investment)**

To: Plan Participants

From: Plan Sponsor

Re: Notice of Rights under Automatic Contribution Arrangement

Date: March 29, 2024

1. Automatic contributions (“deferrals”). This notice advises you that your Plan includes an Automatic Contribution Arrangement (“ACA”).

Automatic deferral. If you are a newly eligible employee and if you do not make an election as described below, we will automatically withhold from your compensation 6% pre-tax per pay period.

You have the option to elect an amount different than the automatic deferral. If you want to contribute an amount different from the above percentage (either more, less or zero), you must instruct us within a reasonable time before the automatic deferral occurs. If you do so, your instructions remain effective until you change them. If you do not instruct us, the automatic arrangement remains in effect until you change it.

2. Qualified Default Investment Notice:

- a. **Right to direct investment.** You have the right to direct the investment of contributions (defined as deferrals, and if applicable, company match, profit sharing and rollovers) in any of the investment choices available under the Plan. We have provided you with a description of each of these choices. If you have lost or misplaced this information please contact us and request a new copy.
- b. **Circumstances under which contributions will be invested on your behalf.** If you fail to provide the plan with investment direction regarding any of your contributions, then the Plan will invest the contribution in a default investment on your behalf. We have provided you with separate instructions regarding how to direct your investment. If you have lost or misplaced this information, please contact us and request a new copy.
- c. **Description of Default Investment.** The Plan uses “Target Date” funds as its default investment option. Target Date funds are managed with an individual’s target retirement date in mind. Each fund is designed for individuals who plan to retire close to the year described in the fund and the investment mix becomes progressively more conservative as the target date approaches. If you fail to provide investment direction, the Plan will invest your contributions in a Target Date fund based upon your year of birth as follows:

<u>Fund Name</u>	<u>Date of Birth Range</u>
Vanguard Target Retirement Income	1952 or before
Vanguard Target Retirement 2020	1953 -1957
Vanguard Target Retirement 2025	1958 -1962
Vanguard Target Retirement 2030	1963 -1967
Vanguard Target Retirement 2035	1968 -1972
Vanguard Target Retirement 2040	1973 -1977
Vanguard Target Retirement 2045	1978 -1982
Vanguard Target Retirement 2050	1983 -1987
Vanguard Target Retirement 2055	1988 -1992
Vanguard Target Retirement 2060	1993 -1997
Vanguard Target Retirement 2065	1998 -2002
Vanguard Target Retirement 2070	2003 or after

Accompanying this notice are fact sheets for each of the Target Date funds. The fact sheets provide a summary of fund information including the fund's investment objectives, fees and expenses, and risk and return characteristics. In addition, you may obtain the fund's complete prospectus by logging onto your account at alerusrb.com. The prospectus contains important detailed information about the fund.



AMERICAN LEATHER

- d. **Right to alternative investment.** Even if the Plan invests your contributions in the default investment, you have the continuing right to direct the investment of your account in one or more of the other investment choices available to you as explained above. You may change your investments at any time at alerusrb.com or (800) 795-2697.

- e. **Further investment information.** You can obtain further investment information about the Plan's investment alternatives other than the default investment by contacting the Plan Administrator at:

4501 Mountain Creek Pky
Dallas, TX 75236

You may also contact the Alerus Client Service Center at 800-433-1685.

Initial Enrollment Form

Savings Plan for Employees of American Leather

665146

Employee Full Name (please print)		Social Security Number	
Street Address	Email Address		Daytime Phone Number
City	State	Zip	
Date of Birth	Date of Hire	Date of Rehire (if applicable)	

**Participant
Contribution
Election**

I authorize my Employer to deduct the following amount from my eligible compensation each payroll period for deposit into the Plan. Refer to your Plan's Summary Plan Description for the definition of compensation.

- ☐ Pre-Tax deferral. Deduct _____% or \$ _____ of eligible compensation. The deferral amount reduces my taxable income for the year of deferral.
- ☐ Roth deferral. Deduct _____% or \$ _____ of eligible compensation. The deferral amount does not reduce my taxable income for the year of deferral. However, a Roth deferral may avoid income taxation upon distribution if certain qualifications rules are met.
- ☐ Split deferral election. Deduct both Pre-Tax and Roth Deferrals from eligible compensation as follows:
Deduct _____% or \$ _____ of eligible compensation as Pre-Tax deferral.
Deduct _____% or \$ _____ of eligible compensation as Roth deferral.
- ☐ **I do not wish to contribute to the Plan at this time.** X _____ Date _____

(Catch-up Contributions: If you are age 50 or older by the end of the calendar year, federal law permits increased deferral amounts known as "Catch-up Contributions": If you would like to make catch-up contributions, please include the amount in the election above.)

If a Salary Reduction Agreement is not completed, 6% will automatically be withheld pre-tax from your paycheck each payroll period.

Salary reductions may be stopped any day of the plan year. Salary reductions may be increased or decreased any day of the plan year.

**Investment
Election**

- I understand this is my initial investment election and it will apply to future deposits (contributions, loan payments and rollovers) to Alerus Retirement and Benefits (Alerus).
- If I do not complete this form in a timely manner, my future deposits will be invested in the default fund until I initiate a change electronically.
- I understand that all changes to investment elections for future deposits and existing balances must be done electronically by telephone or Internet. However, if I elect YES in the Automated Account Realignment section below, the investment election on this form will be used to create an automated account realignment transaction and my entire existing account will be realigned on a fixed schedule according to the percentages stored in my automated account realignment transaction.

Employee Full Name (please print)	Social Security Number
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FUND NAME	TICKER	FUND TYPE	ALLOCATION	
Vanguard Retirement Savings Trust	NA	Stable Value/Money Market	HT	%
Dodge & Cox Income X	DOXIX	Bond	4A	%
Federated Hermes Instl High Yield Bd IS	FIHBX	Bond	2W	%
Vanguard Total Bond Market Index Adm	VBTLX	Bond	KD	%
Fidelity Adv Equity Growth Z	FZAFX	Large Cap	4B	%
Vanguard Total Stock Market Index Adm	VTSAX	Large Cap	1N	%
Vanguard Windsor II Adm	VWNAX	Large Cap	KP	%
MFS Mid Cap Growth R6	OTCKX	Mid Cap	2V	%
MFS Mid Cap Value R6	MVCKX	Mid Cap	1Z	%
Vanguard Mid-Cap Index Adm	VIMAX	Mid Cap	1J	%
DFA US Targeted Value I	DFFVX	Small Cap	2X	%
Vanguard Explorer Adm	VEXRX	Small Cap	3Z	%
Vanguard Small-Cap Index Adm	VSMAX	Small Cap	PF	%
American Funds Europacific Growth R6	RERGX	International/Global	2Y	%
American Funds New Perspective R6	RNPGX	International/Global	2T	%
DFA Emerging Markets I	DFEMX	International/Global	ST	%
DFA International Small Company I	DFISX	International/Global	7A	%
Vanguard Total International Stock Index Adm	VTIAX	International/Global	R2	%
Cohen & Steers Instl Realty Shares	CSRIX	Specialty	2U	%
American Funds American Balanced R6	RLBGX	Asset Allocation	1B	%
Vanguard Target Retirement 2020	VTWNX	Target-Date 2020	ZF	%
Vanguard Target Retirement 2025	VTTVX	Target-Date 2025	JH	%
Vanguard Target Retirement 2030	VTHRX	Target-Date 2030	ZG	%
Vanguard Target Retirement 2035	VTTHX	Target-Date 2035	JF	%
Vanguard Target Retirement 2040	VFORX	Target-Date 2040	ZH	%
Vanguard Target Retirement 2045	VTIVX	Target-Date 2045	JD	%
Vanguard Target Retirement 2050	VFIFX	Target-Date 2050	ZN	%
Vanguard Target Retirement 2055	VFFVX	Target-Date 2055	1X	%
Vanguard Target Retirement 2060	VTTSX	Target-Date 2060	3A	%
Vanguard Target Retirement 2065	VLXVX	Target-Date 2065+	2B	%
Vanguard Target Retirement 2070	VSVNX	Target-Date 2065+	4N	%
Vanguard Target Retirement Income	VTINX	Target-Date Retirement	MN	%
Use whole percents only. Percentages must total 100%.			100 %	

Use whole percents only. Percentages must total 100%.

100 %

Automated Account Realignment

I understand that by choosing the YES box below, the investment election on this form will be used to create an automated account realignment transaction and my entire existing account will be realigned on a fixed schedule according to the percentages stored in my automated account realignment transaction.

- ☐ YES, realign my account annually. *(Realignment will occur on an annual basis, on a date predetermined for the plan.)*
- ☐ NO, do not automatically realign my account.

**Employee
Signature**

I request that my participation in the above-named plan be made according to this direction until I initiate a change. I understand federal law and plan provisions may limit my salary reduction amount. I authorize the Plan Administrator to make adjustments as may be required to conform to plan provisions and applicable law. I understand I have a duty to review my pay records (ex. pay stub) to confirm the Employer properly implemented my salary reduction election. I also understand I have a duty to inform the Plan Administrator if I discover any discrepancy between my pay records and my contribution election and that failure to report any discrepancy may result in a loss of or reduction in my ability to defer. I authorize the plan recordkeepers, trustees and/or fund managers to accept and act on any account or investment change I direct electronically by telephone or internet when proper identification and Personal Identification Number (PIN) are used.

Employee Signature

Date

Beneficiary Form

Savings Plan for Employees of American Leather

665146

Employee Full Name (please print)	SSN
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Pursuant to the provisions of the Plan permitting the designation of a beneficiary or beneficiaries by a participant, I hereby designate the following person or persons as primary and contingent beneficiaries of my account balance under the Plan payable by reason of my death and revoke any previously signed Beneficiary Form.

Beneficiary Designation

Primary Beneficiary Name(s)	Percent	%	Relationship
Primary Beneficiary Name(s)	Percent	%	Relationship
Contingent Beneficiary Name(s)	Percent	%	Relationship
Contingent Beneficiary Name(s)	Percent	%	Relationship

The Trustee will pay all sums payable under the Plan by reason of my death to the primary beneficiary, if he or she survives me, and if no primary beneficiary survives me, then to the contingent beneficiary. If no named beneficiary survives me, then the Trustee will pay all amounts in accordance with the Plan. Unless provided otherwise, the Trustee will pay all sums payable to more than one beneficiary equally to the living beneficiaries.

Marital Status

- ☐ I am married. I understand the Beneficiary Designation is invalid without the consent of my spouse unless my spouse is the only primary beneficiary.
- ☐ I am not married.

Consent of Spouse. (Required if spouse is not the only primary beneficiary.)

I, _____, the undersigned spouse of the employee named in the foregoing "Beneficiary Designation," hereby certify I have read the Beneficiary Designation and fully understand the property subject to the designation in my spouse's account balance under the Plan, in which I possess a beneficial interest, provided I survive my spouse. Being fully satisfied with the provisions of the designation, I hereby consent to and accept the beneficiary designation, without regard to whether I survive or predecease my spouse. I realize my consent is irrevocable until my spouse completes a new Beneficiary Form.

PARTICIPANT'S SPOUSE SIGNATURE

DATE

X

On this _____ Day of _____, in the year _____ Before me personally
appeared _____ known to me to be the person
who is described in and who executed the above Consent of Spouse as a free and voluntary act

State of _____
County of _____

NOTARY PUBLIC

DATE

X

My commission Expires

Beneficiary Form

Savings Plan for Employees of American Leather

665146

Employee Full Name (please print)	SSN
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Employee Signature. I understand that I will need to file a new Beneficiary Form if I want to change my beneficiary or if my marital status changes.

EMPLOYEE SIGNATURE

DATE

X

Authorized Signature. As an authorized signer for the Plan, I acknowledge the receipt of this Beneficiary Form

AUTHORIZED SIGNATURE

DATE

X

Beneficiary – General Considerations for Designating or Changing

This Beneficiary Designation confers important rights upon your death. Therefore, the following are some of the issues you should consider:

- **Legal Advice:** If you have any questions regarding the effect of this Beneficiary Designation, you should seek the advice of your attorney.
- **Trust Designation:** If you intend to designate a trustee as beneficiary, you must have documentation to create a trust. You will create a trust by either signing a trust agreement apart from this Beneficiary Designation or having a Will with trust provisions contained within it.
- **Naming of Estate as Beneficiary:** In many cases, naming your “estate” as beneficiary will limit your beneficiary’s options regarding taxation and distribution at the time of your death. Consult a tax advisor before naming your estate.
- **Spouse as Primary Beneficiary:** Unless your spouse consents via a proper notarized waiver on this Beneficiary Designation, you cannot designate someone else as the primary beneficiary for your account. If you are single and become married, your new spouse becomes your primary beneficiary.
- **Divorce/Legal Separation:** Consider updating your Beneficiary Designation in the event of divorce or legal separation. If your employer utilizes an Alerus prototype plan document, the terms of the plan will automatically revoke a designation of your former spouse as beneficiary. However, since all employers do not use an Alerus prototype plan and because of the potential for serious consequences, you should update your Beneficiary Designation if you divorce or become legally separated.
- **Additional Children.** Update your Beneficiary Designation any time you have additional children. The Beneficiary Designation does not automatically update as your family expands.
- **Beneficiaries must Survive You.** In order for designated beneficiaries to receive your account, they must survive you. In general, the plan will pay to your primary beneficiaries who are living at your death. If no primary beneficiary survives you, then it will pay to the contingent beneficiaries who survive you. If you wish to have your account paid to your beneficiaries by representation (for example, if your child predeceases you and you wish his/her share to be given to the deceased child’s children (your grandchildren), then indicate the words “per stirpes” after each designated beneficiaries name.

24/7 ACCOUNT ACCESS



WEBSITE ACCOUNT ACCESS

665146

1. Go to alerusrb.com and click **Login** in the upper right corner of the screen.
2. You will use a default **User ID** and **Personal Identification Number (PIN)** the first time you log into your account.
 - **User ID:** Enter your Social Security Number (SSN) without dashes or spaces.
 - **PIN:** Enter the last four digits of your SSN, plus the last two digits of your birth year.
4. Next, you will be prompted to create a new **User ID** and **Password**, and enter your email address.
5. On the **Security Questions** page, select and answer the security questions.
6. Click **Log In**.

Questions? Our customer service representatives are eager to assist you Monday through Friday, 7 a.m. to 6 p.m., Central time at 800.433.1685.

PARTICIPANT WEBSITE HIGHLIGHTS

SUMMARY

- View customized alerts regarding your plan or your company.
- Access high-level, “at-a-glance” summary information.
 - Year-to-date Account Balance
 - Personal Rate of Return
 - Balance History
- Use calculators to help plan your retirement.
- Download the most recent **Future Focus** newsletter.
- View name, address, and profile information, and activate online statements in **Edit My Profile**.

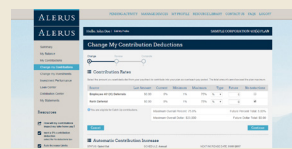
MY BALANCE

- View balance by investment, source, or asset class.
- Query an activity summary by investment or source.
- Download your account history directly to Quicken or in a universal CSV format.



MY CONTRIBUTIONS

- **Contribution Summary** provides:
 - “At-a-glance” contribution history, by source, for each year with Alerus.
 - Your year-to-date contributions by source.
- Click on **Contribution Investments** to view how your future contributions are being invested.



CHANGE MY INVESTMENTS

Use step-by-step instructions to:

- Change how future contributions are invested.
- Change how your current account balance is invested.
- Transfer specific amounts.
- Establish a schedule to automatically rebalance your account.
- View pending transactions.

INVESTMENT PERFORMANCE

- View **Personal Rate of Return** for stated time frames or a specific date range.
- Access fund performance, expense ratios, and prospectuses.
- Search for investments prices by date, or simply view the daily price.
- View timely updates on current market events and financial news.

MY STATEMENTS

- Retrieve copies of your quarterly personal statements.
- View the confirmation of activity you initiated in your account.

CHANGE MY CONTRIBUTIONS, LOAN CENTER, and/or **DISTRIBUTION CENTER** will show if your plan allows the feature.

TELEPHONE ACCOUNT ACCESS

1. Call 800.795.2697.
2. Enter your Social Security Number (SSN).
3. Enter your PIN, the default PIN is the last four digits of your SSN, plus the last two digits of your birth year.
4. Navigate by following the prompts:
 - Press 1 for account information/changes.
 - Press 2 for loans.
 - Press 3 for investment pricing.
 - Press 6 to change your PIN.

This information is provided for informational and discussion purposes only.

Investment products (1) are not FDIC insured, (2) are not deposits or other obligations of a bank or guaranteed by a bank, and (3) involve investment risk, including possible loss of principal amount invested.

ALERUS