Mohawk Carpet, LLC Retirement Savings Plan

Here are answers to questions you may have about the key features, benefits, and rules of your Plan. The Plan is known as the Mohawk Carpet, LLC Retirement Savings Plan (which will be referred to as the “Plan”). For additional information regarding the Plan, please refer to the Plan’s Enrollment Guide.

When can I join the Plan?
You are able to enroll in the plan 45 days after your hire date, however the enrollment won’t be effective until the first of the month following 90 days of employment. If you have not enrolled in the Plan by the first of the month following 90 days of employment, you will be automatically enrolled in the Plan at a contribution rate of 3% of your pretax eligible earnings. Your contributions will be invested in the Fidelity Freedom K® Fund based on age. However, we encourage you to take an active role in the Plan and to choose a contribution rate and investment options that are appropriate for you.

If you do not wish to contribute to the Plan, you must change your contribution rate to 0% by the first of the month following 90 days of employment. You may change your contribution rate at any time. To change your rate, go online to www.401k.com or call 1-800-835-5087.

How do I join the Plan?
Log on to Fidelity NetBenefits® at www.401k.com or call the Fidelity Retirement Benefits Line at 1-800-835-5087 to enroll in the Plan. Los representantes de Fidelity pueden ayudarle con el planeamiento de su retiro. Para hablar con un representante hispanohablante, llame al 1-800-587-5282.

How much can I contribute?
Through automatic payroll deduction, you can contribute between 1% and 50% of your eligible pay on a pre-tax basis, up to the annual IRS dollar limits. You can request to change your contribution amount virtually any time by logging on to Fidelity NetBenefits® at www.401k.com or by calling the Fidelity Retirement Benefits Line at 1-800-835-5087.

If you are a Highly Compensated Employee (HCE), you will be able to contribute between 1% and 6% of your eligible pay on a pre-tax basis.

What are Roth contributions?
Roth 401(k) contributions are deferrals made on an after-tax basis and can be withdrawn, with earnings, tax free if part of a “qualified distribution. Roth contributions are combined with pre-tax contributions in calculating the total annual IRS dollar deferral limits.

What is a qualified Roth distribution?
A qualified distribution is one that is taken at least 5 tax years from the year of your first Roth 401(k) contribution and after you have attained age 59 ½, become disabled or deceased.

How do Roth contributions differ from Pre-tax contributions?
Roth contributions are taxed differently than traditional pre-tax contributions. Traditional contributions are made on a pre-tax basis and are not included in current taxable income. Roth contributions are made on an after-tax basis and are included in current taxable income. Unlike pre-tax, you pay taxes up front on the Roth contributions, therefore your take home pay will be less if you are making Roth contributions that it would be if you were making only traditional pre-tax contributions.

What "catch-up" contribution can I make?
If you have reached age 50 or will reach 50 during the calendar year January 1 – December 31 and are making the maximum plan or IRS Pre-tax contribution, you may make an additional "catch-up" contribution each pay period. You make catch-up contributions through payroll deduction, the same way you make regular contributions.

How do I designate my beneficiary?
Simply log on to NetBenefits® at www.401k.com and click on "Beneficiaries” in the About You section of Your Profile. If you do not have access to the internet or prefer to complete your beneficiary information by paper form, please contact 1-800-835-5087.

Does the Company contribute to my account?
The Plan helps your retirement savings grow by matching your contributions. The Company will match 50% of the first 6% of your pre-tax contributions to your Plan. In any event, the Company’s matching contribution may not exceed 3% of your pre-tax compensation.

When am I vested?
You are always 100% vested in your own contributions to the Plan, as well as any earnings on them. You are 100% vested in the Company’s matching contributions and any earnings after 12 months of continuous service.

Where do I obtain additional Investment option and account information?
Your Employer has appointed Fidelity to provide additional information on the investment options available through the Plan. Also, a statement of your account may be requested by phone at 1-800-835-5087 or reviewed online at Fidelity NetBenefits®.

To help you meet your investment goals, the Plan offers you a range of options. You can select a mix of investment options that best suit your goals, time horizon and risk tolerance. The investment options available through the Plan include conservative, moderately conservative, and aggressive funds. A complete description of the Plan’s investment options and their performance are available within your Enrollment Guide or www.401k.com. Before investing in any mutual fund, please carefully consider the investment objectives, risks, charges and expenses. For this and other information, call or write Fidelity for a free prospectus, or if available, a summary prospectus. Read it carefully before you invest.

How do I access my account?
You may access your account online through Fidelity NetBenefits® at www.401k.com or call the Fidelity Retirement Benefits line at use the automated voice response system virtually 24 hours, 7 days a week. Customer Service Support Representatives are available by telephone Monday through Friday (excluding Stock Exchange holidays) between 8:30 a.m. and 8:00 p.m. in your local time zone.