# Ingram 401(k) Plan

## Summary of Material Modifications

June 2021

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The Ingram 401(k) Plan (the "Plan") has been amended, effective June 1, 2021, to provide that, as a result of the stock agreement to sell VitalSource Technologies LLC (i) affected participants will be fully vested as of such date; and (ii) loan rollovers shall be allowed for affected participants.

In addition, the Plan's Summary Plan Description ("SPD") has been modified to reflect a new address for the Plan's trustee.

The purpose of this Summary of Material Modifications ("Summary") is to notify you of these changes. This Summary is to be read in conjunction with the Plan's SPD which was previously distributed to you. Please keep this Summary with your SPD as it updates the information contained in the SPD. Please read the Summary carefully. If you have questions after reading this Summary, please contact your human resources department.

## Loans

The Plan allows you to borrow against the value of your vested account balance. It’s a way for you to borrow your own money. The interest you pay on your loan goes back into your own Plan account. You can model your repayment schedule and apply for a loan by contacting John Hancock. Loan documentation and processing instructions will be mailed to you.

You may only have two loans outstanding at any time across all Company plans. The interest rate is fixed and will be equal to the Prime Rate (as published in *The Wall Street Journal*), plus 1%.

The minimum amount you can borrow is $500. The maximum loan amount available to you will be determined by your vested account balance. You may borrow up to the lesser of (i) 50% of your vested account balance (excluding any Company discretionary contributions) or (ii) $50,000. This maximum $50,000 is reduced by the amount of your highest outstanding loan balance for the previous 12-month period. However, due to the limits described below, you will be unable to request a loan if your vested account balance is less than $1,000. Please be advised that your loan will not be funded from the portion of your account attributable to Company discretionary contributions.

Loans must normally be repaid through payroll deductions over a period of not more than five years. However, if you’re using the loan to purchase your principal residence, the loan can be repaid over a period of not more than 15 years. Loans may be prepaid in full or in part at any time without penalty. You may request a loan prepayment form by contacting John Hancock. Failure to repay a loan in accordance with its terms will constitute default. If you default on your Plan loan, your unpaid loan balance will become taxable to you. If you are under age 59½, an additional 10% penalty tax may apply. You should contact your human resources department for additional information regarding the treatment of loans in default.

If you are on an authorized leave of absence without pay or with a rate of pay that is less than your required loan repayment amount, your loan repayment may be suspended for a period equal to the lesser of one year or the duration of the leave of absence. In the event of certain military service, your loan may be suspended for a longer period.

Beginning on February 1, 2014, if you stop working for the Company before your loan is repaid, you may be permitted to continue making loan payments, subject to the terms of your loan agreement and promissory note, or you may choose to pay off your loan in full. (This also applies to Participants who terminated before February 1, 2014 and who have a loan outstanding (i.e., not in default) on February 1, 2014, even if not included in the loan agreement and promissory note.) If you do not continue making loan repayments, or do not pay off your loan prior to the end of the grace period, as set forth in your loan agreement and promissory note, your loan will default and the outstanding loan balance will be treated as taxable income to you. If you are under age 59 ½, an additional 10% penalty tax may also apply. Loan repayments may be made by check or via ACH (automated clearing house system for electronic transfers).

If you request a distribution from the Plan prior to the end of the grace period and prior to repaying your loan, your outstanding balance will be deducted from your account before it is distributed to you. Once again, that outstanding loan balance will be treated as a taxable distribution to you.

***NOTE:*** *If you were actively employed at VitalSource Technologies LLC on June 1, 2021 and your employment was terminated on June 1, 2021 in connection with the Company’s sale of VitalSource Technologies LLC to Francisco Partners, you may be eligible to roll over the balance of any outstanding loan that you may have under this Plan as of June 1, 2021 to another qualified plan, in accordance with rules and procedures established by the Administrator.*

## *Vesting*

Vesting means ownership. You are always 100% vested (in other words, you have complete ownership) in your pre-tax, Roth 401(k), rollover and/or after-tax contributions you may have made (adjusted for investment gains and losses) and any account balances transferred in connection with the merger into the Plan of the Coutts Library Services Inc. 401(k) Plan or the ORCO/Orgulf 401(k) Plan. However, effective January 1, 2021, if your employment terminated before your normal retirement date for any reason other than death or your "total and permanent disability" (as defined later), the extent to which you are vested in any Company matching contributions allocated to your account (adjusted for investment gains and losses) will generally depend on your years of service based on the following schedule:

| YEARS OF SERVICE | PERCENT VESTED |
|---|---|
| Less than 2 years | 0% |
| 2 years or more | 100% |

Prior to January 1, 2021, if your employment terminated before your normal retirement date for any reason other than death or your "total and permanent disability" (as defined later), the extent to which you were vested in any Company matching contributions allocated to your account (adjusted for investment gains and losses) generally depended on your years of service based upon the following schedule:

| YEARS OF SERVICE | PERCENT VESTED |
|---|---|
| Less than 2 years | 0% |
| 2 years but less than 3 | 25% |
| 3 years but less than 4 | 50% |
| 4 years but less than 5 | 75% |
| 5 years or more | 100% |

Effective January 1, 2007, the extent to which you are vested in any Company discretionary contributions allocated to your account (adjusted for investment gains and losses) will generally depend on your years of service based on the following schedule:

| YEARS OF VESTING SERVICE | PERCENT VESTED |
|---|---|
| Less than 2 years | 0% |
| 2 years but less than 3 | 20% |
| 3 years but less than 4 | 40% |
| 4 years but less than 5 | 60% |
| 5 years but less than 6 | 80% |
| 6 years or more | 100% |

Notwithstanding the above, if your active employment at the Ingram Materials Company Division was terminated by the Company on July 28, 2011 in connection with the Company's sale of the assets of that division, you will be 100% vested in any Company matching contributions and discretionary contributions made on your behalf, regardless of your Years of Service. Furthermore, if your active employment at the Ingram Tampa Terminal was terminated on July 31, 2013 in connection with the Company's sale of substantially all of the assets used in the operation of the Ingram Tampa Terminal, you will be 100% vested in your Account under the Plan. Likewise, if your active employment at VitalSource Technologies LLC was terminated by the Company on June 1, 2021 in connection with the Company's sale of that entity, you will be 100% vested in your Account under the Plan.

You will be credited with a year of service for each Plan Year during which you complete at least 1,000 hours of service or 100 days if you are a maritime associate. If an individual's account balance was transferred from the Midland Enterprises 401(k) Plan to this Plan, such employee's years of service under the Midland Enterprises 401(k) Plan were credited to such employee under this Plan. Provided, however, no employee will receive credit under this Plan more than once for the same period of service. You should contact your human resources department if you have any questions concerning the calculation of your years of service.

Vesting years of service credited to an employee under the KeySpan Energy 401(k) Plan for Management Employees as of January 1, 2002 will be credited to employees under this Plan. Hours of service performed by such employee for Midland Enterprises, Inc. (or affiliate thereof) between January 1, 2002 and July 2, 2002 will be considered hours of service under this Plan (the 190 hour ERISA equivalency method will be used for full time employees), provided such employee continued employment after July 2, 2002.

For the purpose of determining vesting service, you will receive credit for your hours of service (if any) with the following:

a) hours of service with ePac Technologies prior to March 21, 2012 will be credited if you were employed by ePac Technologies, Inc. on March 20, 2012 and became an Employees of Ingram Industries Inc. or any affiliated company on March 21, 2012;

b) hours of service for individuals employed with U.S. Barge Line, LLC on May 24, 2012 will be credited from the period beginning as of the individual's most recent date of hire (or rehire) with U.S. Barge Line, LLC through May 24, 2012;

c) hours of service with Perseus Books, L.L.C ("Perseus") or a Perseus Affiliate prior to March 31, 2016, will be credited to Employees who were employed with Perseus Book, L.L.C. or a Persus Affiliate on March 31, 2016.

a) hours of service with Lightning Source Germany, GmbH prior to August 1, 2015 will be credited to any individual who on August 1, 2015, is transferred to a position with, and becomes an Employee of, the Company's Ingram Content Group and who, as of July 31, 2015:

(i) was an employee of Lightning Source Germany, GmbH; or

(ii) was not an employee solely because such individual was either:

a. a United States citizen but received no compensation from the employer within the United States; or

b. a nonresident alien who received no compensation from the employer within the United States.

In addition, effective October 1, 1997, employees classified as Maritime Employees by the Company shall be credited with ten (10) hours of service for each day of service. For this purpose, a Maritime Employee is any employee who performs duties on board a commercial, exploratory, service or other vessel moving on the high seas, inland waterways, Great Lakes, coastal zones, harbors and noncontiguous areas of offshore ports, platforms, or similar sites.

***NOTE:*** *If you became an Employee of the Company on March 31, 2017, as a result of the Company's acquisition of Verba Software, Inc. on that date, you will receive credit for your years of service under the Verba, Inc. 401(k) Plan and Trust for purposes of determining your vesting service under the Plan.*

*If you became an Employee of the Company on May 25, 2017, as a result of the Company's acquisition of Thrivist, LLC on that date, you will receive credit for your years of service under the Thrivist, LLC 401(k) Plan for purposes of determining your vesting service under the Plan.*

***NOTE ALSO:*** *Effective September 1, 2018, if you became an employee of the Company as a result of the Company's acquisition of Acrobatiq, Inc. on that date, you will receive credit for your years of service with Acrobatiq, Inc. for purposes of determining your vesting service under the Plan. You must have been an employee of Acrobatiq, Inc. on August 31, 2018, and have been transferred on September 1, 2018 to a position with, and became an employee of the Company you will receive credit for your years of service under the Acrobatic, Inc. Plan for purposes of determining your vesting service under the Plan.*

***NOTE ALSO:*** *Effective November 30, 2020, if you became an employee of the Company as a result of the Company's acquisition of Cheryl K LLC and San Jacinto River Fleet LLC on that date, you will receive credit for your hours of service with Cheryl K LLC and San Jacinto River Fleet LLC for purposes of determining your vesting service under the Plan. You must have been an employee of Cheryl K LLC and San Jacinto River Fleet LLC on November 29, 2020, and have been transferred on November 30, 2020 to a position with, and became an employee of, the Company in order to receive credit for your hours of service with Cheryl K LLC and San Jacinto River Fleet LLC for purposes of determining your vesting service under the Plan.*

You should be aware that if your employment with the Company terminates on or after your normal retirement date, or as a result of your "permanent and total disability" (as defined later), or your death, you will be 100% vested in the value of any Company matching and discretionary contributions allocated to your account regardless of your years of service under the Plan. For this purpose, if you were hired prior to January 1, 1994, age 65 will be your normal retirement date. Otherwise, your normal retirement date will be the later of the date you attain age 65, or the earlier of (i) the fifth anniversary of your initial participation in the Plan, or (ii) the date you complete 5 years of service.

## *Other Important Facts*

- The current Custodian of the trust fund is:

  **John Hancock Trust Company LLC**
  **197 Clarendon Street**
  **Boston, MA 02116**