

Masonite Employee Stock Purchase Plan (ESPP)

What is ESPP?

The Employee Stock Purchase Plan (ESPP) is a simple and convenient way for employees to gain ownership stake in Masonite. The ESPP provides employees an opportunity to buy Masonite stock at a 15% discount.

Who is eligible for the ESPP?

Only US or Canadian residents employed with Masonite at least 30 days as of February 1st or August 1st each year.

When can employees enroll in the ESPP?

The open enrollment periods are January 8 – 22 and July 8 – 22 of each year. Employees may enroll, change contribution amounts, or withdraw during an open enrollment period. During each enrollment period, employee may elect to contribute from \$25 to \$1,000 (USD or CAD) of after-tax earnings from each paycheck to the ESPP. Once employees enroll in the ESPP, contributions automatically renew each enrollment period until the employee changes their contribution amount or withdraws from the plan.

What is an offering period?

Each calendar year, the ESPP has two offering periods. Offering periods are six months long and end with stock purchases on January 31 and July 31. At the end of each offering period, the accumulated contributions are used to purchase Masonite stock. Employees can decrease payroll deductions once during an offering period (to the \$25/check minimum) but cannot withdraw from the plan completely except in cases of permanent disability or extreme hardship.

How much stock can employees purchase?

Purchases are limited by US IRS regulations (and Masonite's Plan) to USD \$25,000 worth of shares, based on Fair Market Value of the stock. Contributions are limited to 15% of an employee's gross pay.

How is the Plan administered?

Charles Schwab administers the Masonite ESPP. Employees that desire to participate in the ESPP are required to open a brokerage account via equity award center (EAC) at Schwab (eac.schwab.com). This account is separate from the Masonite 401(k) or RRSP accounts. Shares acquired through the ESPP will be automatically deposited into the participant's Schwab brokerage account after the stock purchase.

When can employees sell their stock?

Participants may sell shares at any time after the purchase is completed unless otherwise restricted by insider trading rules. Participating employees may sell, transfer or continue to hold their current Masonite shares.

Are there any fees or commissions?

There is no setup, account fees or fees for stock purchases after each 6-month offering period. The fee for selling or trading stock is USD \$12.95 or less when using Schwab.

Where can employees find more information regarding the ESPP?

Employees can review the ESPP introduction video at any time on SharePoint. Please scan the following QR Code for more information:



In addition, employees will receive account opening and enrollment instructions in early January and July of each year for the upcoming offering period. Masonite will host webcasts to review the program and enrollment instructions.

To get account information, employees may log on to their EAC account at eac.schwab.com or call 1-800-654-2593.