

## LIFE CARE CENTERS OF AMERICA, INC. 401(K) SAVINGS PLAN

### SUMMARY OF MATERIAL MODIFICATIONS

The purpose of this Summary of Material Modifications is to inform you of a change that has been made to the Life Care Centers of America, Inc. 401(k) Savings Plan effective January 1, 2026. This change has affected the information previously provided to you in the Plan's Summary Plan Description. The revised portion of the Summary Plan Description is described below.

#### **INTRODUCTION**

Life Care Centers of America, Inc. (the "Employer") established the Life Care Centers of America, Inc. 401(k) Savings Plan (the "Plan") effective July 01, 1992. This Summary Plan Description describes the Plan as restated effective January 01, 2022. This revised Summary Plan Description supersedes all previous Summary Plan Descriptions. Although the purpose of this document is to summarize the more significant provisions of the Plan, the plan document will prevail in the event of any inconsistency. In addition, the terms of the Plan cannot be modified by written or oral statements made to you by the Plan Administrator or other personnel.

The following special effective dates apply to some features of the Plan: Roth Elective Deferrals were added effective as of January 7, 2025.

#### **CONTRIBUTIONS**

##### Automatic Contributions

The Plan does not provide for automatic enrollment.

##### Roth Contributions

The Plan allows Elective Deferral Contributions to be made as Roth Contributions. Roth Contributions are Elective Deferral Contributions that are made in the same manner as your pre-tax Elective Deferral Contributions except that Roth Contributions are made to the Plan on an after-tax basis. If certain requirements are met, a "qualified distribution" from your Roth Contribution Account in the Plan will not be taxed. Please note, Roth Contributions are "Matched Employee Contribution". The Employer may match contributions you make as Roth Elective Deferral Contributions.

You must designate how much you would like to contribute on a pre-tax basis (normal Elective Deferral Contribution) and how much you would like to contribute as an after-tax Roth Contribution. You are not required to make any Roth Contributions. You may continue to designate all of your Elective Deferral Contribution elections as normal pre-tax contributions.

The sum of your Roth Contributions and normal Elective Deferral Contributions may not exceed the annual limit on normal Elective Deferral Contributions mentioned above.

As was mentioned above, a "qualified distribution" of your Roth Contributions (and earnings) is not taxable. A "qualified distribution" must be made more than five years after the first Roth Contribution is made and must meet at least one of the following requirements:

- (i) the distribution must be made after you attain age 59-1/2;
- (ii) the distribution must be made to your beneficiary after your death; or
- (iii) the distribution must be made on account of your disability.

Please note, Roth Contributions are not suitable for everyone. Please consult with your tax advisor before making any Roth Contributions to the Plan.

#### Employer Matching Contributions

The Employer may, in its sole discretion, make a matching contribution on your behalf if you make a "Matched Employee Contribution". A "Matched Employee Contribution" is any Elective Deferral Contribution or Catch-up Contribution that you may make during the Plan Year. If you make a "Matched Employee Contribution" the Employer may contribute to your Employer Matching Contribution Account in an amount and allocation formula as determined by the Employer in its sole discretion.

The Internal Revenue Code may also further restrict Employer Matching Contributions for highly compensated employees.

#### Rollover Contributions

The Plan may accept a Rollover Contribution made on behalf of any Eligible Employee, regardless of whether such employee has met the age and service requirements of the Plan. An Eligible Employee who has not yet met any of the eligibility requirements of the Plan will be deemed a Participant only with respect to amounts, if any, in his Rollover Contribution Account. Rollover contributions will be accepted only from the following contribution types: Section 401(a) excluding after-tax: (1) PS/Thrift Savings-401(a) (2) Employee Stock Ownership-401(a) excluding in-kind transfers of assets (3) 401(k) (4) Money Purchase-401(a) (5) Target Benefit-401(a) (6) Defined Benefit Plans (Pension & Cash Balance Plans); Section 403(b) excluding after-tax-Custodial Account or Annuity Purchased by a Section 501(c)(3) organization or public school; Section 408(a) Individual Retirement Account if it contains only rollover funds from an approved Plan listed above. .

### **VESTING**

#### Elective Deferral Account and Rollover Contribution Account

You are always fully (100%) vested in your Elective Deferral Account and Rollover Contribution Account.

#### Employer Matching Contribution Account

Effective March 1, 2026, your interest in your Employer Matching Contribution Account will vest based on your Years of Vesting Service (defined below) in accordance with the following schedule:

<u>Years of Vesting Service</u>	<u>Vesting Percentage</u>
Less than Three Years	0%
Three or More Years	100%

However, if the Employer must make a matching contribution to your Account in order to satisfy certain nondiscrimination tests required by the Internal Revenue Code, you will be 100% vested in those matching contributions.

#### Special Vesting Rules

You will become fully (100%) vested upon your attainment of Normal Retirement Age (defined in the Distributions section below) while an employee, your death while an employee or becoming disabled while an employee.

The following special vesting rules will apply: Participants whose employment commencement dates are prior to March 1, 2026 shall be 100% vested at all times in their Matching Contribution Account.

### **IN-SERVICE DISTRIBUTIONS**

#### Hardship Distributions

General Rule. You may receive a distribution on account of hardship from the vested portion of the following Accounts.

- Elective Deferral Account, including earnings of your Elective Deferral Account.
- Matching Contribution Account.

Your Roth Contributions may be withdrawn on account of financial hardship in the same manner as your normal Elective Deferral Contributions. Please note however, that the income on the Roth Contributions may be taxable (and subject to penalties for early withdrawal) if the withdrawal is not a "qualified distribution."

Please note, the following limitations apply to hardship distributions: Hardship withdrawals will be limited to 2 per year.

Immediate and Heavy Financial Need. You may receive a hardship distribution only if the Plan Administrator finds that you have an immediate and heavy financial need where you lack other available resources. The following are the only financial needs considered immediate and heavy:

1. Expenses incurred or necessary for medical care, described in Code section 213(d), for you or your spouse, children, or dependents;
2. The purchase (excluding mortgage payments) of a principal residence for the Participant;
3. Payment of tuition and related educational fees for the next 12 months of post-secondary education for you or your spouse, children or dependents;
4. The need to prevent the eviction of you from your principal residence (or a foreclosure on the mortgage on your principal residence);

5. Payments for burial or funeral expenses for your deceased parent, spouse, children or dependents;
6. Expenses for the repair of damage to your principal residence that would qualify for the casualty deduction; or
7. Expenses incurred on account of a federally declared disaster.

Hardship distributions may be made for certain expenses of your primary beneficiary in addition to your dependents. These expenses include those for medical, tuition, and funeral expenses. A person is your "primary beneficiary" if that person is named as a beneficiary under the Plan and has an unconditional right to all or a portion of your Account Balance upon your death.

There will no longer be a 6-month suspension period for your Elective Deferral Contributions, if applicable, after the receipt of the hardship distribution. However, any remaining portion of the 6-month suspension period for a prior hardship distribution will continue until completion.

Amount Necessary to Satisfy Need. A distribution will be considered as necessary to satisfy your immediate and heavy financial need only if:

1. You have obtained all distributions, other than hardship distributions, under all plans maintained by the Employer;
2. The distribution is not in excess of the amount of an immediate and heavy financial need (including amounts necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution).
3. You have represented in writing or by electronic medium that you have insufficient cash or other liquid assets to satisfy the financial need.

#### Attainment of Age 59 1/2

You may receive a distribution after you reach age 59 1/2 from the vested portion of all of your Accounts. Your Roth Contributions may be withdrawn in the same manner as your normal Elective Deferral Contributions. Please note however, that the income on the Roth Contributions may be taxable (and subject to penalties for early withdrawal) if the withdrawal is not a "qualified distribution."

#### In-Plan Roth Rollovers of Distributable Amounts

If you have money in a non-Roth Account that is eligible for a distribution from the Plan you may roll over the Account balance to a Roth (after-tax) Account under this Plan. If you roll over the payment to a designated Roth account in this Plan, the amount of the payment rolled over (reduced by any after-tax amounts directly rolled over) will be taxed. However, the 10% additional tax on early distributions will not apply (unless you take the amount rolled over out of the designated Roth account within the 5-year period that begins on January 1 of the year of the rollover). In-Plan Roth Rollovers are not permitted for loans from the Plan. Any amount you roll over can be distributed under the rules applicable to the Account immediately prior to the rollover.

#### In-Plan Roth Rollovers of Amounts Not Otherwise Distributable

If you have money in a non-Roth Account which is not otherwise distributable, you may transfer the Account balance to a Roth (after-tax) Account under this Plan. If you transfer the payment to a designated Roth account in this Plan, the amount of the payment transferred (reduced by any after-tax amounts directly rolled

over) will be taxed. However, the 10% additional tax on early distributions will not apply (unless you take the amount transferred out of the designated Roth account within the 5-year period that begins on January 1 of the year of the rollover). Any amount you transfer will retain the restrictions on distributions the Account had before the transfer.

Only the following Accounts are available for an In-Plan Roth Rollover of amounts not otherwise distributable:

- All accounts.

In-Plan Roth Rollovers of amounts not otherwise distributable are not permitted for loans from the Plan.