

**COMMERCIAL TIRE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
AND TRUST
SUMMARY PLAN DESCRIPTION**

OCTOBER 2022

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**COMMERCIAL TIRE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
SUMMARY PLAN DESCRIPTION**

1. INTRODUCTION

This Summary Plan Description (“SPD”) describes the Commercial Tire, Inc. Employee Stock Ownership Plan and Trust (the “ESOP” or “Plan”) and is intended to provide ESOP participants with information regarding the Plan.

All references to “Commercial Tire,” “Company,” or “Employer” shall include Commercial Tire, Inc. and any Participating Employers.

Each Employee of Commercial Tire or other Participating Employer who has met the eligibility requirements shall be referred to in this SPD as a “Participant.”

This SPD describes the Plan as of October 1, 2022. If there is any discrepancy between this summary and the official Plan documents, the official Plan documents will govern.

2. REQUIRED ADMINISTRATIVE INFORMATION

- | | | |
|-----|-------------------------------------|--|
| 1. | Name of Plan: | Commercial Tire, Inc. Employee Stock Ownership Plan and Trust |
| 2. | Type of Plan: | Defined Contribution |
| 3. | Plan Number: | 002 |
| 4. | Plan Sponsor: | Commercial Tire, Inc.
2095 E. Commercial St.
Meridian, ID 83642 |
| 5. | Employer Identification Number: | 82-0289818 |
| 6. | Other Participating Employers: | None |
| 7. | Plan Year: | November 1 – October 31 |
| 8. | Plan Administrator: | Commercial Tire, Inc.
2095 E. Commercial St.
Meridian, ID 83642
Phone: (208) 888-8800 |
| 9. | Advisory Committee: | Jeremy Drescher and Brandy Sielaff |
| 10. | Trustee: | Alerus Financial, N.A.
19765 Highway 7
Shorewood, MN 55331 |
| 11. | Agent for Service of Legal Process: | Trustee |

3. WHEN WAS THE ESOP CREATED?

Effective November 1, 2018, Commercial Tire formed an Employee Stock Ownership Plan, making ownership available to all Employees who meet the ESOP eligibility requirements below.

4. COMMERCIAL TIRE, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST (ESOP)

The ESOP provides a structure by which you and your fellow Employees can share in the ownership of Commercial Tire. The ESOP officially began November 1, 2018. On November 8, 2019, a total of 170,943 shares of the Company's outstanding stock were redeemed by Commercial Tire. At the same time, the remaining 829,057 shares were purchased by the ESOP. After this transaction was completed, the ESOP owned 100% of the Company Stock. Over time the shares of stock purchased by the ESOP and any additional shares contributed or otherwise acquired by the ESOP will be allocated to participant accounts as described in this SPD.

5. WHY WAS THE ESOP ADOPTED?

The ESOP is a qualified retirement plan intended to provide retirement benefits for eligible Employees of Commercial Tire. This Plan is a special type of retirement plan that is designed to provide beneficial ownership of Commercial Tire to Employees participating in the Plan.

The benefits you will receive from the ESOP will depend on the length of your employment with the Company and the extent to which the value of the Company Stock held in your account increases (or decreases) during your participation in the ESOP.

6. ELIGIBILITY

All Employees of the Company who were employed on the date the ESOP was signed (June 27, 2019) became Participants as of the later of his or her hire date or November 1, 2018.

Each other Employee will become a Participant on the first semi-annual entry date (November 1 or May 1) coinciding with or next following the date on which he/she completes one Year of Service (in which he/she worked one thousand [1,000] hours) and attains the age of eighteen (18) years. Effective November 1, 2021 each other Employee will become a Participant on the later of his or her Employment Commencement Date or the annual entry date (November 1) immediately preceding the date on which he/she completes one thousand (1,000) Hours of Service and attains the age of eighteen (18) years.

An Employee who is a nonresident alien and who does not receive any earned income from the Employer which constitutes United States source income shall be excluded from participating in the ESOP. In addition, an Employee covered by a collective bargaining agreement is not eligible to participate in the ESOP unless the terms of such agreement specifically provide for coverage under the Plan. If an Employee becomes covered by a collective bargaining agreement, he/she will not be eligible to participate in the Plan on any date, including as of any Allocation Date while he/she is so covered, unless the agreement otherwise provides. Also, an Employee of any Affiliate is excluded from participation in the Plan unless the Affiliate becomes a Participating Employer by executing a Participation Agreement.

7. THE TRUST

The ESOP is a qualified retirement plan and as such is required to be accompanied by a special trust. All assets acquired pursuant to the operation of the ESOP will be held in a special trust account ("ESOT" or "Trust") managed by the Trustee. The Trustee is required by the Employee Retirement Income Security Act of 1974 ("ERISA") to act solely in the interest of the Participants of the Trust.

On November 8, 2019, the Trust purchased all of the remaining outstanding stock of Commercial Tire, which is hereinafter referred to as “Company Stock.” The purchase was financed by loans from the selling shareholders (“Sellers”) to the Trust. The shares purchased by the Trust will be held for the benefit of Participants in the Plan. Initially, the Company Stock purchased by the Trust will be held in suspense to secure amounts owed by the Trust to the Sellers. Over time, those shares will be released and allocated to Participant accounts as described in this SPD.

8. PLAN CONTRIBUTIONS

If you are a Participant in the Plan (i.e. you have met the eligibility requirements above), a separate Account will be maintained for your benefit in the Plan. Company contributions and forfeitures (if any) will be maintained in your Account. To share in the Company’s contribution for a Plan Year, you must:

- (1) Be a Participant still employed on the last day of the Plan Year (October 31), and
- (2) Have at least one thousand (1,000) Hours of Service during the Plan Year for which the contribution is made.

There are special provisions for those who are on an Authorized Leave of Absence, such as illness, incapacity (including Disability), parental, military, or jury duty, in which the Employee does not perform any duties but he or she is paid (or entitled to payment) during the leave of absence. In this situation, the Employee is still classified as being an Employee for the purpose of all ESOP benefits, and can receive up to a maximum of five hundred one (501) Hours of Service for a single continuous period of leave. Also, a Participant will be eligible to receive a share of the Company’s contribution for the Plan Year of his/her Normal Retirement, Disability, or death, regardless of his/her Hours of Service or employment on the last day of the Plan Year.

Federal law limits the maximum amount of compensation that can be used to calculate Plan contributions each Plan Year. The annual limit for 2022 is \$305,000. Federal law also limits the total amount that can be contributed on your behalf to all qualified retirement plans sponsored by the Company. The total maximum combined contribution that can be made to all plans by you and the Company for a Plan Year is the lesser of 100% of your eligible wages or a dollar limit, which is \$61,000 for 2022.

Under certain circumstances, the Plan may enter into an agreement with the trustee of another qualified plan to receive a trust to trust transfer into the Plan. If you think this situation may apply to you, ask the Plan Administrator for further details

9. ALLOCATION OF STOCK TO INDIVIDUAL TRUST ACCOUNTS

At least once a year during the term of the loans, the Company will make a cash payment to the Trust which, at a minimum, is equal to the amount the ESOP has to repay to the Sellers. The total amount of the payment is regulated by the Internal Revenue Code and ERISA.

The Trust, with the funds received from the Company, makes payments to the Sellers to pay down the ESOP loans. When a payment is made, the Trust releases stock for allocation (deposit) to Participant Accounts according to the following formula:

$$\frac{\text{Principal \& Interest Paid}}{\text{Principal \& Interest Paid, Plus Remaining Principal and Interest Due}} \times \text{Pledged Shares Not Yet Released} = \text{Shares Released to the Trust for Allocation}$$

The Trust then divides (allocates) the released stock among the individual Accounts of Participants. The shares are released for allocation as a result of the contribution which is based on gross compensation.

The Trust allocates the stock released by the Company's compensation-based contribution to the Trust according to the formula below:

$$\frac{\text{Your Eligible Wages}}{\text{Total Eligible Wages for all Employees}} \times \text{Shares Released for Allocation} = \text{Shares Allocated to Your Account}$$

For the purpose of this formula, "eligible wages" means your total gross compensation. Eligible wages also include the following amounts paid after you terminate employment with the Employer, provided the payments are made within the later of 2½ months after you terminate employment or the end of the plan year that includes the date of your termination of employment:

- compensation for services performed during or outside your regular working hours, commissions, bonuses, or other similar payments, and payments that would have been made to you had you continued employment;
- amounts paid for unused accrued bona fide sick, vacation or other leave, if such amounts would have been included in compensation had they been paid prior to your termination of employment and you would have been able to use the leave if employment had continued; and
- nonqualified unfunded deferred compensation if the payment is includible in gross income and would have been paid to you had you continued employment.

Any other payment that is made after termination of employment is not treated as eligible wages.

Allocations to Participant Accounts will be made as of October 31 of each year until the ESOP debt is totally repaid. The ESOP Trustee can borrow additional money to buy more Company Stock at some point in the future.

After the ESOP repays its loan to buy Company Stock, additional contributions may be made to the ESOP by the Company at the discretion of the Board of Directors. These contributions will be allocated to individual Participant Accounts based on the same formula used to allocate shares (note the formula above).

The physical transfer of stock to the Trust will be made just as soon as the Company completes its year-end financial statement and all the Trust record keeping is completed. This normally takes four to five months.

10. VESTING

"Vesting" is a term used to define what percentage of your individual Account you actually "own." Company contributions allocated to your Account are subject to a vesting schedule. You receive a year of Credited Service for each Plan Year you are credited with working at least one thousand (1,000) hours. The vesting schedule is as follows:

<u>Years of Credited Service</u>	<u>Vested Percentage</u>
Less than two years	0%
Two years	20%
Three years	40%
Four years	60%
Five years	80%
Six or more years	100%

In all cases, Participants must work at least one thousand (1,000) hours during a Plan Year to qualify for a year of Credited Service. For purposes of vesting, Employees shall receive credit for all service with the Employer prior to the establishment of this Plan.

Additionally, there are three special exceptions to the vesting schedule that result in immediate one hundred percent (100%) vesting without regard to years of Credited Service. An Employee becomes one hundred percent (100%) vested if he/she:

- Reaches Normal Retirement Age while employed by the Company;
- Becomes Disabled while employed by the Company; or
- Dies while employed by the Company.

There are also special provisions for those who are on an Authorized Leave of Absence such as illness, incapacity (including Disability), parental, military, jury duty, or paid leave of absence in which the Employee does not perform any duties. For vesting purposes, the Employee can receive up to a maximum of five hundred one (501) Hours of Service for a single continuous period of leave.

11. WHAT ARE FORFEITURES?

Participants who leave the Company for reasons other than death, Disability, or Normal Retirement before they are fully vested will “forfeit” the cash and shares in their ESOP Accounts that are not vested. For purposes of the ESOP only, “Normal Retirement” is defined as termination of employment after attaining age sixty-five (65) years. *This is not a mandatory retirement age.*

Forfeitures may be held in a special account for a period of up to five (5) years before they are reallocated. According to the law, a Participant who leaves Commercial Tire and returns within a five (5) year period picks up where he/she left off regarding vesting. To deal with this, forfeitures are usually held for five (5) years just in case the Participant returns. When forfeitures are released for reallocation, they are allocated by the same formula used for contributions:

$$\frac{\text{Your Eligible Wages}}{\text{Total Eligible Wages for all Employees}} \times \text{Forfeitures from Terminated Employees} = \text{Forfeitures Allocated to Your Account}$$

For the purpose of this formula, “eligible wages” has the same meaning as defined above.

12. VALUATION OF PARTICIPANT ACCOUNTS

The Plan requires that all Plan assets be invested primarily in Company Stock. Because Commercial Tire is “privately held,” our stock’s value cannot be established in the open marketplace. The stock will not be registered with the Securities & Exchange Commission (“SEC”), nor will it be publicly traded. Consequently, an “independent appraiser” who works only for the ESOP is appointed by the ESOP Trustee. The independent appraiser will calculate the stock’s value once a year. The appraiser looks at Commercial

Tire's operating results, its competition, and the ongoing market. Based on these and other evaluations, the Company's total value is determined. That value is then divided by the number of shares of stock issued to find the value per share.

The appraiser (as required by law) is completely independent of Commercial Tire. The appraiser works only for the Trustee of the ESOP.

While Participants are working for the Company, their stock will be held in trust under the provisions of the ESOP. The value of Company Stock should rise and/or fall according to the prosperity of Commercial Tire. This will affect the value of your Trust Account.

Each year you will receive a statement from the ESOP Trustee. This annual statement will report the investment performance of the Trust, the value of your Account, and the number of shares of Company Stock allocated to your Account. You will continue receiving an annual statement until you receive a final distribution from your Trust Account.

13. PARTICIPANT DIVERSIFICATION RIGHTS

A Participant who has attained age fifty-five (55) years and completed at least ten (10) years of participation in the Plan shall be notified of his/her right to elect to "diversify" a portion of the balance in his/her Stock Account. An election to "diversify" must be made on the prescribed form and filed with the Trustee during the Annual Election Period. For purposes of this Section, the "Annual Election Period" means the period starting on the first day of the Plan Year after the close of each Plan Year in the Qualified Election Period and ending no earlier than the 90th day of the Plan Year and no later than 90 days before the end of the Plan Year. The "Qualified Election Period" means the period of six (6) consecutive Plan Years beginning with the Plan Year in which the Participant first becomes eligible to make an election.

For each of the first five (5) Plan Years in the Qualified Election Period, the Participant may elect to "diversify" an amount which does not exceed twenty-five percent (25%) of the balance in his/her Stock Account, less all amounts previously "diversified" under this Section. In the case of the sixth (6th) Plan Year in the Qualified Election Period, the Participant may elect to "diversify" an amount which does not exceed fifty percent (50%) of the balance in his/her Stock Account, less all amounts previously "diversified" under this Section. No "diversification" election shall be permitted if the balance in a Participant's Stock Account as of the Allocation Date of the first Plan Year in the Qualified Election Period has a Fair Market Value of Five Hundred Dollars (\$500.00) or less, unless and until the balance in his/her Stock Account as of a subsequent Allocation Date in the Qualified Election Period exceeds Five Hundred Dollars (\$500.00).

14. WHEN WILL YOU ACTUALLY RECEIVE YOUR ACCOUNT FROM THE TRUST?

After your employment with Commercial Tire terminates, the value of your vested interest in your Accounts will be distributed to you at the time and in the manner determined in accordance with the ESOP's distribution policy (as established and revised from time to time by the Advisory Committee). In determining the value of your Accounts, shares of Company Stock are valued at the fair market value as of the October 31st immediately preceding the date of the distribution. The Trustee will normally distribute your vested benefit under the ESOP in cash. In very unusual circumstances the Trustee may distribute your account in the form of Company Stock. The Plan provides that the Trust or the Company shall have the right to immediately repurchase that stock in order to preserve its S Corporation Election.

If your employment with the Employer terminates after you reach Normal Retirement Age, or as a result of your total and permanent Disability or death, distribution shall commence no later than the Plan Year following the Plan Year in which your employment terminates. If your employment with the Employer

terminates for any other reason, distribution shall commence no later than the end of the sixth Plan Year following the Plan Year in which your employment terminates (unless you elect to delay your distribution, or you are reemployed by the Employer). For C Corporations, distribution of that portion of your vested benefit which includes shares of Company Stock acquired by the ESOT with the proceeds of an acquisition loan may be deferred until the Plan Year following the Plan Year in which the ESOT has fully repaid the acquisition loan.

The Advisory Committee may choose from the following methods of distribution:

- (1) Distribution in a lump sum;
- (2) Distribution in substantially equal, annual installments over a period generally not exceeding five years; or
- (3) Any combination of the foregoing.

Participant Consent

If the value of your vested benefit exceeds \$5,000, no distribution can be made to you before you reach the later of age sixty-two (62) years or Normal Retirement Age without your written consent.

Distributions must commence by the April 1st following the end of the calendar year in which you reach age 72 if (i) you are a 5% owner of the Company, or (ii) you have terminated your Service with the Company.

Mandatory Lump Sum Distribution

If you terminate employment with us and your vested benefit does not exceed \$5,000, then a lump sum distribution will be made to you. However, you may elect whether to receive the distribution or to roll over the distribution to another retirement plan such as an Individual Retirement Account (“IRA”). After the end of the Plan Year during which you terminate employment, the Plan Administrator will provide you with further information regarding your distribution rights.

If the amount of the distribution is more than \$1,000 (but less than \$5,000) and you do not elect either to receive or to roll over the distribution, then it will be rolled over to an IRA. The IRA provider will invest the rollover funds in a type of investment designed to preserve principal and provide a reasonable rate of return and liquidity (e.g., an interest-bearing account, a certificate of deposit, or a money market fund). The IRA provider will charge your account for any expenses associated with the establishment and maintenance of the IRA and with the IRA investments. You may transfer the IRA funds, at any time and without cost, to any other IRA you choose. You may contact the Plan Administrator for further information regarding the plan’s automatic rollover provisions, the IRA provider, and the fees and expenses associated with the IRA.

Segregation of Terminated Participant Accounts

If any part of a Participant’s Account which exceeds \$5,000 is retained in the Trust after his/her Service with the Company ends, then his/her Account will be segregated after the end of the Plan Year, provided there are sufficient non-Employer Stock assets in the Trust. For purposes of this Plan the term “segregation” or “segregate” shall mean converting amounts of Employer Stock held in a Participant’s account into an appropriate alternative investment designated in writing by the Trustee. The Trustee shall identify such alternative investment on an annual basis and the Advisory Committee shall communicate it to Participants. A Participant’s Account shall first become subject to segregation in the Plan Year following the Plan Year in which he or she terminates employment with the Employer for any reason.

Direct Rollovers

In certain circumstances, you may elect to transfer your benefit directly to an individual retirement account or annuity (“IRA”), or to another employer’s qualified retirement plan that accepts such rollovers, at the time a distribution is payable.

Benefit Upon Death

The beneficiary of your death benefit under the Plan may establish an IRA that can accept a direct rollover of all or a portion of a death benefit distribution that would be made upon your death from the Plan to that beneficiary.

Please note that certain Plan distributions that may be made upon your death are not eligible to be transferred as a direct rollover into the beneficiary’s IRA; these amounts are required by law to be distributed and taxed at the time of your death. Furthermore, required distributions from the beneficiary’s IRA are subject to complicated tax law rules; you should inform the beneficiary that (a) the beneficiary is designated to receive your death benefit, and (b) your death benefit can be rolled over to a beneficiary’s IRA. The beneficiary should discuss any planning issues and tax consequences with their tax advisor with respect to a direct rollover of your death benefit into a beneficiary’s IRA.

15. DESIGNATION OF BENEFICIARY

You should advise the ESOP Trustee who should receive your ESOP benefits in the event of your death. This is done by completion of a “*Designation of Beneficiary Form*” available on the Plan’s administration website. If you are married and wish to designate someone other than your spouse as your beneficiary, your spouse must sign the Designation Form in the presence of a notary.

If you do not complete the “*Designation of Beneficiary Form*,” your ESOP benefits will be distributed to your spouse, or if none exists, to your estate.

16. TAX CONSEQUENCES OF THE ESOP

The tax information contained in this summary is based on current material available when this summary was printed. Because federal and state tax laws which apply to Plan distributions are complicated, the Company cannot provide you with specific tax advice. You should always consult with a competent tax advisor before deciding when or how you want your vested account balance to be paid.

In general, contributions to your accounts are exempt from taxation until they are withdrawn or distributed to you or your beneficiary. The net earnings and gains on investments of the Plan that are credited to your accounts are exempt from taxation until such amounts are withdrawn or distributed to you in accordance with the provisions of the Plan.

You will have NO federal or state tax liability for Company contributions of stock or cash to the ESOP. You are only subject to income taxes when the stock certificates (or cash) are physically distributed (given or paid out) to you in the future. Remember, distribution occurs following your Retirement, Disability, death, or termination of employment for any other reason (see the discussion of when you can receive your ESOP distribution beginning on page 6). Withdrawals are also permitted after reaching age fifty-nine and one-half (59½) years, as discussed in Section 15 above.

Once you receive the value of your ESOP Account as the result of a distribution, your federal income tax liability will depend on the type of distribution:

1. Lump Sum—which means you receive all of your ESOP benefits at one time, or

2. Installment—you receive your benefits in equal payments over a period of up to five (5) years.

How your distribution is made, in cash or in stock, and what you do with it (spend it or roll it over into a qualified plan such as a traditional Individual Retirement Account [IRA]) will also impact your federal income tax liability.

17. MILITARY SERVICE

If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. There may also be benefits for Employees who die or become disabled while on active duty. Employees who receive wage continuation payments while in the military may benefit from various changes in the law. If you think you may be affected by these rules, ask the Plan Administrator for further details.

18. WHO WILL ADMINISTER THE ESOP?

Commercial Tire is the “Plan Administrator.” However, the Company has given the ESOP Trustee and the Advisory Committee the authority and responsibility to control and manage all aspects of the ESOP’s operation and administration. The Trustee and the Advisory Committee are charged with the responsibility of keeping the ESOP assets safe and managing those assets in the best interest of you, the Participants.

In this role, the Trustee’s and Advisory Committee’s job is to ensure that all of the requirements of the Internal Revenue Code and Employee Retirement Income Security Act of 1974 (ERISA) are met. These requirements are designed to protect you, the Employees of Commercial Tire. Specifically, they are responsible for:

1. All transactions involving Company Stock and the handling of any cash contributions by the Company to the Trust, including allocations to Participant Accounts and disbursements of Trust Assets;
2. Distribution of proxy materials to ESOP Participants in connection with the voting of Company Stock in any annual or special shareholders’ meeting in which Participants are entitled to vote their shares;
3. Drafting, printing, and distribution of all required documents such as the Commercial Tire, Inc. Employee Stock Ownership Plan and Trust SPD (this document), the Summary Annual Report, and the Annual Statement;
4. Administration of the ESOP claims procedures;
5. Selecting an independent appraiser to determine the fair market value of Company Stock each year;
6. Hiring all administrative, legal, accounting, clerical, or other services required to manage the Trust’s assets;
7. Compiling and maintaining all records necessary to properly administer the Plan;
8. Advising Participants of any changes or issues regarding the ESOP or Company Stock about which they should know;
9. Investing all ESOP assets in Company Stock or other investments;
10. Executing all agreements and other documents on behalf of the Plan and Trust;

11. Voting your ESOP shares as you have directed on issues requiring a shareholders' vote; and
12. Deciding how to vote ESOP shares not yet held in Participants' Accounts.

In addition to administering the design and development of the publications listed in "3" above, the ESOP Trustee and Advisory Committee are responsible for all other written communications to Participants regarding the ESOP, explaining its meaning, answering questions, and reporting on progress.

All questions regarding the ESOP should be sent in writing to:

Commercial Tire, Inc. ESOP Trustee % Alerus Financial, N.A. 19765 Highway 7 Shorewood, MN 55331	or	ESOP Advisory Committee % Commercial Tire, Inc. 2095 E. Commercial St. Meridian, ID 83642
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In administering the ESOP, only the Trustee or Advisory Committee can give out information relating to benefit amounts, eligibility, and other provisions of the ESOP. No employer, employer representative, or representative of any organization other than the ESOP Trustee, Advisory Committee, or its designated agent is authorized to give information, interpret the ESOP, or commit the Trustee or Advisory Committee on any matter. In all cases, the terms of the ESOP govern. All decisions made by the Trustee and Advisory Committee are final. Benefits under this Plan will be paid only if the Advisory Committee decides in its discretion that a participant or beneficiary is entitled to them, and the Advisory Committee's decisions shall be final, conclusive, and binding on all parties.

19. BENEFIT CLAIMS PROCEDURES

Distribution of a Participant's vested benefit under the ESOP will normally be made without any need to file a claim for benefits. However, if you do not receive a distribution to which you believe you are entitled, you may file a claim for any unpaid benefits with the Advisory Committee. The Advisory Committee shall have sole discretionary authority to determine who is eligible for benefits and to interpret the Plan's terms regarding ESOP benefits.

After a claim has been filed, the Advisory Committee (or its delegate) must give you (or your beneficiary) a written answer to your claim within ninety (90) days. If your claim is denied, the Advisory Committee must give you written notice explaining:

1. The specific reason for the denial;
2. The specific ESOP provision on which the denial is based;
3. Any additional material or information needed to evaluate your claim, along with the reason such material is necessary; and
4. The review procedure, if you wish to appeal the denial, including a statement of your right to bring a civil action if you disagree with the Advisory Committee's decision on appeal.

If your claim is denied, you will have sixty (60) days (from the notification date on your claim denial letter) to file a written appeal to the Advisory Committee. For purposes of the review, you have the right to (a) submit written comments, documents, records and other information relating to the claim for benefits; (b) request, free of charge, reasonable access to, and copies of all documents, records and other information relevant to your claim for benefits; and (c) a review that takes into account all comments, documents, records, and other information you submitted relating to the claim, regardless of whether the information was submitted or considered in the initial decision.

Your denied claim will be reviewed by the Advisory Committee and within 60 days after receipt of the request for review you will receive a written or electronic notice of the Advisory Committee's decision. The notice will (a) provide the specific reason or reasons for denial; (b) refer to the provisions of the Plan on which the denial is based; (c) contain a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim; and (d) describe any voluntary appeal procedures offered by the Plan and your right to obtain information about the procedures, and a statement of your right to bring a civil action if you disagree with the Advisory Committee's decision on appeal.

Note: If the Advisory Committee needs more than 60 days to review your denied claim, you will be advised in writing (or electronically) within 60 days after the Advisory Committee receives the request for review. The notice will tell you why the Advisory Committee needs more time (up to an additional 60 days), and the date by which you can expect a decision.

Benefits under the Plan will be paid only if the Advisory Committee decides in its sole discretion that the applicant is entitled to them.

20. THE OWNERSHIP ROLE

Commercial Tire ESOP Participants have certain voting rights on their shares. This means that you vote all shares that have been allocated to your Account on certain issues where Participants are entitled to direct the voting of shares held in their Accounts. If you have 100 shares, you have 100 votes. Participants are entitled to vote on issues such as:

- Merger with another company;
- Consolidation;
- Recapitalization;
- Reclassification;
- Dissolution;
- Liquidation of the Company; and
- Sale of all or substantially all of the assets of the Company.

Participants do not vote on the election of directors to the Company's Board of Directors.

Because your shares are held "in trust," you will not vote in person at shareholders' meetings. Rather, in situations requiring your vote, all Participants will vote by mail through the Trustee. The Trustee will vote your allocated shares at shareholders' meetings exactly as instructed by you and your co-owners.

How do you instruct the Trustee? Prior to every shareholders' meeting requiring your vote, information known as "proxy solicitation material" and a proxy ballot will be mailed to you. The proxy material will explain the various issues that require a vote from you. Instructions are provided to the Trustee through your proxy ballot. If seventy-five percent (75%) of the ESOP Participants vote "for" a proposal, the Trustee will vote seventy-five percent (75%) of the allocated ESOP shares "for" the proposal. So it is important that you fill out and return the proxy ballot when you receive it.

21. MISCELLANEOUS TECHNICAL ITEMS

1. Because the ESOP is a defined contribution stock bonus plan, it is not eligible for insurance or benefits under Title IV of ERISA.
2. Other than pursuant to a qualified domestic relations order (QDRO), Plan benefits may not be sold, assigned, or transferred prior to distribution to a Participant (or beneficiary).

3. Participants and beneficiaries can obtain, without charge, a copy of the Plan's procedures governing QDRO determinations from the Plan Administrator.
4. Commercial Tire has the right to amend the ESOP at any time. Commercial Tire also has the right to terminate the ESOP at any time. No amendment may retroactively reduce your vested rights.
5. In the event of termination of the ESOP, all Employees affected by the termination will become (or remain) one hundred percent (100%) vested unless the ESOP is replaced by a similar plan. If the ESOP is terminated and not replaced by another plan, the Company will distribute your ESOP benefit to you as soon as administratively feasible.

22. STATEMENT OF YOUR RIGHTS UNDER ERISA

As a Participant, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Participants are entitled: (1) to examine without charge at the Administrator's office and at other specified locations (such as worksites and union halls) all Plan documents, including insurance contracts, collective bargaining agreements, and copies of all Plan documents filed with the U.S. Department of Labor, such as detailed annual reports and Plan objectives; (2) to obtain copies of all Plan documents and other information upon written request to the Administrator (who may make a reasonable charge); (3) to receive a summary of the Plan's annual financial report and a copy of the Administrator's summary annual report; and (4) to obtain a statement telling if you have a right to receive a pension at normal retirement age and, if so, what your benefits would be if you stopped working now. If you do not have a right to a pension, the statement will tell you how many years you have to work to get a pension. This statement must be requested in writing, is not required to be given more than once a year, and must be provided by the Administrator free of charge.

ERISA also imposes duties upon the people responsible for the operation of the plan. These people, called fiduciaries, have a duty to do so prudently and in the interest of all Participants. No one, including the Employer, a union, or any other person may fire you or discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your ERISA rights.

If your claim for benefits is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Administrator review and reconsider your claim. Under ERISA, there are steps you can take to enforce these rights. For instance, if you request materials about the Plan and do not receive them within 30 days, you may file suit in a federal court. If you do so, the court may require the Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the Administrator's control.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court once you have exhausted the Plan's administrative remedies. 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 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 costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about this Plan, you should contact the Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the 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 NW, 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.

23. GOVERNING DOCUMENTS

The provisions of the Plan and Trust Agreement shall prevail should there be any conflict between the information in those documents and in this SPD.

24. COMMERCIAL TIRE, INC. ESOP QUESTIONS AND ANSWERS

Q1. When I have a question, why can't I simply call a Trustee or Advisory Committee member and ask my question?

A1. Many questions that Participants will ask about the ESOP will be extremely complicated and technical. By law, the ESOP Trustee and Advisory Committee have a responsibility to answer your questions accurately. The only way that the Trustee, Advisory Committee, and their advisors can be sure that the questions are answered fully and accurately is to encourage you to submit your questions in writing. Send all written questions to:

Commercial Tire, Inc. ESOP Trustee
% Alerus Financial, N.A.
19765 Highway 7
Shorewood, MN 55331

or ESOP Advisory Committee
% Commercial Tire, Inc.
2095 E. Commercial St.
Meridian, ID 83642

Q2. Who is the ESOP Administrator?

A2. The Administrator, technically, is Commercial Tire, Inc., which delegates authority and responsibility to the ESOP Trustee and Advisory Committee. The Trustee and Advisory Committee have the responsibility for managing all aspects of the ESOP.

Q3. Am I taxed on the Commercial Tire stock deposited to my ESOP Account?

A3. You have no federal, state, or Social Security tax liability on the Company Stock held in the Trust until you or your beneficiary actually receives it following your Retirement, death, or termination of employment with Commercial Tire.

Q4. May I make a cash contribution to the ESOP to buy additional Company Stock?

A4. No, the ESOP does not permit contributions by participating Employees.

Q5. Who pays the expenses of the ESOP (Trustees, record keeping, attorney fees, etc.)?

A5. Commercial Tire pays the costs of administering the ESOP, including the expenses of the ESOP Trustee, record keeper, and ESOP advisors. All other expenses related to the ESOP, such as expenses involved with the collection and tabulation of ESOP Participant instructions regarding the voting of Company Stock in the ESOP, are also paid by the Company.