AMENDMENT NUMBER 2018-2 TO
AAA CAROLINAS SAVINGS & RETIREMENT PLAN

SUMMARY PLAN DESCRIPTION
MATERIAL MODIFICATIONS

I
INTRODUCTION

This is a Summary of Material Modifications regarding the AAA Carolinas Savings & Retirement Plan ("Plan"). Unless stated otherwise, the modifications described in this summary are effective as of October 1, 2018 and January 1, 2019. This is merely a summary of the most important changes to the Plan and information contained in the Summary Plan Description ("SPD") previously provided to you. It supplements and amends that SPD so you should retain a copy of this document with your copy of the SPD. If you have any questions, contact the Administrator. If there is any discrepancy between the terms of the Plan, as modified, and this Summary of Material Modifications, the provisions of the Plan will control.

II
SUMMARY OF CHANGES

1. **Elective Deferrals – Effective January 1, 2019**

As a participant under the Plan, you may elect to reduce your compensation by a specific percentage or dollar amount and have that amount contributed to the Plan as an elective deferral. There are two types of elective deferrals: pre tax deferrals and Roth deferrals. For purposes of this summary, "elective deferrals" generally means both pre tax deferrals and Roth deferrals. Regardless of the type of deferral you make, the amount you defer is counted as compensation for purposes of Social Security taxes.

Pre-Tax Deferrals. If you elect to make pre-tax deferrals, then your taxable income is reduced by the deferral contributions so you pay less in federal income taxes. Later, when the Plan distributes the deferrals and earnings, you will pay the taxes on those deferrals and the earnings. Therefore, with a pre-tax deferral, federal income taxes on the deferral contributions and on the earnings are only postponed. Eventually, you will have to pay taxes on these amounts.

Roth Deferrals. If you elect to make Roth deferrals, the deferrals are subject to federal income taxes in the year of deferral. However, you will not be taxed on distributions of your Roth 401(k) deferrals. In addition, a distribution of the earnings on the Roth 401(k) deferrals will not be subject to tax if the distribution is a "qualified distribution." A "qualified distribution" is one that is made after you have attained age 59 1/2 or is made on account of your death or disability. In addition, in order to be a "qualified distribution," the distribution cannot be made prior to the expiration of a 5 year participation period. The 5 year participation period is the 5 year period beginning on the calendar year in which you first make a Roth 401(k) deferral to our Plan (or to another 401(k) plan or 403(b) plan if such amount was rolled over into this Plan) and ending on the last day of the calendar year that is 5 years later.

2. **Automatic Deferrals**

Effective February 1, 2006, the Plan includes an automatic deferral feature. Accordingly, the Employer will automatically withhold a portion of your compensation from your pay each payroll period and contribute that amount to the Plan as a pre-tax 401(k) deferral unless you make a contrary election.

- **Application to existing Participants.** For those Participants in the Plan as of the automatic deferral effective date, the automatic deferral provisions apply to all Participants except those who have a salary reduction agreement in effect (regardless of their deferral amount) on the automatic deferral provisions effective date.

Automatic deferral provisions. The following provisions apply as to automatic deferrals:

- You may complete a salary reduction agreement at any time to select an alternative deferral amount or to elect not to defer under the Plan in accordance with the deferral procedures of the Plan.

- The amount to be automatically withheld from your pay each payroll period will be equal to 6% of your compensation, and that amount will increase by 1% each Plan Year until the amount withheld from your paycheck reaches 10% of your compensation unless the Employer amends the Plan or you enter a Salary Reduction Agreement.

- Effective January 1, 2019, the Elective Deferral percentage will increase each January 1st "Change Date." However, the Participant's first automatic deferral percentage increase will be on the first available Change Date that is at least 12 months following the day the Participant enters the automatic increase program unless the Participant makes a Contrary Election. Automatic Increase applies to all auto-deferred Participants.

Contact the Plan Administrator if you have any questions concerning the application of this automatic deferral provision.

3. **Automatic Escalation of Salary Reduction Agreement Amounts**

Automatic Escalation of Salary Reduction Agreement amount. Effective January 1, 2019, the Plan includes automatic escalation provisions. Accordingly, if you have completed a Salary Reduction Agreement specifying the amount to be withheld as an elective deferral from your pay each payroll period, the Employer will automatically increase the amount withheld from your pay as indicated below.

· **Application to Participants with an existing Salary Reduction Agreement.** The automatic escalation provisions apply to all Participants who have a Salary Reduction Agreement in effect to defer at least 1% of compensation, unless and until they make a contrary election after the automatic escalation provisions effective date.

· The amount withheld from your pay each payroll period will be increased as follows: The Elective Deferral percentage will increase 1% each January 1st "Change Date" until the percentage reaches 10%. However, the Participant's first deferral percentage increase will be on the first available Change Date that is at least 12 months following the day the Participant enters the automatic increase program unless the Participant makes a Contrary Election. A Participant who has elected to defer Pre-tax and Roth Deferrals shall have their Pre-tax Deferral election increased. To determine if the 10% maximum Elective Deferral has been reached, the Pre-Tax Deferral rate and Roth Deferral rate will be added together. Effective January 1, 2019, all Participants deferring under 10% will need to opt out of the automatic increase program at least 31 days prior to the effective date even if they have previously opted out of the auto escalation provision.

Contact the Plan Administrator if you have any questions concerning the application of the automatic deferral or automatic escalation provisions.

4. **Excluded Employees – Effective October 1, 2018**

Provided you are not an Excluded Employee, you may begin participating under the Plan once you have satisfied the eligibility requirements and reached your Entry Date. The following describes Excluded Employees, if any, the eligibility requirements and Entry Dates that apply. You should contact the Plan Administrator if you have questions about the timing of your Plan participation.

All Contributions

If you are a member of a class of employees identified below, you are an Excluded Employee and you are not entitled to participate in the Plan. The Excluded Employees are:

· certain nonresident aliens who have no earned income from sources within the United States

· leased employees

· reclassified employees (an employee who was previously not treated as an employee of the Employer but you are reclassified as being an employee)

Additional Excluded Employee provisions

Employees who are classified as Temporary/Seasonal Employees and whose regularly scheduled Service is less than 1,000 Hours of Service in the relevant Eligibility Computation Period are excluded for purposes of all Contribution types. See the Plan Administrator for additional information if you are not sure if this affects you.

5. **Compensation - Safe Harbor Matching Contributions – Effective January 1, 2019**

Compensation is defined as your total compensation that is subject to income tax and paid to you by the Employer. The following describes the adjustments to compensation that may apply for the contributions noted above.

Adjustments to Compensation - Safe Harbor Matching Contributions

In addition to adjustments to compensation made for all contributions, the following adjustments to compensation will be made for purposes of safe harbor matching contributions:

· elective deferrals to this Plan and to any other plan or arrangement (such as a cafeteria plan) will be included.

6. **Additional compensation adjustment provisions**

Bonus payments received under the AAA Annual Incentive Program will be excluded from the Compensation definition for purposes of Matching Contributions.

7. **Eligibility Conditions - Elective Deferrals and Matching Contributions – Effective October 1, 2018**

You will be eligible to participate for purposes of elective deferrals when you have attained age 21. However, you will actually participate for purposes of elective deferrals once you reach the Entry Date as described in the SPD.

8. **Eligibility Conditions - Nonelective Contributions – Effective October 1, 2018**

You will be eligible to participate for purposes of nonelective contributions when you have completed one (1) Year of Service and have attained age 21. However, you will actually participate in nonelective contributions once you reach the Entry Date as described in the SPD.

9. **Eligibility Conditions - Safe Harbor Matching Contributions – Effective January 1, 2019**

You will be eligible to participate for purposes of safe harbor matching contributions when you have attained age 21. However, you will actually participate for purposes of safe harbor matching contributions once you reach the Entry Date as described in the SPD.

10. **Additional eligibility condition provisions – Effective January 1, 2019**

Thirty (30) days of Service is required for Elective Deferral Contributions and Safe Harbor Matching Contributions. See the Plan Administrator for additional information if you are not sure if this affects you.

11. **Discretionary Matching Contribution – Effective January 1, 2019**

The Employer will no longer make matching contributions to the Plan.

12. **Safe Harbor Contribution – Effective January 1, 2019**

This Plan is referred to as a "qualified automatic contribution arrangement 401(k) plan" also known as a QACA." Before the beginning of each Plan Year, you will be provided with a comprehensive notice of your rights and obligations under the Plan. However, if you become eligible to participate in the Plan after the beginning of the Plan Year, then the notice will be provided to you on or before the date you are eligible. A QACA plan is a plan design where the Employer commits to making certain contributions described below. This commitment to make contributions enables the Employer to simplify the administration of the Plan by ensuring that nondiscrimination regulations are met, which is why it is called a "safe harbor" plan.

Safe Harbor Matching Contribution. In order to maintain "QACA safe harbor" status, the Employer will make a safe harbor matching contribution equal to 100% of your salary deferrals that do not exceed 1% of your compensation plus 50% of your salary deferrals between 1% and 6% of your compensation. This safe harbor matching contribution is subject to a vesting schedule.

For purposes of calculating this safe harbor matching contribution, your compensation and deferrals will be computed for the Plan Year.

13. **Vesting - Qualified Safe Harbor Contributions**

Your "vested percentage" in your account attributable to qualified safe harbor contributions is determined under the following schedule and is based on Periods of Service.

Vesting Schedule
Qualified Safe Harbor Contributions

Periods of Service	Percentage
Less than 2	0%
2	100%

14. **Method and Form of Distribution before Normal Retirement Age (or age 62 if later) – Effective January 1, 2019**

If you terminate employment and will receive a distribution before the later of age 62 and Normal Retirement Age and your vested account balance exceeds $5,000, you may elect to receive a distribution of your vested account balance in:

- a single lump-sum payment in cash
- installments over a period of not more than your assumed life expectancy (or the assumed life expectancies of you and your beneficiary)
- Ad-Hoc distributions. You may request a distribution of some or all of your Plan accounts, at any time following your termination of employment, subject to any reasonable limits regarding timing and amounts as the Plan Administrator may impose.

In determining whether your vested account balance exceeds the $5,000 dollar threshold, "rollovers" (and any earnings allocable to "rollover" contributions) will not be taken into account.

15. **Method/Form of Distribution - Death Benefit**

The form of payment of the death benefit will be in cash and the benefit may only be paid as a lump-sum.