

NorthWestern Energy
401(k) Retirement Savings Plan
SUMMARY PLAN DESCRIPTION

As in effect on January 1, 2024

TABLE OF CONTENTS

INTRODUCTION	1
ELIGIBILITY & PARTICIPATION	2
Eligible Employee	2
Enrolling in the Plan.....	2
Spouse	3
Designating a Beneficiary.....	3
Eligible Earnings	3
Eligible Earnings Limit.....	4
EMPLOYEE CONTRIBUTIONS	5
Pre-Tax Contributions.....	5
After-Tax Contributions	5
Roth 401(k) Contributions	6
Catch-Up Contributions	6
Rollover Contributions	6
Roth In-Plan Conversion.....	7
COMPANY CONTRIBUTIONS	8
Matching Contribution	8
Non-Elective Contribution	9
Company Discretionary Contributions	10
VESTING	10
SERVICE UNDER THE PLAN	11
MILITARY LEAVE	11
CONTRIBUTION LIMITS	11
Pre-Tax and/or Roth 401(k) Contribution Combined Limit	11
Pre-Tax and/or Roth 401(k) Catch-Up Contribution Combined Limit	12
Annual Contribution Limit	12
Highly Compensated Employees	12
PLAN ACCOUNT	14
Managing Your Account	14
Contribution Amount	14
Investment Election	15
Annual Increase Program	15
PLAN INVESTMENTS.....	16

Investment Options	16
Fiduciary Investment Responsibility	16
Investment Strategy Considerations	16
Statement of Account and Confirmation Statements	17
LOANS	17
WITHDRAWALS WHILE EMPLOYED	20
Regular Withdrawal	20
Hardship Withdrawal	20
Age 59 ½ Withdrawal	21
Military Leave of Absence Withdrawal	21
Automatic Enrollment Contributions Withdrawal	22
ENTITLEMENT TO BENEFITS	23
Distributions When Your Employment Ends	23
Benefits and Distributions upon Your Death	24
TAXES AND PENALTIES ON WITHDRAWALS OR DISTRIBUTIONS	26
QUALIFIED DOMESTIC RELATIONS ORDER (QDRO).....	27
FEES AND EXPENSES.....	28
Asset Management Fees.....	28
Plan Administration Fees	28
Transaction-Based Fees	28
BENEFIT CLAIM REVIEW PROCEDURE.....	29
GENERAL INFORMATION ABOUT THE PLAN	31
Future of the Plan.....	31
Collective Bargaining Unit.....	31
Top Heavy Plan	31
Pension Benefit Guaranty Corporation	31
Commodity Pool Operator Exclusion	31
Limitation on Assignment	32
Interpretation of Plan	32
Electronic Delivery	32
Important Restrictions and Consequences.....	32
ERISA RIGHTS	33
ADMINISTRATIVE INFORMATION.....	36

INTRODUCTION

The NorthWestern Energy 401(k) Retirement Savings Plan (the “Plan”) provides a convenient, tax-advantaged means for eligible employees to save and invest for retirement. As a participant in the Plan, you can elect to make pre-tax, after-tax and/or Roth 401(k) contributions. To assist in the accumulation of your retirement savings, NorthWestern Corporation d/b/a NorthWestern Energy (the “Company”) matches all or a portion of your pre-tax and/or Roth 401(k) contributions and, for some participants, makes a non-elective contribution.

The Plan Administrator is the Company’s Employee Benefits Administration Committee (the “Committee”). The Committee is responsible for responding to questions and making determinations related to the administration, interpretation, and application of the Plan.

This Summary Plan Description (“SPD”) has been prepared to provide you with a general description of the major features of the Plan to include:

- When you are eligible to participate in the Plan;
- How to enroll in the Plan;
- Your benefit under the Plan;
- When you are eligible to receive a benefit from the Plan;
- How your benefit under the Plan will be paid;
- How your beneficiaries may receive a benefit from the Plan in the event of your death; and
- Other important information about the Plan that you should know.

Many complex concepts have been simplified in the interest of presenting information that is easily understood. This is a summary of the official Plan document which is written in much more technical and precise language and is designed to comply with applicable legal requirements. If there are any inconsistencies between this SPD and the Plan document, the Plan document will govern in all cases. You can request a copy of the Plan document by contacting the Benefits department at (888) 236-6656 or by sending your request to:

NorthWestern Energy
Benefits Department
11 E Park St
Butte, MT 59701-1711

This SPD is also available on the Company’s intranet site.

This SPD does not constitute an implied or expressed contract or guarantee of employment.

ELIGIBILITY & PARTICIPATION

Eligible Employee

All employees are eligible to participate in the Plan, except for those who are:

- Covered by a collective bargaining agreement that does not provide for participation in the Plan;
- A leased employee or independent contractor (even if retroactively reclassified as an employee); or
- Puerto Rico resident or nonresident alien who does not receive U.S. source income.

Unless otherwise described below, if eligible, participation in the Plan begins immediately upon your date of hire.

Once you become a participant you are eligible to participate in the Plan until you terminate your employment with the Company or become a member of a class of employees excluded from the Plan. If you terminate your employment after you have met the eligibility requirements, and are later re-employed by the Company in an eligible class, you will again be eligible to participate in the Plan immediately upon your date of hire.

Enrolling in the Plan

Shortly after you begin employment, a packet with information regarding the key features, benefits and investment options of the Plan, including the Plan's automatic enrollment features, will be sent to you from the Plan's recordkeeper. See page 34 for more information about the recordkeeper. You can make your enrollment election by logging onto the recordkeeper's website or contacting them on their toll free number.

If you have not enrolled or elected not to contribute to the Plan within the first 35 calendar days following your hire date, you will be **automatically enrolled** in the Plan at a contribution rate of 4% of your Eligible Earnings. Unless you make an election to change the initial 4% rate to a different amount, your contribution rate will be increased annually by 1% on January 1 or other date you specify until the rate is 10%. Contributions will be deducted on a pre-tax basis and invested in a default fund designated by the Plan Administrator, until and unless you make your own elections.

If you enroll, you will be required to indicate your contribution amount and type (Pre-Tax, after-tax and/or Roth 401(k)). You will also have the option to make your investment election(s). If you do not make an investment election, your contributions will be invested in a default fund designated by the Plan Administrator. If you do not want to contribute to the Plan, you must elect a contribution rate of 0% within the first 35 calendar days following your hire date.

The current default fund designated by the Plan Administrator is the State Street Target Retirement Securities Lending Funds – Class VI that has a target retirement date closest to the year you might retire based on your current age, assuming retirement at age 65.

If you want to change your contribution rate or type, investment election and/or make investment changes, you can do so by accessing your account through the recordkeeper's website or contacting them on their toll free number.

Spouse

Under the Plan, your "spouse" is the person to whom you are married for Federal income tax purposes, including an individual of the same sex to whom you are legally married for Federal income tax purposes.

A spouse does not include an individual from whom you are legally divorced, except to the extent required under a Qualified Domestic Relations Order (QDRO).

Designating a Beneficiary

You can designate a beneficiary or beneficiaries to receive any vested amount that may be payable under the Plan as a result of your death. If you are married and designate a beneficiary other than your spouse, your spouse's written notarized consent will be required before your designation is valid. If you do not designate a beneficiary, or if no designated beneficiary survives you, your account will be paid to your spouse, if you are married, or to your estate, if you are not married. To designate a beneficiary, log onto the recordkeeper's website or contact them on their toll free number.

Eligible Earnings

Eligible Earnings are used to determine your contributions and the Company's contributions for the Plan Year. Eligible Earnings include your base wage or salary, unreduced by your pre-tax contributions to the Plan or your pre-tax deductions for welfare benefits including medical, dental, vision, flexible spending and health savings accounts. Eligible Earnings also include holiday pay, paid time off, the straight-time portion of overtime pay, shift differential pay, military differential pay and annual incentive compensation received by an Eligible Employee who is a participant in the NorthWestern Energy Annual Incentive Plan on the date that such compensation is paid.

Eligible Earnings, however, **do not** include reimbursements or other expense allowances, fringe benefits (cash and non-cash), moving expenses, welfare benefits, unused leave, value of restricted stock or of a qualified or non-qualified stock option granted to an employee to the extent includable in gross income, severance pay (whether paid prior to, at or after termination of employment), basic life insurance coverage greater than \$50,000, vehicle or moving allowances, meal allowances, tax gross-up payments, deferred compensation, income from stock options or restricted stock, or other extra or additional compensation such as spot cash, standby pay, the

premium portion of overtime (including overtime on standby pay), bonuses, commissions and vacation or paid time off sellback, wage types 116P (Alt Job Foreman Premium), 118N (Regular Job Premium Pay), 130N (Regular Job Double Time), 131N (Lead Pay Double Time), 139N (Alt Job Double Time) and 140N (Lead Premium Pay 1.5), and payments made under the NorthWestern Energy Annual Incentive Plan to a former Eligible Employee, unless such individual is entitled to compensation for an Hour of Service in the payroll period in which the payment is made.

Eligible Earnings for your first year of participation in the Plan will be measured only for that portion of the Plan Year that you are eligible to participate.

Eligible Earnings Limit

For 2024, the maximum compensation amount that can be considered when calculating contributions is the first \$345,000 of your Eligible Earnings. This amount is subject to adjustment by the IRS each year. If your Eligible Earnings reach this limit, the Company's contributions will be suspended for the remainder of the Plan Year. Contributions to your account will automatically resume at the start of the next Plan Year, based on your election prior to suspension, unless you change your election with the recordkeeper.

This limit does not apply to the Catch-Up Contributions you make to the Plan

EMPLOYEE CONTRIBUTIONS

Pre-Tax, After-Tax, Roth 401(k) and Catch-Up Contributions can only be made by an Eligible Employee who is actively employed. A former employee, including someone receiving benefits under the Company's long-term disability plan, is not eligible to make such contributions.

You can elect to contribute from 1% to 100% of your Eligible Earnings, in whole percentages, with pre-tax dollars, after-tax dollars or a combination of both. The contributions that you make are deposited into your account as soon as administratively feasible following each pay period. Your election is subject to cash availability (e.g. cash available after other withholdings such as Federal income tax withholding).

There are legal limits on the amount you can contribute to the Plan each year. These limits may affect the percentage or amount you can contribute. See "Contribution Limits" on page 11 for more information.

Under the Plan, you can elect to make any of the following contributions. Each type of contribution is different.

Pre-Tax Contributions

You can elect to reduce your compensation on a pre-tax basis. Your current taxable income is reduced by your Pre-Tax Contributions so you pay less in current income taxes in the year of contribution. However, the amount you defer is still considered compensation for purposes of FICA (Social Security and Medicare) taxes so that your deferrals will not reduce future Social Security benefits. Pre-Tax Contributions and their earnings are not included in taxable income until distributed from the Plan (or later, if you rollover the distribution to an individual retirement account ("IRA") or eligible employer plan).

Your Pre-Tax Contributions will not affect any other salary-based benefits such as those provided under the Company's pension plan, life insurance plan or long-term disability plan.

Pre-Tax Contributions are eligible for Company Matching Contributions. See "Company Contributions" on page 8 for more information.

After-Tax Contributions

After-Tax Contributions are deducted from your pay after income and FICA taxes have been withheld. After-Tax Contributions are not eligible for Company Matching Contributions. After-Tax Contributions are not included in taxable income when distributed from the Plan; however, earnings on the After-Tax Contributions are included in taxable income when distributed from the Plan (or later, if you rollover the distribution to an individual retirement account ("IRA") or eligible employer plan).

Roth 401(k) Contributions

You can designate all or a portion of your salary deferral contributions as Roth 401(k) contributions. Roth 401(k) contributions are made on an after-tax basis and are included in current taxable income. Roth 401(k) contributions are not included in taxable income when distributed from the Plan and, unlike a traditional after-tax contribution, earnings on the Roth 401(k) contributions are not included in taxable income when distributed from the Plan if the distribution is a “qualified distribution”.

A “qualified distribution” is a distribution that is made on or after the fifth anniversary of the first day of the first tax year of your first Roth 401(k) contribution to the Plan and one of the following: on or after your attainment of age 59 ½, in the event of disability, or to a beneficiary after your death. For example, if you are at least age 59 ½ and made your first Roth 401(k) contribution on November 30, 2019, your earnings on Roth 401(k) contributions will not be included in taxable income if distributed on or after January 1, 2024.

If a distribution from your Roth account is not a qualified distribution, the earnings **will** be included in your taxable income at distribution (or later, if you rollover the distribution to an individual retirement account (“IRA”) or eligible employer plan) and, if under age 59 ½, subject to the 10% early distribution tax (unless an exception applies).

Roth 401(k) Contributions are eligible for Company Matching Contributions. See “Company Contributions” on page 8 for more information.

Catch-Up Contributions

Participants who are or will be at least age 50 prior to the end of the Plan Year have the opportunity to make additional pre-tax and/or Roth 401(k) contributions over and above the IRS annual deferral limit for that year. You are eligible to make Catch-Up Contributions provided that you first contribute the maximum deferral amount allowed for the Plan Year through Pre-Tax Contributions and/or Roth 401(k) Contributions.

Rollover Contributions

Distributions from eligible retirement plans can be “rolled over” in cash to the Plan. An eligible retirement plan includes another employer’s qualified retirement plan, including a 401(k) or 403(b) plan; a governmental 457(b) deferred compensation plan; and certain IRAs. An alternate payee or beneficiary under the Plan may not make rollover contributions into the Plan. Rollover Contributions and their earnings can be withdrawn at any time. See “Withdrawals While Employed” on page 20 for more information. To obtain information and the forms to make Rollover Contributions, log onto the recordkeeper’s website or contact them on their toll free number. You should consult with a tax advisor to consider the tax deferral advantages of a roll over versus the possible loss of certain special tax treatments.

Roth In-Plan Conversion

You can elect to have amounts held in your Pre-Tax, Catch-Up (pre-tax only), Company Matching Contribution, After-Tax and Rollover Accounts converted to Roth contributions under the Plan at any time and any other amounts converted when otherwise distributable from the Plan. If you are an alternate payee or beneficiary, you may make a Roth In-Plan Conversion of otherwise distributable amounts.

If you elect a Roth In-Plan Conversion, the taxable amounts you convert will be included in taxable income in the year in which the conversion occurs. Since tax withholding does not apply to the conversion, you may want to make estimated tax payments outside of the Plan. The “qualified distribution” rules described on page 6, as well as any other restrictions on in-service withdrawals under the Plan, will apply to the converted assets. You should consult with a tax advisor when considering a Roth In-Plan Conversion.

COMPANY CONTRIBUTIONS

Matching Contribution

The Company matches the Pre-Tax and/or Roth 401(k) contributions (including Catch-Up contributions) you make to the Plan, providing another significant benefit to participating in the Plan. The Company Matching Contribution is made in the form of cash and is deposited into your account as soon as administratively feasible following each pay period. The matching contribution is based on the schedule below:

A. An Eligible Employee not represented under a collective bargaining agreement:

Contribution Percentage Eligible for Company Matching Contribution	Company Matching Contribution Percentage
4%	100%

B. An Eligible Employee employed as of October 3, 2008 who did not make a one-time election at that time to cease participation in the Company's defined benefit pension plan and receive the Non-Elective Contribution described below and who is represented under a collective bargaining agreement between the Company and Locals 41 and 459 of The United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, the Kalispell Unit of Hourly Gas Employees, and the Local 44 of the International Brotherhood of Electrical Workers, AFL-CIO, unless otherwise provided under the terms and conditions of such collective bargaining agreement:

Completed Years of Service	Contribution Percentage Eligible for Company Matching Contribution	Company Matching Contribution Percentage
5 through 10	6%	90%
10 through 20	6%	95%
20 +	6%	100%

Completed years of service are determined based on the employee's adjusted service date, per the Company's records.

C. An Eligible Employee hired under the terms of the September 26, 2013 Purchase and Sale Agreement between the Company and PPL Montana with an adjusted service date, per the Company's records, prior to July 1, 2013 and who is represented under the hydroelectric generating facilities collective bargaining agreement between the Company and Local 44 of the International Brotherhood of Electrical Workers, AFL-CIO:

Deferral Percentage Eligible for Company Matching Contributions	Applicable Company Matching Contribution Percentage
6%	100%

- D. All other Eligible Employees represented under a collective bargaining agreement, including an employee described above whose employment ends and who then is subsequently rehired.

Contribution Percentage Eligible for Company Matching Contribution	Company Matching Contribution Percentage
4%	100%

Non-Elective Contribution

Certain employees receive a Non-Elective Contribution made by the Company to their account. The Non-Elective Contribution is made in the form of cash and is deposited into your account as soon as administratively feasible following each paycheck you receive. You do not have to contribute to the Plan to receive the Non-Elective Contribution.

The contribution is determined based on “Points” and made as a percentage of Eligible Earnings. “Points” are based on the sum of an employee’s attained age and completed years of service in whole years. Completed years of service are determined based on the employees adjusted service date, per the Company’s records. Those eligible and the contribution amount are described below:

A. For the following:

- A non-represented Eligible Employee employed as of October 3, 2008 who was hired or initially hired at the Company’s South Dakota or Nebraska operations and who did not make a one-time election at that time to cease participation in the Company’s defined benefit pension plan and receive the Non-Elective Contribution described in (B) below; or
- A represented Eligible Employee employed as of December 31, 2009 at the Company’s South Dakota or Nebraska operations.

Points	Company Non-Elective Contribution Percentage
31-44	4%
45-59	5%
60-74	6%
75 +	7%

B. For the following:

- A non-represented Eligible Employee employed as of October 3, 2008 who made a one-time election at that time to cease participation in the Company's defined benefit pension plan and receive the Non-Elective Contribution described below; **or**
- A represented Eligible Employee employed as of October 3, 2008 at the Company's Montana operations who made a one-time election at that time to cease participation in the Company's defined benefit pension plan and receive the Non-Elective Contribution described below; **or**
- A non-represented Eligible Employee hired or rehired on or after October 3, 2008; **or**
- A represented Eligible Employee hired or rehired (includes transfers) on or after October 3, 2008 at the Company's Montana operations; **or**
- A represented Eligible Employee hired or rehired (includes transfers) on or after January 1, 2010 at the Company's South Dakota or Nebraska operations; **or**
- A non-represented or represented Eligible Employee employed under the terms of the September 26, 2013 Purchase and Sale Agreement between the Company and PPL Montana who is not eligible to participate in the Company's defined benefit pension plan.

Points	Company Non-Elective Contribution Percentage
<45	5%
46-69	6%
70 +	7%

Company Discretionary Contributions

The Company may also make discretionary contributions to the Plan. The Company, however, has no intent to do so at this time.

VESTING

You are 100% vested in your account at all times. Vested means that all of the contributions made to your account and the earnings on those contributions, including the Company's contributions, are yours. In general, your vested account balance is payable only to you or your beneficiary. However, there are circumstances in which your vested account may be paid to someone else. See the section entitled "Limitation on Assignment" on page 31 for more information.

SERVICE UNDER THE PLAN

Generally, if you work 1,000 or more hours during the year, you are credited with a year of service. Under certain circumstances, you may receive service credit for:

- **Qualified Military Service** – Refer to the information in “Military Leave”.
- **Leave of Absence** - If you are on an approved leave of absence, the period of leave, up to a maximum of 501 hours, will be included in determining your hours of service for the year.

MILITARY LEAVE

Make-up Contributions

If you return to work while your reemployment rights are protected by law, you may be allowed to make up any contributions that you would have been entitled to make if not for your qualified military service. You are also eligible to receive Company Matching Contributions on any contributions you make up and any Company Non-Elective Contributions you would have been entitled to if not for your qualified military service. Contact the Plan’s recordkeeper for information regarding make-up contributions.

Qualified Military Service

If you return to work while your reemployment rights are protected by law, your time spent in qualified military service will be credited for purposes of determining your years of service.

CONTRIBUTION LIMITS

Each year, the IRS establishes limits on how much you and the Company can contribute to the Plan. These limits are communicated to Plan participants by the Company prior to the start of each Plan Year. If you meet or exceed any of these limits, contributions to the Plan may be restricted or suspended. If contributions are suspended, any outstanding loan payments will continue to be deducted from your pay. You can continue to make transactions (loans, withdrawals and redirection of existing account balances).

Pre-Tax and/or Roth 401(k) Contribution Combined Limit

For 2024, the maximum amount that you can contribute in Pre-Tax and/or Roth 401(k) Contributions is \$23,000. This amount is subject to adjustment by the IRS each year.

If you reach this limit, your Pre-Tax and/or Roth 401(k) Contributions will be suspended. If this happens, you can leave your contribution election in place and your contributions will automatically resume at the start of the next Plan Year, based on your election prior to suspension, unless you change your election with the recordkeeper.

If you already made pre-tax or Roth 401(k) Contributions to another employer's plan during the year, you should inform the Benefits department of the amount you contributed to the other plan so that your total contributions for the year can be monitored. Generally, if an annual dollar limit is exceeded, then the excess must be returned to you in order to avoid adverse tax consequences.

Pre-Tax and/or Roth 401(k) Catch-Up Contribution Combined Limit

For 2024, the maximum amount that you can contribute in pre-tax and/or Roth 401(k) catch-up contributions is \$7,500. This amount is subject to adjustment by the IRS each year. These contributions are not subject to any other dollar limitations otherwise applicable to your account allocations.

If you already made catch-up contributions to another employer's plan during the year, you need to inform the Benefits department of the amount you contributed to the other plan so that your total contributions for the year can be monitored. Generally, if an annual dollar limit is exceeded, then the excess must be returned to you in order to avoid adverse tax consequences.

Annual Contribution Limit

For 2024, the maximum amount that can be contributed to your account (excluding Catch-Up Contributions) is the lesser of \$69,000 or 100% of your compensation. This limit includes your contributions and the Company's contributions. This amount is subject to adjustment by the IRS each year. If contributions to your account reach this limit, your contributions and the Company's contributions will be suspended for the remainder of the Plan Year. Contributions to your account will automatically resume at the start of the next Plan Year, based on your election prior to suspension, unless you change your election with the recordkeeper.

Highly Compensated Employees

The Internal Revenue Code of 1986, as amended (the "IRC") has certain rules intended to insure that all Plan participants benefit equitably from contributions to the Plan. In order to satisfy these rules, the Plan may limit the amounts contributed by those employees who are or expected to be considered "highly compensated".

The Plan may also satisfy certain of the IRC requirements by adopting a safe harbor plan design. A 401(k) Safe Harbor Notice will be distributed for a plan year if the Plan intends to satisfy the safe harbor design requirements for that plan year.

You are considered a highly compensated employee if you (i) at any time during the current or prior year own, or are considered to own, more than five percent of the Company, or (ii) received compensation from the Company during the prior year in excess of a specified dollar amount (\$155,000 for 2024), and you are in the top paid group consisting of the top 20% of employees ranked by compensation.

In order to help satisfy these rules, the Plan may impose limits on the amounts contributed by those employees it expects to be considered highly compensated. You will be informed if this rule ever affects you.

The annual IRS limits are provided each year in the Plan's Safe Harbor Notice. The notice is available by clicking on the following link: [401\(k\) Safe Harbor Notice](#) You can also request a copy of the notice by contacting the Benefits department at (888) 236-6656.

PLAN ACCOUNT

When you are enrolled in the Plan, an account will be established for you. Your account will be categorized into the following sub-accounts to track the source of funds deposited into the Plan on your behalf.

Sub-account	Description
Pre-Tax Account	The value of your Pre-Tax Contributions and the earnings on those contributions will be accounted for in this account.
Roth 401(k) Account	The value of your Roth 401(k) Contributions and the earnings on those contributions will be accounted for in this account.
Catch-Up Account	The value of your Catch-Up Contributions (pre-tax or Roth 401(k)) and the earnings on those contributions will be accounted for separately in this account.
After-Tax Account	The value of your After-Tax Contributions and the earnings on those contributions will be accounted for in this account.
Company Matching Contribution Account	The value of the Company Matching Contributions made on your behalf and the earnings on those contributions will be accounted for in this account.
Company Non-Elective Contribution Account	The value of the Company Non-Elective Contributions made on your behalf and the earnings on those contributions will be accounted for in this account.
Rollover Account	The value of your Rollover Contributions (pre-tax, after-tax or Roth 401(k)) and the earnings on those contributions will be accounted for separately in this account.

Managing Your Account

The value of your Plan Account at any time depends on a number of factors, including:

- How much and how long you save,
- Investment gains (or losses), and
- Any withdrawals or loans you take.

The value of your investments in each fund as well as other account activity is reflected on your personal statement that you can elect to have sent to you each quarter or utilize the paperless feature available on the recordkeeper's website. The online feature allows you to view your personal savings statement at any time and to view reports for any date, month, quarter or custom date range within the previous 24 months. You can also initiate the following account transactions at any time by accessing the recordkeeper's website or contacting them on their toll free number.

Contribution Amount

You can change the amount you contribute to the Plan and elect the types of contributions you want to make at any time by accessing your account through the

recordkeeper's website or by contacting them on their toll free number. Generally, any change that you make will be effective on the next pay period.

Investment Election

Your account is valued on a daily basis. With this feature, you can obtain the value of your account balance and initiate investment changes on any market-trading day by accessing your account through the recordkeeper's website or by contacting them on their toll free number. All transactions received by the close of the New York Stock Exchange (NYSE), normally 4 p.m. (Eastern Time), will be processed the same business day. Transactions received after the close of the NYSE will be processed on the following business day. Your investment elections must be in whole percentages (50% rather than 49.5%) and total 100%. The changes you can make are:

- **Investment Election:** You can elect where your future contributions are invested.
- **Investment Exchange:** You can transfer money from one investment to another.
- **Investment Rebalance:** You can transfer money between many investments.

Annual Increase Program

The Annual Increase Program allows you to establish regular annual increases to your Pre-Tax and Roth 401(k) contribution amount. You elect an increase date and percentage increase. Your election will apply to all of the contributions you make to the Plan on a pre-tax and/or Roth 401(k) basis. If you coordinate your increase date and amount with expected pay increases, you may be able to realize both an increase in take-home pay and a higher Plan contribution. To participate in the program, you must be contributing regularly to the Plan through payroll deductions. You can end your participation in the program at any time. If you stop making regular payroll deductions, your program elections will be maintained until conditions change to allow for the application of your elections. Your Annual Increase Program elections will be applied until you withdraw from the program, subject to the certain exceptions.

Example of How the Annual Increase Program Works:

Molly is currently contributing 4% on a pre-tax basis. She enrolls in the Annual Increase Program and elects an increase amount of 2% and an increase date of March 1. The following March 1, her contribution amount will be increased from 4% to 6% and her take home pay and Plan contribution for that pay period will reflect the change. Each year thereafter on March 1, unless Molly elects to stop her participation in the Annual Increase Program, her contribution amount will increase by an additional 2%.

PLAN INVESTMENTS

The Trustee of the Plan has been designated to hold the assets of the Plan for the benefit of Plan participants and their beneficiaries in accordance with the terms of the Plan. See page 35 for information about the Trustee.

Investment Options

To help you meet your retirement goals, the Plan provides the opportunity for you to exercise control over and direct the investment of assets in your Plan Account across a broad range of diverse investment options, each with varying degrees of risk and return.

The Committee is responsible for selecting the Plan's investment options and/or investment managers and monitoring investment performance. The Committee has the right to add, remove or change an investment option or manager as it deems appropriate.

A complete description of the Plan's investment options, fund performance and planning tools to help you choose an appropriate investment mix is available on the recordkeeper's website. You can also request that the information be sent to you by contacting them on their toll free number.

Fiduciary Investment Responsibility

The Plan is a participant-directed individual account plan that is intended to comply with the regulations under Section 404(c) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan provides the opportunity for participants to exercise control over and direct the investment of assets in their individual accounts across a broad range of investment options so that each participant can materially affect the potential return and risk level of his/her account, as well as attain diversification with and among the options. Participants and beneficiaries alone bear the risk of investment results from the options and asset mix that they select. Therefore, no fiduciary of the Plan will be liable for any loss that results from a participant's exercise of control over the investment of his or her accounts in the Plan.

Investment Strategy Considerations

There are many factors to consider when making your investment decisions. Some of the key considerations are:

- **Identify your savings goal** — Consider how much money you will need during retirement, how much you have already accumulated and how much you need to save each year to reach your goal.
- **Determine your investment time horizon** — Consider the number of years you have to save and invest your money before you will need it. If you are many years from retirement, you may want to consider investing in funds that are riskier but offer a higher potential return on your investment in the long run. On

the other hand, if you are only a few years from retirement, you may want to consider investing your money more conservatively.

- **Consider your risk tolerance** — Evaluate your ability to tolerate swings in the value of your account balance. In general, the more time you have to invest, the more investment risk you may want to take.
- **Diversify** — Spread your risk and return by investing in a variety of funds with different investment objectives, such as stock, bond and money market funds.

Statement of Account and Confirmation Statements

The assets in the Plan are invested in available investment options and a separate account is established for each participant who receives and/or makes a contribution. The value of your account is updated each business day to reflect any contributions, exchanges between investment options, investment earnings or losses for each investment option and withdrawals. Your account statement is available online through the recordkeeper's website, you can view and print a statement for any time period up to 24 previous months. If you do not log onto the recordkeeper's website a hard copy statement will automatically be mailed to you annually.

Exchanges received and confirmed before the close of the market (usually 4:00 p.m. (ET)) will be posted on that business day based upon the closing price of the affected investment(s). Exchanges received and confirmed after the market close will be processed on the next business day based upon the closing price of the affected investment(s) on that next business day. A confirmation of your change in the investment of your future contributions or your exchange of an existing fund will be sent to you within five business days or an online confirmation will be available. The Plan's trustee reserves the right to change, restrict, or terminate exchange procedures to protect mutual fund shareholders.

LOANS

A loan from the Plan can only be taken by an employee who is actively employed. A former employee, including someone receiving benefits under the Company's long-term disability plan, is not eligible for a loan from the Plan.

You may not have more than two outstanding loans at any time.

Two types of loans are available: a general-purpose loan and a principal residence loan. You can have a maximum of two outstanding loans at any time, but only one can be a principal residence loan.

Amount Allowed

The minimum loan amount you can request is \$1,000. The maximum loan amount you can request is the lesser of:

- 50% of the vested balance in your Plan Account, excluding the Company Non-Elective Contribution Account; **or**

- \$50,000 minus the highest aggregate outstanding loan balance during the last 12 months (even if repaid).

Your loan amount will be deducted on a pro rata basis from the accounts from which the loan was made.

Requesting a Loan

You can model a loan to determine how much you want to borrow along with the repayment term and initiate your loan request by accessing the recordkeeper's website or contacting them on their toll free number. Upon receipt of your request, the recordkeeper will send you the necessary paperwork.

Your loan request will not be approved if:

- You do not provide all the necessary information,
- Your loan request does not comply with Plan rules, or
- There is a QDRO that may affect your Plan benefit.

There are certain circumstances (e.g., if you already have two outstanding loans) when you may be required to repay a prior loan in full before a new loan request can be processed. In this event, your new loan will not be processed until 15 days after receipt of the required repayment.

Loan Interest Rate

The loan interest rate will be the Reuters prime rate published in the Wall Street Journal on the date the loan is taken plus 1%. The loan interest rate is updated monthly. The rate in effect at the time of your loan will apply for the full term of the loan. Subject to the requirements of the Servicemembers Civil Relief Act, the loan interest rate if you are on an approved military leave of absence will not be more than six percent (6%) during the period of your qualified military leave.

Loan Term

The minimum term for any loan is one (1) year. The maximum term for a general-purpose loan is five (5) years and for a principal residence loan is twenty (20) years.

Loan Fees

The cost to initiate a loan is \$50 and there is a quarterly maintenance fee of \$6.25. The initiation and maintenance fees will be deducted directly from your Plan Account.

Loan Repayments

Loan repayments (principal and interest) are deducted from your paycheck on an after-tax basis and invested in the funds you've elected at the time of the repayment. If you are receiving benefits under the Company's long-term disability plan and are no longer able to make repayments through payroll deduction, you will be allowed to make recurring loan repayments through a coupon book issued by the Plan's recordkeeper.

If you are on an approved leave of absence and your compensation is not sufficient to make the required payments, your loan payments may be suspended and the term of the loan may be extended in accordance with the following:

- Non-military leave of absence – for a period of up to one (1) year;
- Military leave of absence – for the period of the leave.

Interest will continue to accrue on your loan during the suspension period. To the extent your loan balance has increased due to the accumulation of additional interest, your loan repayment amount may be increased to ensure that repayment of the loan does not extend beyond the maximum term allowed under the Plan, or in the case of a military leave of absence, beyond the maximum term allowed under the Plan plus the period of leave.

Upon return from leave, your loan will be reamortized in accordance with the following:

- For non-military leave of absence, the loan will be reamortized to extend the term of the loan up to the maximum term allowed under the Plan;
- For military leave of absence, the loan will be reamortized to extend the term of the loan up to maximum term allowed under the Plan plus the period of leave.

If you are on an approved leave of absence and do not return to work, the outstanding balance on your loan will be defaulted.

You can repay your loan in full at any time. Partial loan payoffs are not permitted. For information regarding paying off your loan, access the recordkeeper's website or contact them on their toll free number.

Outstanding Loans

If you terminate employment, you can pay off the outstanding loan balance to avoid a loan default. You must do so no less than 90 days following the end of the quarter in which your last repayment was made. If you receive a distribution from your account during this period, without repaying your loan, any unpaid principal will be offset against your distribution. This means that the loan will be defaulted and the outstanding loan balance reduced to zero. The loan default amount will be reported to the IRS as having been distributed (and will be subject to taxes and possible penalties unless the loan default amount is rolled over to an IRA or other eligible retirement plan).

Loan Default

If at any time your loan repayments are not made, your loan will be defaulted at the end of the quarter following the quarter in which your last repayment was made. The outstanding principal balance plus interest accrued through the date of default will be considered a "deemed distribution." A "deemed distribution" means that the loan will be reported to the IRS as having been distributed from the Plan for tax purposes in the year in which the default occurred. The deemed distribution amount will be subject to taxes and possible penalties.

If your loan is defaulted:

- The principal balance on the loan will remain outstanding and interest will continue to accrue until you repay the loan or your account is distributed; and
- The loan will be considered in determining your eligibility to take another loan from the Plan. This means that the loan will be counted as one of the loans available to you and the outstanding balance will be factored into the amount you may be eligible to borrow under another loan. You will not be allowed to request another loan from the Plan until 90 days following the default date.

WITHDRAWALS WHILE EMPLOYED

While you are actively employed, you may be eligible to take a withdrawal from the Plan, subject to certain limitations. Each type of withdrawal is explained in more detail below. There is a \$20 fee for a withdrawal that is deducted directly from your Plan Account.

To initiate a withdrawal, access the recordkeeper's website or contact them on their toll free number.

Taxes and penalties may apply to your withdrawal. See "Taxes and Penalties on Withdrawals or Distributions" on page 26 for more information.

Regular Withdrawal

A Regular Withdrawal allows you to withdraw money from your After-Tax and Rollover Accounts at any time and for any reason. If your Rollover Account includes subaccounts for both pre-tax and Roth 401(k) elective deferral amounts, a withdrawal from your Rollover Account will be made on a pro-rata basis from the subaccounts. Withdrawals from your After-Tax Account must include a pro-rata share of earnings along with your previously taxed contributions.

Hardship Withdrawal

A Hardship Withdrawal allows an active or suspended participant to withdraw money from his or her Pre-Tax, Roth 401(k) or Catch-Up Accounts to satisfy certain immediate financial needs. The minimum hardship withdrawal amount is \$500. Generally, a hardship withdrawal can only be made for payment of the following:

- Expenses for medical care (described in Section 213(d) of the IRC) previously incurred by you, your spouse, your dependents or a primary beneficiary designated by you under the Plan or necessary for you, your spouse, your dependents or a primary beneficiary designated by you under the Plan to obtain medical care.
- Costs directly related to the purchase of your principal residence (excluding mortgage payments).
- Tuition, related educational fees, and room and board expenses for the next twelve (12) months of post-secondary education for you, your spouse, your dependents or a primary beneficiary designated by you under the Plan.

- Amounts necessary to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence.
- Payments for burial or funeral expenses for your deceased parent, spouse, children, dependents or a primary beneficiary designated by you under the Plan.
- Expenses for the repair of damage to your principal residence that would qualify for the casualty deduction under the IRC (determined without regard to whether attributable to a Federally declared disaster or whether the loss exceeds any applicable income limits).
- Expenses and losses (including loss of income) incurred by you on account of a Federal Emergency Management Agency (“FEMA”) declared disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act that is applicable to your principal place of residence or employment.

To be eligible for a Hardship Withdrawal, you must

- Exhaust all available withdrawals under the Plan; and
- Provide the documentation required by the Plan to support the Hardship Withdrawal.

You may not withdraw more money than you need to meet the immediate financial hardship and to pay estimated income taxes and penalties that may apply to the amount you withdraw. The requested amount will be withdrawn on a pro rata basis from your Pre-Tax, Roth 401(k) and Catch-Up Contribution Accounts. Withdrawals must include a pro-rata share of earnings along with your contributions. A hardship withdrawal will be subject to the 10% nonperiodic federal income tax withholding rate unless you elect out of the withholding.

Age 59 ½ Withdrawal

When you reach age 59 ½, you can request a withdrawal of all or a portion of your account, including the money from your Company Matching Contribution and Non-Elective Contribution Accounts. The amount requested will be taken on a pro rata basis from each of your accounts. Even if you take a withdrawal, you can continue to participate in the Plan on the same basis as any other employee.

Military Leave of Absence Withdrawal

If you are performing qualified military service for a period of greater than thirty (30) days, you can request during your active duty period a withdrawal of all or a portion of your account. Withdrawal is only available for amounts restricted from distribution due to IRC section 401(k)(2)(B)(i)(I), which are pre-tax, Roth 401(k), Catch-Up, and safe harbor matching contributions. You will be suspended from making any contributions to the Plan for a period of six (6) months following the withdrawal and the withdrawal may be subject to taxes and penalties.

Automatic Enrollment Contributions Withdrawal

If you have been automatically enrolled in the Plan and do not want to make pre-tax contributions, you may elect anytime during the 90 day period that starts on your automatic enrollment date to withdraw the pre-tax contributions made automatically on your behalf. The amount you may withdraw will be the amount of such automatic contributions made to the Plan through the end of the fifteen day period that begins on the date you request the withdrawal and all amounts withdrawn will be adjusted for any gain or loss. You will also lose any Company matching contributions made on the automatic pre-tax contributions that you withdraw. If you elect to make this withdrawal, you will also be treated as electing not to contribute to the Plan. However, if you elect this withdrawal, you can elect at a later time to make pre-tax, Roth 401(k) and/or after-tax contributions to the Plan.

ENTITLEMENT TO BENEFITS

Distributions When Your Employment Ends

If your employment ends due to retirement or termination, you are eligible to receive a distribution of your Plan Account. A partial distribution of your account is allowed if you are at least age 50 when your employment ends and the reason your employment ended is retirement or termination. Only one partial distribution may be made per calendar year. The amount requested for a partial distribution will be taken on a pro rata basis from each of your accounts. If you are disabled and your employment ends while receiving benefits under the Company's long-term disability plan, you are only eligible for a full distribution of your Plan Account.

To initiate a distribution, access the recordkeeper's website or contact them on their toll free number. Taxes and penalties may apply to your distribution. See "Taxes and Penalties on Withdrawals or Distributions" on page 26 for more information.

Vested Account Balance of \$7,000 or Less

- **Age 65 or older** - If the total value of your Plan Account is \$7,000 or less, and you don't make an election otherwise, the account will be automatically distributed to you. Payment will be made in a single sum of cash. The payment will be a full discharge of the Plan's liability to you. Your consent will not be required if your account is automatically distributed.
- **Under Age 65** - If the total value of your Plan Account is \$1,000 or less, and you don't make an election otherwise, the account will be automatically distributed to you. Payment will be made in a single sum of cash. The payment will be a full discharge of the Plan's liability to you. Your consent will not be required if your account is automatically distributed.

If the total value of your Plan Account is greater than \$1,000 but less than \$7,000, and you don't make an election otherwise, the account will be automatically rolled over into an Individual Retirement Account (IRA) designated by the Plan Administrator. You will be responsible for any costs related to the rollover or the IRA. The payment will be a full discharge of the Plan's liability to you. Your consent will not be required if your account is automatically rolled over.

Vested Account Balance Greater than \$7,000

If the total value of your Plan Account is greater than \$7,000, you can defer the distribution of your account until a later date. By law, minimum distributions from your account (other than from designated Roth accounts) are required to begin no later than April 1 of the year following the year in which you reach age 73 (75 if born after December 31, 1959; 72 if born prior to January 1, 1951; 70 ½ if born prior to July 1, 1949) or the year in which you retire, if employed beyond age 73 (75 if born after December 31, 1959; 72 if born prior to January 1, 1951; 70 ½ if born prior to July 1, 1949). There is a \$25 fee that is deducted directly from your Plan Account for a minimum required distribution.

You can elect to receive a distribution at any time prior to the date you are legally required to do so. You can elect to have your account distributed directly to you (Direct Distribution) or directly rolled over into an Individual Retirement Account (IRA) or another employer's qualified plan that will accept the rollover (Direct Rollover).

- **Direct Distribution** - If you elect to have your Plan Account distributed directly to you, the distribution will be subject to taxes and possibly an early withdrawal penalty. You will only receive 80% of the taxable portion of the distribution because the Plan is required to withhold 20% for federal taxes. You may be able to defer paying taxes and avoid penalties on all or a portion of the distribution by directing it to an IRA or another employer's qualified plan within 60 days of receiving the payment. The amount you rollover will not be taxed until you take a distribution from the IRA or other employer's plan. See "Taxes and Penalties on Withdrawals or Distributions" on page 26 for more information.
- **Direct Rollover** - If you elect to have your account directly rolled-over into an IRA or another employer's qualified plan, your distribution will not be taxed until you take a distribution from the IRA or other employer's plan. See "Taxes and Penalties on Withdrawals or Distributions" on page 26 for more information.

Benefits and Distributions upon Your Death

Your Plan Account balance, if any, at the time of your death will be used to provide your beneficiary with a death benefit. If you are married at the time of your death, your spouse will be the beneficiary of the entire death benefit unless an election was made to change the beneficiary and your spouse consented to such election in writing, witnessed by a notary. If you are not married at the time of your death, you can designate a beneficiary or beneficiaries to receive the death benefit. See "Designating a Beneficiary" on page 3 for more information.

Your beneficiary can defer receipt of any death benefit. However, the law generally restricts the ability of a retirement plan to be used as a method of retaining money for purposes of your death estate. Thus, there are rules that are designed to ensure that death benefits are distributable to beneficiaries within certain time periods.

- If your spouse is the beneficiary, minimum distributions of any death benefit generally begin in the calendar year that *you* would have reached age 73 (age 75 if born after December 31, 1959; 72 if born prior to January 1, 1951 or 70 ½ if *you* were born prior to July 1, 1949).
- If your beneficiary is a person (generally other than your spouse electing as described, minimum distributions of any death benefit must begin by December 31 of the year following the year of your death or your beneficiary can elect to have the entire death benefit paid by the end of the tenth year following the year of your death.
- If you have not designated a beneficiary or if your beneficiary is not a person (e.g., estate or trust), minimum distributions of any death benefit must begin by December 31 of the year following the year of your death and end no later than December 31 of the fifth year following the year of your death.

If your beneficiary is a person, minimum distributions of a death benefit will be paid over a period not extending beyond the beneficiary's life expectancy. There is a \$25 fee that is deducted directly from the participant's account for a minimum required distribution.

TAXES AND PENALTIES ON WITHDRAWALS OR DISTRIBUTIONS

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution. The information below provides a general overview. Whenever you receive a withdrawal or distribution, an IRS model explanation of the tax consequences will be provided at that time. The rules that determine whether you qualify for favorable tax treatment are very complex. You should consult with a tax advisor when considering a withdrawal or distribution from the Plan.

Taxable Amounts

When you receive a withdrawal or distribution from the Plan, the following amounts are subject to ordinary income taxes:

- Pre-Tax and pre-tax Catch-Up Contributions and the earnings on the contributions;
- Company Matching and Non-Elective Contributions and the earnings on the contributions;
- Earnings on After-Tax Contributions;
- Earnings on Roth 401(k) Contributions and Roth 401(k) Catch-Up Contributions, unless the distribution is a “qualified distribution”. See “Roth 401(k) Contributions” in the section entitled “Employee Contributions” on page 5 for more information;
- Any unpaid loan balance; and
- Rollover Contributions (pre-tax) and the earnings on rollover contributions (both pre-tax and after-tax).

The taxable portion of any withdrawal or distribution from the Plan is generally subject to a 20% mandatory federal income tax withholding unless directly rolled over into an IRA or another employer’s qualified plan. Information regarding income tax withholding for a hardship withdrawal can be found on page 20.

Penalty

In addition to ordinary income taxes, the taxable portion of any withdrawal or distribution from the Plan when you are under age 59 ½ may also be subject to a 10% early withdrawal penalty. The penalty is an additional tax that is not withheld from the withdrawal or distribution but one that you will be responsible to pay when you file your annual federal income tax return. The penalty does not apply in many situations, including if the distribution is due to death, disability or compliance with a QDRO.

You may reduce, or defer entirely, the tax and penalty due on your distribution through use of one of the following rollover methods:

1. **60-day rollover.** If you elect to have the distribution from the Plan paid directly to you (Direct Distribution), you can direct that all or a portion of the distribution

be rolled over into an IRA or another eligible retirement plan. This will result in no tax being due until you begin withdrawing funds from the IRA or other employer's plan. The rollover of the distribution, however, **MUST** be made within strict time frames (normally, within 60 days after you receive the distribution). Under certain circumstances all or a portion of a distribution (such as a hardship withdrawal) may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. So, in order to avoid income and penalty taxes entirely, you will need to deposit an additional amount equal to the 20% withheld into the rollover account with the IRA or other eligible retirement plan. For this reason, if you want to roll over all or a portion of your distribution amount, the direct rollover option described below would be the better choice.

2. **Direct rollover.** For most distributions, you can request that a direct rollover of all or a portion of a distribution be made to either an IRA or another eligible retirement plan. A direct rollover will result in no tax being due until you withdraw funds from the IRA or other eligible retirement plan. Like the 60-day rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct rollover. If you elect to actually receive the distribution rather than request a direct rollover, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes.

However, if you roll over a distribution (other than from a designated Roth account) to a Roth IRA (or Roth account in another eligible retirement plan), the taxable portion of the distribution is currently taxed.

QUALIFIED DOMESTIC RELATIONS ORDER (QDRO)

The Plan is required to comply with a qualified domestic relations order (QDRO) for alimony, child support or a marital property division. If the Plan receives such an order, all or a portion of your vested account may be assigned to another person, called an alternate payee. Your account value will be reduced to reflect the amount assigned.

You will not be permitted to receive a loan or withdrawal from your account if a QDRO is pending.

To process a QDRO, access the recordkeeper's QDRO Center at qd.ro.fidelity.com/ or contact them at (800) 835-5095.

There is a fee for a QDRO under the Plan that is deducted directly from the participant's account. The fee is:

- \$300 for the review of a QDRO generated through the recordkeeper's website with no modifications; or
- \$1,200 for the review of a QDRO not generated through the recordkeeper's website or generated through the website but subsequently altered.

FEES AND EXPENSES

Asset Management Fees

You pay asset management fees for the funds that you invest in. The fees are indirect charges deducted from fund assets and are expressed as an “expense ratio.” The expense ratio represents how much of your account balance in a fund is paid in asset management fees over the course of a year. For example, if the expense ratio of a fund is 0.08%, for each \$1,000 you had invested in the fund, you paid \$0.80 in asset management fees. The return on the investment fund is net of these fees. You can obtain more information about such fees from the documents (e.g., a mutual fund prospectus) that describe the investments available under the Plan.

Plan Administration Fees

Plan administration fees are associated with the necessary operating expenses of the Plan. These expenses include, but are not limited to, recordkeeping expenses to maintain participant accounts, technology investment to provide web and telephone access and trustee fees. Each participant with an account balance is charged \$72 each year for plan administration expenses. If the total fees paid by participants are not sufficient to cover plan administration expenses, the Company pays the remaining charges.

Transaction-Based Fees

Transaction-based fees are fees charged directly to a participant’s account at the time of a particular transaction. The transaction fees charged by the Plan are described in the following sections:

- Loans on page 17
- Withdrawals While Employed on page 20
- Distributions When Your Employment Ends on page 23
- Benefits and Distributions upon Your Death on page 24
- Qualified Domestic Relations Order (QDRO) on page 27

On a quarterly basis, the Plan Administrator, or its designee, will provide participants with information on the administration and transaction-based fees that have been charged to a participant’s account.

On an annual basis, the Plan Administrator, or its designee, will provide participants with information that includes the historical investment performance of the investment options under the Plan and the asset management fees for these investments.

You can also access this information by logging onto the recordkeeper’s website or contacting them on their toll free number.

BENEFIT CLAIM REVIEW PROCEDURE

Distributions and Withdrawals

Distributions and withdrawals may be taken from the Plan by accessing the recordkeeper's website or contacting them on their toll free number.

Making a Claim

If you (or anyone claiming through you) believe you may be entitled to benefits, or if you disagree with any determination that has been made, you may present a claim to the Committee in writing. Within ninety (90) days after you deliver your claim, you will receive either: (a) a decision; or (b) a notice describing special circumstances requiring a specified amount of additional time (but no more than one hundred eighty (180) days from the day you delivered your claim) to reach a decision.

If your claim is wholly or partially denied, you will receive a written notice specifying: (a) the reasons for denial; (b) the Plan provisions on which the denial is based; and (c) any additional information needed from you about the claim and the reason such information is needed. You also will receive information about your right to request a review, including your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended (ERISA) following an adverse determination on review.

Requesting Review of a Denied Claim

You may request that a denied claim be reviewed. Your request for review must be submitted in writing to the Committee within sixty (60) days after you receive the written notice that your claim was denied. Your request for review may include written comments, documents, records, and other information relating to the claim for benefits, and the review will consider such materials. Within sixty (60) days after receipt of your request for review, you will receive either: (a) a decision; or (b) a notice describing special circumstances requiring a specified amount of additional time (but no more than one hundred twenty (120) days from the day of receipt of your request for review) to reach a decision. The Committee shall provide you with written notification of a plan's benefit determination on review. In the case of an adverse benefit determination, the notification shall set forth, in a manner calculated to be understood by you – the specific reason or reasons for the adverse determinations, reference to the specific plan provisions on which the benefit determination is based, a statement that you are entitled to receive, upon your request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits. You also will receive information about your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended (ERISA) following an adverse determination on review.

In General

All decisions on claims and on reviews of denied claims will be made by the Committee. You may, at your own expense, have an attorney or other representative act on your behalf by providing the Committee a written authorization of such attorney or other

representative. The Committee also reserves the right to delegate its authority to make the decision.

When to Bring an Action in Court

You may file a lawsuit regarding the denial of an appeal after following the claims and review procedures above. You must file any lawsuit within 12 months after the date the Committee issued its final decision on appeal. If you do not file a claim or exhaust the claims review process for any reason, any lawsuit must be filed within 12 months of the date of the conduct at issue in the lawsuit (which includes, among other things, the date you became entitled to any Plan benefits at issue in the lawsuit). If you fail to file a lawsuit within these timeframes, you will lose your right to bring the lawsuit at any later time. Any proceeding arising out of or relating to the Plan must be adjudicated in the federal courts for the District of South Dakota or in the courts of the State of South Dakota located in the district embraced by the federal courts for the District of South Dakota.

The Committee and all persons determining or reviewing claims have full discretion to determine benefit claims under the Plan. Benefits under the Plan are paid only if the Committee (or its delegate) decides in its discretion that the applicant is entitled to benefits under the Plan. Any interpretation, determination or other action of such persons will be subject to review only if it is arbitrary or capricious or otherwise an abuse of discretion. Any review of a final decision or action of the persons reviewing a claim will be based only on such evidence presented to or considered by such persons at the time they made the decision that is the subject of review.

GENERAL INFORMATION ABOUT THE PLAN

Future of the Plan

The Company intends to continue the Plan indefinitely but reserves the right to amend, modify, suspend or terminate the Plan, in whole or in part, at any time. The Company's decision to change or end the Plan may be because of changes in federal or state laws governing retirement benefits, the requirements of the IRC or ERISA, or any other reason. A Plan change may transfer Plan assets and liabilities to another plan or split the Plan into two or more parts. If the Company makes changes like this or decides to end the Plan, it may decide to set up a different plan providing similar or identical benefits.

If the Plan is ended, you have a vested or nonforfeitable right to your Plan Account on the date it ends. The amount of your account balance generally will be paid to you.

Collective Bargaining Unit

If you are employed and represented by a collective bargaining unit, you will be eligible to participate in the Plan only to the extent that your participation is specifically provided for in a collective bargaining agreement that is negotiated with the Company.

Top Heavy Plan

Under tax laws, the Plan is required to contain provisions which take effect if the Plan becomes "top heavy." A top heavy plan is one where more than 60% of the contributions or benefits have been allocated to "key employees." Key employees are generally officers and other owners. The Plan Administrator is responsible for determining whether the Plan is a top heavy plan each year. In the unlikely event the Plan becomes top heavy in any year, the Plan must be modified to maintain its status as a tax-qualified plan. The Plan Administrator will notify you if your benefits are affected by top heavy rules.

Pension Benefit Guaranty Corporation

The Pension Benefit Guaranty Corporation does not insure benefits under this Plan. This Plan is a defined contribution plan, which means that contributions on your behalf are held in your individual account. Insurance is not available for this type of plan, because your benefit consists solely of your vested account balance. Your account balance is 100% vested at all times and cannot be forfeited.

Commodity Pool Operator Exclusion

NorthWestern Corporation has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodities Exchange Act and, therefore, is not subject to registration or regulation as a pool operator under the Act with respect to the Plan.

Limitation on Assignment

Your rights and benefits under the Plan generally cannot be assigned, sold, transferred or pledged by you or reached by your creditors or anyone else, except under limited circumstances (e.g., pursuant to a qualified domestic relations order (QDRO as described on page 27), to satisfy IRS federal tax liens, to recover overpayments from the Plan as permitted by applicable law, or in accordance with certain judgments regarding malfeasance with respect to the Plan).

Interpretation of Plan

The Committee has the power and discretionary authority to construe the terms of the Plan based on the Plan document, existing laws and regulations and to determine all questions that arise under it. Such power and authority include, for example, the administrative discretion necessary to resolve issues with respect to an Employee's eligibility for benefits, credited services, and retirement, or to interpret any other term contained in Plan documents.

Electronic Delivery

This SPD and other important Plan information may be delivered to you through electronic means. This SPD contains important information concerning the rights and benefits of your Plan. If you receive this SPD (or any other Plan information) through electronic means, you are entitled to request a paper copy of the document, free of charge, from the Committee. The electronic version of the document contains substantially the same style, format and content as the paper version.

Important Restrictions and Consequences

You may receive less than you expect from the Plan in the following situations:

- Your benefit is the value of your Plan account balance and you assume the risk of investment losses. Under section 404(c) of ERISA, Plan fiduciaries may be relieved of liability for any losses that are the direct and necessary result of the investment decisions you make.
- Highly compensated employees may be required to reduce their contributions to satisfy IRS nondiscrimination tests.
- All employees are subject to IRS benefit and contribution limits.
- All or part of your benefit is assigned to an alternate payee pursuant to a qualified domestic relations order (QDRO).
- You fail to keep the Committee (or its delegate) notified of your current address (e.g., so that you may receive Plan information in a timely manner).
- The Plan may be amended or terminated at any time.
- Benefits may be eliminated or suspended as permitted by law.
- All or part of your benefit is offset in accordance with applicable law to recoup overpayments made to you.
- Benefits under the Plan are paid only if the Committee (or its delegate) decides in

its discretion that the applicant is entitled to benefits under the Plan.

- You fail to adhere to the strict time requirements for filing and/or appealing claims or filing lawsuits.
- You fail to provide a legal power of attorney to the Plan Administrator when adopted (for a determination whether the Plan will honor the power of attorney).
- A disclaimer of benefits by a beneficiary does not satisfy the Plan's requirements as determined by the Plan Administrator.
- Your survivors do not notify the Plan as soon as possible after your death. Participant checks and directs deposits after your death must be returned to the Plan.
- You fail to consider the timing and manner (e.g., rollover) of withdrawals or distributions from the Plan, including failing to defer receipt of your Plan account until normal retirement age.
- Calculation errors are discovered by subsequent audit.
- If you exceed the Code annual pretax and Roth contribution limit based on contributions to all plans in which you participate, you have until March 1 of the year following the year in which the excess is contributed to request in writing for the Plan Administrator to have the excess returned to you.
- You fail to consult your financial, investment, and/or tax advisors regarding your decisions with respect to the Plan.
- You fail to adhere to online security (cybersecurity) best practices. See the Department of Labor's Online Security Tips in Appendix A to this summary plan description.
- You fail to understand the tax consequences of the Plan, including tax withholding. You should consult with your own personnel tax provider regarding the tax consequences of your participation in the Plan.
- The tax laws governing the Plan change.
- You fail to understand the fees and expenses that are charged to your account under the Plan.

ERISA RIGHTS

As a participant in the NorthWestern Energy 401(k) Retirement Savings Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended (ERISA). ERISA provides that all Plan participants shall be entitled to:

Receive Information about Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites, all documents governing the Plan and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the

U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.

- Obtain, upon written request to the Plan Administrator, copies of documents governing the Plan and copies of the latest annual report (Form 5500) and an updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your plan, called *fiduciaries* of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a Plan benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 per day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have questions about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee

Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

ADMINISTRATIVE INFORMATION

Plan Name	NorthWestern Energy 401(k) Retirement Savings Plan.
Plan Type	Defined contribution/profit sharing plan with cash or deferred arrangement.
Plan Number	103
Plan Year	January 1 through December 31
Plan Funding	The Plan's benefits are funded by Plan participants and the Company.
Plan Sponsor	NorthWestern Corporation dba NorthWestern Energy 3010 W 69 th St Sioux Falls, SD 57108
Employer Identification Number	46-0172280
Plan Administrator and Named Fiduciary	Employee Benefits Administration Committee NorthWestern Corporation dba NorthWestern Energy 11 E Park St Butte, MT 59701-1711 (406) 497-4610
Agent for Service of Legal Process	Employee Benefits Administration Committee NorthWestern Corporation d/b/a NorthWestern Energy 11 E Park St Butte, MT 59701-1711 Legal notices may also be served on the trustee.
Plan Trustee	Fidelity Management Trust Company 245 Summer Street Boston, Massachusetts 02210
Plan Recordkeeper	Fidelity Investments Institutional Operations Company P.O. Box 770001 Cincinnati, OH 45277-0018 www.401k.com (800) 835-5095

APPENDIX A

EMPLOYEE BENEFITS SECURITY ADMINISTRATION UNITED STATES DEPARTMENT OF LABOR

ONLINE SECURITY TIPS

You can reduce the risk of fraud and loss to your retirement account by following these basic rules:

• REGISTER, SET UP AND ROUTINELY MONITOR YOUR ONLINE ACCOUNT

- Maintaining online access to your retirement account allows you to protect and manage your investment.
- Regularly checking your retirement account reduces the risk of fraudulent account access.
- Failing to register for an online account may enable cybercriminals to assume your online identify.

• USE STRONG AND UNIQUE PASSWORDS

- Don't use dictionary words.
- Use letters (both upper and lower case), numbers, and special characters.
- Don't use letters and numbers in sequence (no "abc", "567", etc.).
- Use 14 or more characters.
- Don't write passwords down.
- Consider using a secure password manager to help create and track passwords.
- Change passwords every 120 days, or if there's a security breach.
- Don't share, reuse, or repeat passwords.

• USE MULTI-FACTOR AUTHENTICATION

- Multi-Factor Authentication (also called two-factor authentication) requires a second credential to verify your identity (for example, entering a code sent in real-time by text message or email).

• KEEP PERSONAL CONTACT INFORMATION CURRENT

- Update your contact information when it changes, so you can be reached if there's a problem.
- Select multiple communication options.

• CLOSE OR DELETE UNUSED ACCOUNTS

- The smaller your on-line presence, the more secure your information. Close unused accounts to minimize your vulnerability.
 - Sign up for account activity notifications.

• BE WARY OF FREE WI-FI

- Free Wi-Fi networks, such as the public Wi-Fi available at airports, hotels, or coffee shops pose security risks that may give criminals access to your personal information.
 - A better option is to use your cellphone or home network.

- **BEWARE OF PHISHING ATTACKS**

- Phishing attacks aim to trick you into sharing your passwords, account numbers, and sensitive information, and gain access to your accounts. A phishing message may look like it comes from a trusted organization, to lure you to click on a dangerous link or pass along confidential information.
- Common warning signs of phishing attacks include:
 - A text message or email that you didn't expect or that comes from a person or service you don't know or use.
 - Spelling errors or poor grammar.
 - Mismatched links (a seemingly legitimate link sends you to an unexpected address). Often, but not always, you can spot this by hovering your mouse over the link without clicking on it, so that your browser displays the actual destination.
 - Shortened or odd links or addresses.
 - An email request for your account number or personal information (legitimate providers should never send you emails or texts asking for your password, account number, personal information, or answers to security questions).
 - Offers or messages that seem too good to be true, express great urgency, or are aggressive and scary.
 - Strange or mismatched sender addresses.
 - Anything else that makes you feel uneasy.

- **USE ANTIVIRUS SOFTWARE AND KEEP APPS AND SOFTWARE CURRENT**

- Make sure that you have trustworthy antivirus software installed and updated to protect your computers and mobile devices from viruses and malware. Keep all your software up to date with the latest patches and upgrades. Many vendors offer automatic updates.

- **KNOW HOW TO REPORT IDENTITY THEFT AND CYBERSECURITY INCIDENTS**

- The FBI and the Department of Homeland Security have set up valuable sites for reporting cybersecurity incidents:
 - <https://www.fbi.gov/file-repository/cyber-incident-reporting-united-message-final.pdf/view>
 - <https://www.cisa.gov/reporting-cyber-incidents>



Employee Benefits Security Administration
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