

PLAN NAME: KBA INC. 401(K) & PROFIT SHARING PLAN**QUALIFIED DEFAULT INVESTMENT ALTERNATIVE NOTICE**

This is an annual notice and only applies to the Plan Year beginning on 1/1/2019

Right to direct investment/default investment. You have the right to direct the investment of your directed accounts under the Plan (your "directed accounts") in any of the investment choices explained in the investment information materials provided to you.

We encourage you to make an investment election to ensure that amounts in the Plan are invested in accordance with your long-term investment and retirement plans. However, **if you do not make an investment election**, then the amounts that you could have elected to invest will be invested in a default investment that the Plan officials have selected.

Description of default investments:

Name of Investment: T.Rowe Price Target Date Retirement Funds 2015,2020,2025,2030,2035,2040,2045,2050,2055 - default is fund closest to participant turning age 65 (example: John is 38 in 2018- Default fund will be 2045)

Investment objectives: Varies based on fund (see fund fact sheets attached)

Risk and return characteristics: As of 9/30/18 Moderate – Moderate-Aggressive (see fund fact sheets provided- may change in the future)

Fees and expenses: See annual disclosure notice and fund fact sheets (varies by fund)

Right to alternative investment. If the Plan invests some or all of your directed accounts in the default investment, then you have the continuing right to direct the investment of your directed accounts in one or more of the other investment choices available to you as explained above. You may change your investments at any time.

No transfer fees or expenses will be charged if you elect an alternative investment within 90 days after first being subject to the default investment. However, your account will be adjusted for any investment gains or losses. If you elect to transfer to an alternative investment after the 90 day period beginning on the date of your first elective deferral, then the following fees and/or restrictions will apply:

Where to go for further investment information. To learn more about the Plan's investment alternatives and procedures for changing how your accounts are invested you can contact the Plan Administrator or Plan Advisor at:

Contact: KBA: Julie Campbell 425.455.9720

LBG Advisors: Ron Kirkpatrick 425.778.2800

Email: E: jcampbell@kbacm.com

E: ron@lbgadvisors.com

To direct your investments, please log onto your personal account on the Newport Group website (www.newportgroup.com) and make your investment selections.