

Retirement Savings Plan



SUMMARY PLAN DESCRIPTION

Effective January 1, 2021

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Introduction

CarMax, Inc. offers eligible Associates the opportunity to participate in the CarMax, Inc. Retirement Savings Plan, which is referred to in this document as the Retirement Savings Plan or, simply, the Plan. The Retirement Savings Plan is an important component of the total benefits program offered to eligible Associates. The benefits you will receive from the Plan depend upon the amount you elect to contribute, the amount the Company contributes, and the investment performance of those contributions.

This document is the Summary Plan Description (SPD), prepared and distributed in accordance with the Employee Retirement Income Security Act of 1974 (ERISA). It contains a summary of the benefits provided by the Plan and your rights under the Plan. Every attempt has been made to make this summary complete and accurate. In the event of any discrepancy between the SPD and the official Plan Document, the Plan Document will prevail.

This SPD was designed to be an easy-to-read information resource about the Plan's most important features. It is not a contract of employment and does not include every detail of the Plan. This SPD will be revised as the Plan is changed in the future. The Plan Document, as amended, rather than this SPD, will be used by the Benefits Administrative Committee in determining all claims.

The effective date of this Summary Plan Description is January 1, 2021.

The laws relating to qualified plans, like the Retirement Savings Plan, may change from time to time. Whenever a Plan provision is inconsistent with any change in the law, the Plan will be administered according to the new law, regardless of the terms of the Plan or any other Plan-related document.

You should read this SPD carefully, share it with your Spouse if you are married and share it with any other Beneficiaries that you name. Please keep this SPD handy for easy reference. If you have questions about the Plan, or if you would like a copy of the Plan Document, please call T. Rowe Price Retirement Plan Services at 1-800-922-9945 or email 401k@carmax.com.

Definitions

Definitions

These definitions apply when the following terms are capitalized in this Summary Plan Description.

Associate

Any person employed by the Company as a common-law employee on the Company's United States payroll. The term "Associate" does not include independent contractors.

Beneficiary(ies)

The person, persons, or trust as you name in accordance with Plan procedures, to receive any Plan benefits payable upon your death. If you do not name a Beneficiary in accordance with Plan procedures (or the beneficiary you name dies before you) and you are married, your Beneficiary is your Spouse. If you do not name a Beneficiary in accordance with the Plan procedures or the beneficiary you name dies before you, and you are not married but have a Designated Domestic Partner, the Beneficiary is automatically your Designated Domestic Partner. If you do not have a Beneficiary, a Spouse, or a Designated Domestic Partner at the time of your death, your Beneficiary is your estate.

Break in Service

You will incur a Break in Service if you have a series of five consecutive One-Year Breaks in Service. A "One-Year Break in Service" is a Plan Year in which you are credited with no Hours of Service due to your termination of employment with the Company.

Catch-up Contributions

Pre-tax or Roth Contributions to the Plan that exceed a legal limit, but which are permitted up to a specified IRS limit for Participants who will be at least 50 years old by the end of the calendar year.

Committee

The Benefits Administrative Committee appointed by the Chief Human Resources Officer of CarMax, Inc.

Company

CarMax, Inc., and its subsidiary business entities, and any successor by merger, purchase, consolidation, or otherwise.

Designated Domestic Partner

Designated Domestic Partner. A Domestic Partner is designated by the Participant on a Certification of Domestic Partnership ("Certification") form in accordance with policies and procedures established by the Committee. A Designated Domestic Partner shall cease to be a Designated Domestic Partner if the individual is un-designated as a Designated Domestic Partner on a Certification in accordance with policies and procedures established by the Committee.

By signing a Certification, you are attesting to a series of statements that establish your relationship with the Domestic Partner and agreeing to the terms and conditions set forth in the Certification, including your obligation to notify the MYKMXHR Service Center within 30 days of a change to your Domestic Partnership that affects eligibility under this Policy. Your agreement to these terms and conditions is legally binding. You are required to carefully read the Certification of Domestic Partnership Form prior to accepting the terms and conditions of the Certification Form. Your Certification is valid until you notify us otherwise and you are required to notify us within 30 days of any change in your Domestic Partnership status. Notifications may be made online at mykmxhr.com or by contacting the MYKMXHR Service Center at 1-888-695-6947. If you registered the domestic partnership through a governmental entity, your domestic partnership will only be considered terminated if you follow the provisions set forth by the governmental entity. Documents similar to a Certification of Domestic Partnership Form have led some courts to recognize non-marriage relationships as the equivalent of marriage when establishing and

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dividing joint property. Since there may be other implications to signing the Certification of Domestic Partnership Form, you are urged to seek appropriate legal advice before signing it.

All Forms, Certifications, and Affidavits are available on the CarMax Benefits website which is available through the CarMax World or at benefits.carmax.com from any computer with internet access.

Domestic Partner

A person of either gender residing with the Participant, where both that person and the Participant meet the requirements outlined within the Plan document.

A Domestic Partnership exists if both the Associate and the Domestic Partner meet all of the following conditions:

- Not be married to or in a Civil Union with anyone else nor be the Domestic Partner of anyone else;
- Have been in an exclusive and committed relationship for one year or more;
- Not be related by blood closer than would bar marriage under applicable law;
- Live together in the same permanent residence in an intimate, committed and exclusive relationship, with the current intent to do so indefinitely;
- Be jointly responsible for each other's welfare and be financially interdependent, or the Domestic Partner is chiefly dependent upon the Associate for care and financial assistance; and
- Be at least 18 years old and mentally competent to enter into a legal contract.

In the event that the Associate and his or her Domestic Partner are subject to the laws of a state that legally recognizes Domestic Partner and Civil Union relationships, the Plan will recognize the Associate's Domestic Partner even if the above conditions are not all met, provided that all of the state requirements have been met.

In order for a Domestic Partner to be labeled as the Designated Domestic Partner for purposes of this Plan (and allowing the defaulted Beneficiary status), see the Certification requirements in the Designated Domestic Partner definition above.

ERISA

The Employee Retirement Income Security Act of 1974, as amended.

Highly Compensated Employee

An Associate is a "Highly Compensated Employee" for a particular Plan Year if he or she:

- owned, for the Plan Year or the prior Plan Year, more than 5% of the Company, or
- received compensation from the Company for the prior Plan Year in excess of the limitations defined in the Internal Revenue Code.

Hour of Service

You are generally credited with an Hour of Service for each hour that you are paid, or entitled to payment, for services performed for the Company as an Associate, including hours for which you are paid for vacation, holiday, layoff, jury duty, illness or incapacity.

Each week that you perform at least one Hour of Service, you will be credited with 45 Hours of Service per week.

Under certain circumstances, Hours of Service may also be credited during periods in which you perform no duties. For example, you will be credited with Hours of Service during a leave to perform military services, provided you have reemployment rights under Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and are reemployed. In addition, you will be credited with

Definitions

Hours of Service during a FMLA leave, but only to determine whether you have incurred a “One-Year Break in Service”.

Investment Fund

A mutual fund or other investment vehicle into which you may invest your Plan contributions.

Matching Contribution

A contribution the Company makes on your behalf that is based upon the amount of your Pre-tax Contribution and Roth Contribution (including any Catch-up Contribution), subject to certain limits (as described in the section titled [“IRS Limitations on Contributions”](#)).

Normal Retirement Date

The later of: (1) the date on which you turn age 65, or (2) the date you begin working for the Company.

Participant

An Associate of the Company who has met the Plan’s eligibility and enrollment requirements or a former Associate who has not yet received a total distribution of their Plan account balance.

Pay

Compensation an Associate receives from the Company that is eligible for 401(k) contributions, and taken into account in determining the amount of other Company contributions. Pay includes amounts you receive during the Plan Year for personal services, including base pay, bonuses, overtime, commissions, amounts paid during an authorized paid leave of absence, amounts a Participant contributes to a Company-sponsored cafeteria plan, Pre-tax Contributions and Roth Contributions (including Catch-up Contributions), and differential wage payments made to a Participant on a leave of absence to perform military service with respect to which he/she has a right to reemployment.

The following types of Pay are not eligible for 401(k) contributions and are disregarded in determining the amount of other Company contributions: (1) Contributions and benefits under this Plan or any other plan of deferred compensation maintained by the Company and such other amounts awarded under any employee stock option plan or employee stock purchase plan maintained by the Company; and (2) reimbursements or other expense allowances, fringe benefits (cash and noncash), moving expenses, welfare benefits and imputed compensation, even if they are included in gross income.

Pay that may be taken into account by the Plan (e.g., to determine contributions) is subject to an annual Internal Revenue Code limit. The Internal Revenue Service may adjust this limit from time to time to reflect cost-of-living increases. For the most up-to-date Internal Revenue Code limits, please visit: <https://www.irs.gov/retirement-plans/>

Plan Year

The consecutive 12-month period beginning on January 1 and ending on December 31.

Pre-tax Contributions

Contributions to the Plan that you elect to be deducted from your Pay on a pre-tax basis.

Qualified Plan

A qualified plan under Internal Revenue Code Section 401(a) or 403(a), a 403(b) plan, or a governmental 457(b) plan.

Retirement Contribution

A discretionary contribution the Company may have made on your behalf, based on a percentage of your Pay, for plan years beginning before January 1, 2017.

Definitions

Rollover Contribution

A “Pre-tax Rollover Contribution” or a “Roth Rollover Contribution.” A Pre-tax Rollover Contribution is a contribution that is “rolled over” to the Plan, either directly or through a “60-day” rollover, from a traditional IRA or the pre-tax account in another employer’s Qualified Plan, as described in the section titled [“Rollover Contributions.”](#) A Roth Rollover Contribution is a contribution that is directly rolled over to the Plan from a designated Roth account in another employer’s 401(k), 403(b) or governmental 457(b) plan, as described in the section titled [“Rollover Contributions.”](#) A reference to “Rollover Contribution” includes both Pre-tax Rollover Contributions and Roth Rollover Contributions unless expressly stated otherwise.

Roth Contributions

Contributions to the Plan that you elect to be deducted from your Pay on an after-tax basis.

Spouse

The person to whom a Participant is legally married at their death or on the date benefits are paid, whichever is earlier. For clarification, individuals who have entered into a registered domestic partnership, civil union, or similar formal relationship recognized under state or federal law that is not considered a “marriage” under the laws of that state or jurisdiction are not legally married.

Supplemental Retirement Contribution

A discretionary contribution that the Company may make on your behalf, based on a percentage of your Pay, if you meet the requirements described in the section titled [“Supplemental Retirement Contribution Eligibility.”](#)

Vested

To have a “Vested” Plan benefit means that you have a non-forfeitable right to a Plan benefit.

Vested Service

The service that determines whether you have a non-forfeitable right to a Plan benefit.

Eligibility and Enrollment

The Retirement Savings Plan offers eligible Associates an opportunity to save for retirement by contributing from their Pay upon hire and receiving Matching Contributions made by the Company. The benefits received from the Plan depend on the amount of your contributions and the Company's contributions, as well as the performance of the Investment Funds in which the contributions are invested.

Associate Eligibility

To be eligible to participate in the Plan, you must be an Associate and at least 18 years old. However, you do not need to be at least 18 years old to make Rollover Contributions to the Plan.

You are not eligible to participate in the Plan if you are a leased employee or an Associate whose terms and conditions of employment are covered by a collective bargaining agreement that does not provide for participation in the Plan.

If you are not classified as a common law employee on the Company's United States payroll, you are not eligible to participate in the Plan, even if a court or administrative agency determines that you are a common law employee.

If you are eligible to participate in the Plan, you are eligible to contribute to the Plan from your Pay. You are immediately eligible to receive Matching Contributions once you begin contributing to the Plan from your Pay. Additional eligibility requirements that apply to Supplemental Retirement Contributions are described below.

Retirement Contributions

For Plan Years beginning on and after January 1, 2017, the Company will not make a discretionary Retirement Contribution.

Supplemental Retirement Contribution Eligibility

For Plan Years beginning on and after January 1, 2009, the Company may make a discretionary Supplemental Retirement Contribution. To be eligible to receive a Supplemental Retirement Contribution, you must be:

- Credited with a minimum of 1,000 Hours of Service during the relevant Plan year; and
- Employed as an eligible Associate on the last day of the applicable Plan Year (December 31), or die or reach your Normal Retirement Date during the applicable Plan Year;

and also have met the following conditions on or before December 31, 2008:

- Been at least age 40; and
- Completed five years of Vested Service.

Please note, however, that you will no longer be eligible for the Supplemental Retirement Contribution if you terminate employment, even if you are later rehired or reinstated by the Company.

Enrollment in the Plan

You may enroll in the Plan as soon as administratively practical after your date of hire to make Pre-tax Contributions and Roth Contributions (including Catch-up Contributions, if you are otherwise eligible), and receive Matching Contributions. If you do not enroll when you are initially eligible, you may enroll at any time thereafter, as long as you continue to meet the eligibility requirements.

To enroll, contact T. Rowe Price Retirement Plan Services either by phone at 1-800-922-9945 or online at rps.troweprice.com.

Participation in the Plan is voluntary. You must enroll in the Plan to become a Participant. Once you become a Participant, you remain a Participant until you retire, die or otherwise terminate employment with the Company, and your entire Vested interest in the Plan has been distributed to you.

Contributions

Determining Your Pre-tax and Roth Contributions

You determine how much to contribute when you enroll in the Plan. You may elect to contribute from 1% to 75% of your Pay (in 1% increments) each pay period to the Plan, up to certain limitations

You also determine whether you want those contributions to be Pre-tax and/or Roth Contributions (as described below). You can choose both Pre-tax and Roth Contributions as long as each category's contributions are in 1% increments of your Pay and the combined total does not exceed 75% of your Pay each pay period.

For example, if your Pay each pay period is \$1,000, you could elect to contribute 3% as Pre-tax Contributions and an additional 3% as Roth Contributions, for a combined 6%. In this case, \$30 would be deducted from your Pay and contributed to the Plan each pay period as a Pre-tax Contribution, and an additional \$30 would be deducted from your Pay and contributed to the Plan each pay period as a Roth Contribution. However, your Pre-tax Contribution and Roth Contribution would be taxed differently, as described below.

Your contributions will be invested according to your elections, as described under the section titled [“Investment Options.”](#)

Pre-tax Contributions

When you elect to make Pre-tax Contributions to the Plan, including Pre-tax Catch-up Contributions, your contributions will be deducted from your Pay on a pre-tax basis. This means that Pre-tax Contributions are a “Pre-tax Deduction” on your paycheck. Your paychecks will show that Pre-tax Contributions are not included in your “Taxable Wages” for Federal income tax withholding purposes (however, such contributions are subject to employment taxes).

Pre-tax Contributions, including Pre-tax Catch-up Contributions, are not subject to federal and most state income taxes until you receive a distribution from the Plan. The investment earnings on your contributions also remain tax-deferred until you receive a distribution.

Roth Contributions

When you elect to make Roth Contributions to the Plan, including Roth Catch-up Contributions, your contributions will be deducted from your Pay on an after-tax basis. This means that Roth Contributions are a “Post tax Deduction” on your paycheck. Unlike Pre-tax Contributions, Roth Contributions are included in your “Taxable Wages” for Federal income tax withholding purposes (and are also subject to employment taxes).

Roth Contributions, including Roth Catch-up Contributions, are subject to federal and state (as applicable) income taxes at the time of contribution; however, those contributions and any investment earnings on them are not taxed if you receive a “qualified distribution” from the Plan, as described in the section titled [“Taxation of Distributions.”](#)

IRS Limitations on Contributions

The Internal Revenue Code imposes annual limitations on the amount of money that may be contributed to the Plan on your behalf. The following limitations apply to contributions across all of your 401(k) plans in a single calendar year:

- **Deferral Limits:** The amount of Pre-tax Contributions, Roth Contributions, and Catch-up Contributions (if applicable) you can make each calendar year is limited to a specific dollar amount pursuant to the Internal Revenue Code.
- **Compensation Limit:** The maximum annual contribution to your Plan account(s), including your Pre-tax Contributions, Roth Contributions, Retirement Contributions, Supplemental Retirement Contributions, and the Matching Contributions (but not including Rollover Contributions or Catch-up Contributions), is limited by the Internal Revenue Code to the lesser of (a) 100% of your compensation or (b) a specific dollar amount.

Contributions (*cont.*)

Current Internal Revenue Code contribution limits can be found here: <https://www.irs.gov/retirement-plans/plan-participant-employee/retirement-topics-401k-and-profit-sharing-plan-contribution-limits>

Some Participants in the Plan may be classified as Highly Compensated Employees under federal tax law. If you are a Highly Compensated Employee, your Plan contributions may be subject to additional limitations, and the Company has the right to reduce or suspend your Plan contributions at any time to ensure compliance with legal requirements. Please see the section titled "[Safe Harbor Plan Design](#)," below, for additional information.

Changes to Your Pre-tax and/or Roth Contributions

You may increase, decrease, or stop your Pre-tax and/or Roth Contributions at any time by calling T. Rowe Price Retirement Plan Services at 1-800-922-9945 or accessing your account online at rps.troweprice.com. The changes you request will generally go into effect within two pay periods or as soon as administratively practicable thereafter.

If you stop Pre-tax or Roth Contributions, your account balance is held in the Plan and continues to be adjusted for gains or losses resulting from your investment elections. You may generally resume Pre-tax or Roth Contributions at any time as long as you remain an eligible Associate.

You may also elect to enroll in the automatic increase service. This service will automatically increase your Pre-tax Contribution and/or Roth Contribution deferral percentage on an annual basis. You will be able to choose:

- An annual increase amount (in 1% increments); and
- The month in which you would like your annual increase to occur; and
- The increase cap. The automatic increase service will stop once your deferral percentage reaches the increase cap.

This service must be elected separately for Pre-tax Contributions and Roth Contributions and will be applied separately based on your elections for each type of contribution. However, your combined Pre-tax Contributions and Roth Contributions cannot exceed 75% of your Pay per pay period.

Catch-up Contributions

If you attain age 50 during a calendar year, you will be eligible to contribute an additional amount to the Plan that year and each subsequent year, subject to certain limits imposed by the Internal Revenue Code. This is in addition to the regular contribution limit for Pre-tax and Roth Contributions.

Catch-up Contributions are made using one continuous deferral election rather than making a separate Catch-up Contribution election. This means that, for any calendar year in which you will be at least age 50 by the end of the year, deferrals will continue to be made from your Pay based on your Pre-tax and/or Roth Contribution election(s) until you reach the annual limit, unless your election changes.

For more information on the imposed limits, see section titled "[IRS Limitations on Contributions](#)".

Catch-up Contributions are not included in the calculation of the maximum annual additions that may be made to your account each year.

Matching Contributions

For every dollar that you contribute to the Plan as a Pre-tax or Roth Contribution (including Catch-up Contributions), up to a total of 6% of your Pay, the Company will make a Matching Contribution of 1 dollar (a 1-to-1 match). **This is calculated on a per paycheck basis.**

IMPORTANT NOTE ABOUT MATCHING CONTRIBUTIONS: To maximize the Matching Contributions that you receive, be sure to spread out your contributions so that you don't reach the annual contribution limit before the end of the Plan Year. If you contribute too much too soon and reach the annual contribution limit before the end of the Plan Year, your own contributions will stop for the remainder of that Plan Year, along with Matching Contributions for any remaining pay periods.

Contributions (*cont.*)

Therefore, to take full advantage of the Matching Contributions, you will need to contribute 6% of your Pay for each pay period during the Plan Year. You will not receive a Matching Contribution for a pay period in which you do not contribute to the Plan. If you contribute less than 6% of your Pay for a pay period, your Matching Contribution for that pay period will be less than 6% of your Pay, and you will not be able to receive the difference in Matching Contributions by contributing more than 6% of your Pay in a later pay period.

Rollover Contributions and any contributions in excess of 6% of your Pay (per pay period) are not eligible for Matching Contributions. If you contribute more than 6% of your Pay for a pay period, your Matching Contribution for the pay period will be equal to 6% of your Pay for the pay period.

Matching Contributions are allocated to your account at the same time as your Pre-tax Contributions, Roth Contributions and Catch-up Contributions. Matching Contributions will be invested in the same Investment Funds as your regular Pre-tax Contributions, Roth Contributions and Catch-up Contributions.

Although your Roth Contributions are eligible for a Matching Contribution (subject to the limit described above), all Matching Contributions will be deposited into your Pre-tax account, meaning that you will not pay income taxes on those contributions now, but will at the time of withdrawal or distribution. For example, if you contribute 4% of your Pay for a pay period as a Roth Contribution, your Matching Contribution for the pay period will also be equal to 4% of your Pay, but your Matching Contribution will be credited to a pre-tax account. Therefore, one-half of the amount credited to your Plan account for the pay period will be credited to your Roth account, and the other half will be credited to a pre-tax account.

Rollover Contributions

If you are otherwise eligible to participate in the Plan, you may make a Rollover Contribution to the Plan, even if you are not yet 18 years old.

A Pre-tax Rollover Contribution to the Plan may be rolled over directly or through a "60-day" rollover from either:

- Another Qualified Plan; or
- A traditional Individual Retirement Account (IRA).

In order to complete a "60-day" rollover, the funds you receive from another Qualified Plan or IRA must be contributed to the Plan within 60 days of receiving the distribution.

A Roth Rollover Contribution to the Plan must be rolled over directly from a designated Roth account in another employer's 401(k), 403(b) or governmental 457(b) plan.

Pre-tax Rollover Contributions will be credited to your Pre-tax account. The Plan does not permit Roth in-plan conversions or Roth conversions during the rollover process. Roth Rollover Contributions will be credited to your Roth account in the Plan.

The Plan does not accept Rollover Contributions of amounts subject to certain annuity requirements or after-tax amounts (except that Roth 401(k) amounts are accepted). Rollover Contributions from Roth IRAs are not permitted.

To make a Rollover Contribution to the Plan, call T. Rowe Price Retirement Plan Services at 1-800-922-9945. If you are already participating in the Plan, your Rollover Contribution can be allocated to the same Investment Funds as your Pre-tax or Roth Contributions. If you are not yet participating in the Plan, you must make an investment election for your Rollover Contributions.

Your Rollover Contributions will be held in your account as a separate money source in which you are fully Vested. Please note that Rollover Contributions are eligible for the In-Service Withdrawal and Hardship Withdrawal provisions of the Plan. Pre-tax Rollover Contributions are also eligible for the Loan provisions of the Plan; however, Roth Rollover Contributions are not.

Retirement Contributions

As described in the "[Retirement Contributions](#)" section, the Company will no longer make discretionary Retirement Contributions effective for Plan Years beginning on or after January 1, 2017.

Supplemental Retirement Contributions

The Company may, in its discretion, make an annual Supplemental Retirement Contribution of 2% of your Pay to your Plan account if you meet certain requirements (see the section titled "[Supplemental Retirement Contribution Eligibility](#)"). The contribution applicable to the 2019 Plan Year, if any, will be made in or around March 2020. The contribution applicable to the 2020 Plan Year, if any, will be made in or around March 2021.

Special Rules For Reemployed Veterans

If you are a veteran and are reemployed under Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), you will be able to make Pre-tax and Roth Contributions (including Catch-up Contributions, if otherwise eligible) up to the applicable IRS limits (as described in the section titled "[IRS Limitations on Contributions](#)") and, if eligible, receive the Retirement Contribution and Supplemental Retirement Contribution for the years you were not actively employed due to your military service. For example, if you had remained an active employee in the year of your military service, you could have contributed a Pre-tax Contribution up to the IRS maximum for that year. When you are reemployed after your military service, you will be eligible to contribute up to the IRS maximum for that year of military service, in addition to the amount you are eligible to contribute in the year you are reemployed. If you elect to make up your missed Pre-tax Contributions, the Company will make a Matching Contribution up to 6% of your Pay to the extent the Plan provided for a Matching Contribution at the time of your military service. If you would have been eligible to receive a Retirement Contribution or Supplemental Retirement Contribution if you had remained employed by the Company during your military service, a deposit will be made on your behalf at T. Rowe Price within 90 days of your reemployment or as soon as administratively practicable thereafter. If you are affected by this law, you should call T. Rowe Price Retirement Plan Services at 1-800-922-9945 or email 401k@carmax.com for further details.

Safe Harbor Plan Design

The Plan intends to meet the requirements for a "safe harbor" plan under Internal Revenue Code Sections 401(k) and 401(m). By adopting a "safe harbor" plan design, including making "safe harbor" Matching Contributions, and meeting other "safe harbor" plan requirements, the Plan will automatically satisfy certain IRS nondiscrimination requirements. However, the Company has the right to amend the Plan mid-year to reduce or suspend Matching Contributions, in which case, you will be notified.

If you are a Highly Compensated Employee and the Plan meets these "safe harbor" requirements, your Pre-tax, Roth, and Matching Contributions will not need to be limited to meet IRS nondiscrimination requirements that are automatically satisfied by the Plan's "safe harbor" status. However, your Plan contributions may be subject to additional legal limitations that are not automatically satisfied by the Plan's "safe harbor" status. In addition, if the Plan is ever determined not to meet the "safe harbor" requirements for a Plan Year, your Pre-tax, Roth, and/or Matching Contributions for the Plan Year will be subject to IRS nondiscrimination requirements and may need to be reduced to satisfy such requirements. In any event, the Company has the right to reduce or suspend your Plan contributions at any time to ensure compliance with legal requirements.

Investment Options

Investment Funds

When you choose how much to contribute to the Plan, you also choose how to invest your Pre-tax Contributions and Roth Contributions (including Catch-up Contributions, if otherwise eligible), and Matching Contributions. The Plan provides you with an opportunity to invest in a broad range of investment alternatives selected by the CarMax, Inc. Plan Asset Committee. You, and not the Trustee, the Plan Asset Committee or the Company, are responsible for deciding in which of the investment funds your Account will be invested. All Investment Fund elections must be made in whole percentages and the sum of the elections must equal 100%.

The Plan Asset Committee may, without notice and on a temporary or permanent basis, add, change or remove one or more of your Investment Funds under the Plan, suspend the ability to invest in or move funds into or out of any one or all investment funds, and limit the number of changes you may make in your investment selections during any calendar year.

Information on these Investment Funds, including investment fees, is included with the enrollment materials sent to you when you become eligible to participate, online at rps.troweprice.com, and in the annual Participant Disclosure Notice. Familiarize yourself with each Fund's investment goals and risk level before making your investment elections. If Fund availability changes, you will be notified.

Default Investment Fund

You determine how you want to invest your Plan Account. However, unless you choose or have previously chosen a different investment option, your Plan account will be invested in the T. Rowe Price Retirement Trust with the target date closest to the year in which you turn 65 (the "applicable Default Investment Fund").

If you are making Pre-tax or Roth Contributions to the Plan (or you have previously contributed to the Plan), any Supplemental Retirement Contributions you receive will be invested based on your investment election on file for future contributions. If you have not previously contributed to the Plan, any Supplemental Retirement Contributions you receive will be invested based on your investment allocation for your Supplemental Retirement Contribution(s) (if any). Otherwise, any Supplemental Retirement Contributions will be invested in the applicable Default Investment Fund (based on the Plan's default investment funds available when you are first credited with such contribution(s)).

If you make a Rollover Contribution to the Plan and do not specify an investment option for your Rollover Contribution, your Rollover Contribution will be invested in the applicable Default Investment Fund, regardless of whether you have chosen a different investment option for the remainder of your Plan Account.

Your Investment Elections

You have the right to change how your Plan Account is invested among the investment funds offered under the Plan at any time. This includes the right to transfer account assets out of a Default Investment Fund to any other Investment Fund offered under the Plan. You can also authorize a third-party to access your Plan account information and change how your Plan account is invested in accordance with the Plan's trading privileges procedures.

The Plan offers a selection of Investment Trusts called T. Rowe Price Retirement Trusts, which are pre-mixed and managed for you based on targeted retirement dates. The Plan also offers individual Investment Funds representing conservative to aggressive investment strategies.

All Investment Fund elections must be made in whole percentages and the sum of the elections must equal 100%.

You may obtain fund information or change your Investment Fund elections at any time by calling T. Rowe Price Retirement Plan Services at 1-800-922-9945 or logging in to the T. Rowe Price website at rps.troweprice.com.

The Plan is intended to meet the requirements of Section 404(c) of ERISA and its regulations. Under these rules, the Plan's fiduciaries (*e.g.*, the Trustee, Company, Committee, Plan Asset Committee and Plan Administrator) are relieved of liability that is a direct and necessary result of your investment instructions.

Designating a Beneficiary

When you join the Plan, you should name a Beneficiary, or Beneficiaries, to receive your Vested Plan account balance in the event of your death. You can elect your Beneficiary(ies) at any time online at rps.troweprice.com or by calling T. Rowe Price Retirement Plan Services at 1-800-922-9945. If you are married, your Spouse is automatically your Beneficiary. If you have a Designated Domestic Partner, they will automatically be your beneficiary. However, you can name another Beneficiary, provided your Spouse signs a written and witnessed (by a notary public) consent acknowledging and accepting your alternate Beneficiary designation.

If you are not married, you may designate any person to be your Beneficiary(ies). If you do not designate a Beneficiary, your Vested Plan account balance will be paid to your **estate** after your death. The executor or other representative for your estate will be required to provide the Plan Administrator with a federal tax ID number (an “employer identification number” or “EIN”) for your estate. A federal tax ID number will be required regardless of whether an estate income tax return needs to be filed for your estate and regardless of whether your estate is subject to probate under State or Federal law.

If you have a life event status change (such as marriage or divorce), it is your responsibility to make any corresponding changes to your Beneficiary designation. You may change your Beneficiary(ies) at any time online at rps.troweprice.com or by calling T. Rowe Price Retirement Plan Services at 1-800-922-9945.

For additional information about payments made in the event of your death, refer to the information under the section titled “[Plan Distributions](#).”

Vesting

If you are a Participant and you are credited with at least one Hour of Service on or after January 1, 2017, you are 100% Vested in your Plan account.

If you are not credited with at least one Hour of Service on or after January 1, 2017, your Matching Contributions and Retirement Contributions are subject to the Vesting requirements described in the 2016 SPD. However, you are always 100% Vested in your Pre-tax Contributions, your Rollover Contributions, and any Catch-up Contributions you have made and earnings on these Contributions. You also would have been 100% Vested in any Supplemental Retirement Contributions you received, and earnings on such Contributions.

Rehired Associates

If you terminated employment with the Company prior to January 1, 2017, but you are rehired and have an Hour of Service on or after January 1, 2017, you will be immediately 100% Vested in your Plan account. However, if you terminated employment with the Company before you were 100% Vested, any Matching Contributions and Retirement Contributions that were unvested at the time may have been forfeited. Forfeited Matching Contributions and Retirement Contributions will only be restored as follows:

- If you had Pre-tax Contributions credited to your account, you forfeited all Matching Contributions and Retirement Contributions, and earnings on these Contributions, credited to your account as of the date the Vested portion of your account was distributed (or the date you incurred a Break in Service, if earlier). If you return to work for the Company before you incur a Break in Service, any forfeited amounts will be restored to your account (unadjusted for any gains or losses since the forfeiture), provided you repay any amounts previously distributed to you under the Plan before the earlier of (i) five years after you are reemployed or (ii) the close of the first Break in Service commencing after the distribution. Otherwise, the forfeited amounts will not be restored.
- If you were 0% Vested in your Plan account (*i.e.*, your account was credited only with Retirement Contributions) when you terminated employment with the Company, your account was deemed to be distributed and treated as a forfeiture as of the date of the deemed distribution. Should you return to work for the Company before you incur a Break in Service, the forfeited amount will be restored.

Forfeited amounts may be used to fund employer contributions, or may be applied toward administrative expenses, at the Committee's discretion.

Special Rules for Reemployed Veterans

If you are a veteran and are reemployed under Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), your qualified military service may be considered Vested Service for purposes of the Plan. If this law affects you, you should call T. Rowe Price Retirement Plan Services at 1-800-922-9945 or email 401k@carmax.com for further details.

In-Service Withdrawals

Once you reach age 59½, you may request an in-service withdrawal of your Pre-tax Contributions and Roth Contributions (including Catch-up Contributions), Rollover Contributions and/or Vested Matching Contributions, and earnings on these contributions. The minimum amount you may withdraw is \$500, and you may make only one in-service withdrawal request per calendar quarter.

You may not receive an in-service withdrawal if you are under age 59½.

You may not receive an in-service withdrawal of Retirement Contributions or Supplemental Retirement Contributions.

When you request an in-service withdrawal, your Plan account investments will be liquidated proportionately across all Investment Funds and first from your Pre-tax Contributions (and Pre-tax Catch-up Contributions), Pre-tax Rollover Contributions, and Vested Matching Contributions, and then from your Roth Contributions (and Roth Catch-up Contributions) and Roth Rollover Contributions. All in-service withdrawals are paid in cash in one lump sum amount or a specified dollar amount. The amount distributed may be subject to ordinary income tax, as described in the section titled "[Taxation of Distributions](#)," unless you complete a rollover, as described in the section titled "[Eligible Rollover Distributions](#)."

To request an in-service withdrawal, call T. Rowe Price Retirement Plan Services at 1-800-922-9945.

Loans

Plan loans are governed by written policies and procedures adopted by the Committee. These policies and procedures are described generally below. Copies of these policies and procedures are available free of charge upon request from the Committee.

Applying for a Loan

You may generally request a loan from your Vested account balance in your Plan Account at any time and for any reason as long as you are an eligible Associate and a “party-in-interest” as defined in Department of Labor regulations. Loans are subject to approval by T. Rowe Price Retirement Plan Services, Inc., pursuant to the Committee’s policies and procedures. If your request for a loan is approved, a \$50 loan initiation fee will be charged to your account. To apply for a loan, contact T. Rowe Price Retirement Plan Services at 1-800-922-9945 or log on to your account at rps.troweprice.com. If your loan is not approved, you will be contacted by T. Rowe Price.

Loan Amount

The minimum amount you must borrow is \$1,000. The maximum loan amount allowed is (i) 50% of your Vested account balance or (ii) \$50,000, reduced by the highest outstanding loan balance in the last 12 months, whichever is less.

You are responsible for paying any fees associated with the loan, including the \$50 loan initiation fee that is charged to your account if your loan is approved, an annual loan maintenance fee, any redemption fees for investment funds held for less than the fund’s minimum holding period, and, if applicable, the Florida Stamp Tax.

Source of Loan Proceeds

Your Plan account investments will be liquidated proportionately from your Pre-tax Rollover Contributions, Pre-tax Contributions (including Pre-tax Catch-up Contributions), and Vested Matching Contributions to provide the funds for your loan.

Roth Contributions (including Roth Catch-up Contributions), Roth Rollover Contributions, Retirement Contributions and Supplemental Retirement Contributions are not available for loans.

Your outstanding loan balance is considered a separate investment of your Vested account balance.

Number of Loans

You may only have one outstanding loan at a time.

Loan Interest

The interest rate on your loan will be the prime rate plus 1%. The interest rate for your loan is determined on the first business day of the month. Any change in the rate of interest will be effective for loans issued on or after the second business day of the month. The rate assigned on the day your loan is approved is fixed and will not fluctuate during the term of your loan.

Repayment

Loans must be paid back over a period of no more than 60 months; provided, however, that loans used to acquire a primary residence may be paid back over a period extending up to 120 months.

Loans repayments are made through after-tax payroll deductions. Additional payments of principal (*i.e.*, partial repayments in addition to the regular payroll deductions) are not accepted; however, you may pay off the loan in full at any time without penalty. For information regarding early pay off of your loan, contact T. Rowe Price Retirement Plan Services at 1-800-922-9945.

If your earnings are insufficient to cover a scheduled loan repayment, a partial loan repayment will not be deducted. This means that you will fail to make your scheduled loan repayment and your loan will be in

Loans (*cont.*)

arrears. Your next scheduled loan repayment amount will be doubled, if earnings permit, until the loan repayment is no longer in arrears. You may request that your scheduled loan repayments not be doubled, however, see the section titled "[Loan Default](#)" for more information regarding the consequences of failing to make-up missed loan repayments by the applicable deadline.

All loan repayments, principal, and interest are credited to your Plan account and invested according to your investment elections in effect at the time of repayment.

Partial Loan Repayment

You may make a partial repayment towards your regularly scheduled loan payment or to make up for missed loan payments. To make a partial loan repayment, please contact T. Rowe Price Retirement Plan Services at 1-800-922-9945 to request the necessary paperwork. Once paperwork has been completed, forward the paperwork with a certified check, personal check, or money order directly to T.Rowe Price.

Loan Repayment during a Leave of Absence

If you are on an approved *paid* leave of absence, loan repayments will continue to be deducted from your paychecks, provided your pay is at least equal to the required loan repayments.

If you are on an unpaid approved leave of absence (or your pay is less than the required loan repayments), you will not be required to make loan repayments for a period of up to 12 months, although interest will continue to accrue on the loan during your leave of absence. If your loan repayments are suspended during your leave of absence, upon your return, your original payoff date may be extended for the same length of time that your repayments were suspended (*i.e.* up to 12 months), but not beyond the maximum repayment period (*i.e.*, 60 months from the date the loan was issued or 120 months from the date a primary residence loan was issued). Your remaining loan repayments will be automatically adjusted to ensure you repay your loan by the original payoff date or any extended payoff date.

If the unpaid leave of absence continues longer than 12 months, the "cure period" described in the section titled "[Loan Default](#)" will end as of the last day of the calendar quarter following the calendar quarter in which the 12-month period expires. This means that, in order to avoid a loan default, you must either pay off your loan in full by the end of such "cure period" or recommence loan repayments through after-tax payroll deduction and become up-to-date on your loan repayments (as adjusted) by the end of such "cure period".

The above will only apply if you return from leave before the expiration of the maximum repayment period (*i.e.*, before 60 months from the date the loan was issued or 120 months from the date a primary residence loan was issued). If you are on a leave of absence when the maximum repayment period expires, you must pay off the entire loan by the end of the maximum repayment period or the loan will be treated as in default.

Please call T. Rowe Price Retirement Plan Services at 1-800-922-9945 for questions regarding loan repayments during a leave of absence.

Special Rules for Military Leave

If you take a leave of absence because of qualified military service while you have an outstanding loan balance, special rules may apply to your interest rate and repayment schedule. If you have an outstanding loan balance and are going to take a leave of absence due to qualified military service (or you have taken such a leave of absence), you should call T. Rowe Price Retirement Plan Services at 1-800-922-9945 or email 401k@carmax.com for further details.

Loan Default

If you fail to make a required loan repayment when it is due, your loan will be in default unless you make-up the missed repayment by the end of the "cure period." The cure period ends on the last day of the calendar quarter following the calendar quarter during which you failed to make the loan repayment. For purposes of determining whether a loan is in default, loan repayments must be up-to-date by the end of the cure period. This means that you must make-up any missed repayment(s), in addition to making your other regularly scheduled repayments, by the end of the cure period. Missed loan repayments may only

Loans (cont.)

be made-up by doubling your after-tax payroll deductions; however, you may also avoid a loan default by paying off the loan in full by the end of the cure period.

In the event of default, the outstanding loan balance, along with accrued interest, will be reported to the IRS as a Plan distribution and will be subject to the same taxation as other distributions from the Plan (including the 10% penalty tax on withdrawals before you reach 59 ½, unless an exception applies).

You may repay the outstanding loan balance even though the loan has been reported to the IRS as a distribution, provided your Plan account has not been reduced to reflect the amount in default. This reduction, known as an “offset,” happens if your loan is in default after you terminate employment (as described in the section titled “[If You Terminate Employment with the Company](#)”) or if you pass away with an outstanding loan balance. Until you repay the defaulted loan or your account is offset, interest will continue to accrue and you will not be eligible for another loan.

If You Terminate Employment with the Company

If you terminate employment with the Company, you are required to repay your loan balance in full by the earlier of: (1) the end of the “cure period” (as defined in the section titled “[Loan Default](#)” for your earliest missed loan repayment, or (2) the date your total Plan account balance is distributed. If you fail to do so, any outstanding loan balance, plus accrued interest, will be considered in default and reported to the IRS as a Plan distribution, with potentially adverse tax consequences to you (*i.e.* 10% penalty tax on withdrawals before you reach 59 ½). Your account will be offset (reduced) by the amount in default.

A loan offset amount is treated as a distribution to you at the time of the offset and will be taxed (including the 10% penalty tax on withdrawals before you reach 59 ½, unless an exception applies) unless you do a 60-day rollover in the amount of the loan offset to another employer’s eligible retirement plan (if accepted) or an IRA, as described in “[Eligible Rollover Distributions](#),” below.

If you elect a Plan distribution before you repay your loan in full (and your Plan account has not already been offset), your distribution will be offset by the outstanding loan balance, plus accrued interest. For example, if you terminate employment at age 50 and your Vested account balance is \$10,000, of which \$3,000 is an outstanding loan balance, and you request a direct rollover of your entire Vested account balance to another employer’s eligible retirement plan before you repay your loan in full or your Plan account is otherwise offset, only \$7,000 will be directly rolled over to the other employer’s eligible retirement plan. However, you would be able to make a rollover contribution of \$3,000 to an employer’s eligible retirement plan (if accepted), an IRA or a Roth IRA within 60 days, as described in “[Eligible Rollover Distributions](#),” below.

If you pass away while you have an outstanding loan balance, your Beneficiary will not be permitted to assume your loan. Instead, your Vested Plan account balance will be offset by your outstanding loan balance, plus accrued interest, and the offset will generally be taxed as ordinary income. However, a surviving Spouse Beneficiary may generally roll over an amount equal to the loan offset to another employer’s eligible retirement plan (if accepted), an IRA or a Roth IRA as described in “[Eligible Rollover Distributions](#),” below, within 60 days.

Hardship Withdrawals

If you are experiencing certain financial difficulties, you can request a hardship withdrawal from your Pre-tax Contributions and Roth Contributions (including your Catch-up Contributions but excluding earnings), Rollover Contributions, and/or Vested Matching Contributions made to the Plan prior to January 1, 2017 (excluding any outstanding loan balance). You may not make a hardship withdrawal of your Retirement Contributions, Supplemental Retirement Contributions, or Matching Contributions made to the Plan on or after January 1, 2017. You can take only two hardship withdrawals during a plan year for a minimum amount of \$500.

You cannot take a hardship withdrawal if your financial difficulties can be addressed through other reasonably available means, including through a Plan loan. This requirement will be deemed met if (i) the distribution is not in excess of the financial burden and (ii) you have obtained all distributions and nontaxable loans available to you from this Plan and any other plan maintained by the Company.

You may request a hardship withdrawal if you experience one of the following financial burdens:

- Expenses incurred for, or necessary to obtain, medical care for you, your Spouse, or your dependents.
- Costs directly related to the purchase of your principal residence (excluding mortgage payments).
- Payment of tuition and related educational fees (excluding room and board) for the next 12 months of post-secondary education for you, your Spouse, your children, or your dependents.
- Funds you need to prevent eviction from your principal residence or foreclosure on the mortgage of your principal residence.
- Payments for burial or funeral expenses for your deceased parent, Spouse, children, or dependents.
- Expenses for the repair of damages to your principal residence that would qualify for casualty deductions, regardless of whether the loss exceeds 10% of adjusted gross income (Code Section 165).
- Expenses and losses (including loss of income) incurred by the employee on account of a disaster declared by the Federal Emergency Management Agency (FEMA) provided your principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.

You will be required to provide supporting documentation when you request a hardship withdrawal.

To obtain a hardship withdrawal request form, please call T. Rowe Price Retirement Plan Services at 1-800-922-9945.

Plan Distributions

Distribution of Your Vested Account Balance

Your Vested account balance may be distributed in case of the following events:

- If you retire on or after your Normal Retirement Date
- If you die while you are a Participant in the Plan
- If you terminate employment with the Company for any reason other than retirement or death.

Distributions may be made as soon as administratively possible after your retirement, death or termination of employment with the Company. If your total Vested Plan account balance is more than \$5,000, you are not required to take a distribution from the Plan until your “required beginning date,” as described in [“Required Minimum Distributions During Your Lifetime,”](#) below.

The amount of the distribution will equal your Vested account balance on the date your account is liquidated for payment. Depending upon the performance of the Investment Funds in which your account is invested, the amount available for distribution may be worth more or less than the original amount contributed to your account.

Participant Distribution Options

If your total Vested Plan account balance is more than \$5,000, you may elect to directly roll over your Plan account balance, as described in the section titled [“Eligible Rollover Distributions,”](#) or to receive your Plan account balance in one of the following forms of payment:

- Lump Sum: You may elect to have your entire Vested account balance distributed in cash in a single lump sum payment. Once this amount is paid, you will not receive any other benefit from the Plan.
- Partial Lump Sum: You may elect to receive a partial payment of your Vested account balance in cash.
- Installment Payments: You may elect to receive your Vested account balance in monthly, quarterly, semi-annual, or annual installment payments over a period not exceeding your life expectancy or the joint life expectancies of you and your Beneficiary.

Terminated Participants who are at least age 55 and who are not enrolled in Morningstar Managed Account services may alternatively elect installment payments through the T. Rowe Price Retirement Income Manager “TRPRIM” program by accessing the Plan website at rps.troweprice.com.

Account Balances of \$5,000 or Less

If you terminate employment with the Company:

- Prior to your 65th birthday; and
- Your total Vested Plan account balance is greater than \$0, and does not exceed \$5,000; and
- You do not make an affirmative election to have such amount directly rolled over, as described in the section titled [“Eligible Rollover Distributions,”](#) or to receive such amount in a single lump sum payment,

then your total Vested Plan account balance will be automatically transferred to a traditional and/or Roth IRA in accordance with the Plan’s administrative procedures. If your Vested Plan account balance is automatically transferred to a traditional and/or Roth IRA, it will be invested in an investment product designed to preserve principal and provide a reasonable rate of return and liquidity. You will be responsible for any fees and expenses associated with the IRA(s); however, such fees and expenses will not exceed the fees and expenses charged by the IRA provider for comparable IRAs established for reasons other than the receipt of an automatic transfer. Currently, the IRA provider is FPS Trust Company LLC. FPS Trust Company can be reached at 1-303-625-9646.

However, if you terminate employment with the Company:

- Prior to your 65th birthday and your total Vested Plan account balance is \$1,000 or less; or

Plan Distributions (cont.)

- On or after your 65th birthday and your total Vested Plan account balance is \$5,000 or less, then your Vested Plan account balance will be distributed to you in a single lump sum payment as soon as administratively possible after you terminate from employment, unless you make an affirmative election to have such amount directly rolled over, as described in the section titled "[Eligible Rollover Distributions](#)."

The value of your total Vested Plan account balance on the date the distribution is made will be used to determine whether your total Vested Plan account balance is greater than \$0 and does not exceed \$5,000. Please note that your total Vested Plan account balance includes both Pre-tax and Roth Contributions and both Pre-tax and Roth Rollover Contributions.

Required Minimum Distributions During Your Lifetime

You must begin to receive your Vested account balance no later than your "required beginning date," which is the April 1 following the later of (a) the calendar year in which you attain age 72 (70 ½ if the Participant was born before July 1, 1949), or (b) the calendar year in which you terminate employment with the Company.

Distributions Upon Death

If you pass away, your Vested account balance will be payable to your Beneficiary as soon as administratively possible following the date of your death.

If you die while performing qualified military service, your Beneficiary will generally be entitled to any additional benefits that would have been provided under the Plan had you died while an Associate. If you are a Beneficiary of a Participant who died while performing qualified military service, you should call T. Rowe Price Retirement Plan Services at 1-800-922-9945 or email 401k@carmax.com for further details.

Beneficiary Distribution Options

If your total Vested account balance is \$5,000 or less when you pass away, then your total Vested account balance will be distributed to your Beneficiary in a single lump sum payment as soon as administratively possible after you pass away, unless your Beneficiary makes an affirmative election to have such amount directly rolled over, as described in the section titled "[Eligible Rollover Distributions](#)." The value of your total Vested account balance on the date the distribution is made will be used to determine whether your total Vested account balance is \$5,000 or less. Please note that your total Vested Plan account balance will include both Pre-tax and Roth Contributions and both Pre-tax and Roth Rollover Contributions.

If your total Vested account balance is more than \$5,000 when you pass away, your Beneficiary may elect to directly roll over your Vested account balance, as described in the section titled "[Eligible Rollover Distributions](#)," or to receive your Vested account balance in one of the following forms of payment:

- Lump Sum: Your Beneficiary may elect to have your entire Vested account balance distributed in cash in a single lump sum payment. Once this amount is paid, your Beneficiary will not receive any other benefit from the Plan.
- Partial Lump Sum: Your Beneficiary may elect to receive a partial payment of your Vested account balance in cash.
- Installment Payments: Your Beneficiary may elect to receive your Vested account balance in monthly, quarterly, semi-annual, or annual installment payments over a period not exceeding your Beneficiary's life expectancy.

Required Minimum Distributions After Your Death

After your death, your Vested account balance must be distributed, or begin to be distributed, **no later than** as follows:

If you pass away on or after your "required beginning date," as described in the section titled "[Required Minimum Distributions During Your Lifetime](#)," and before your entire Vested account balance is distributed, your remaining Vested account balance must be distributed to your Beneficiary at least as rapidly as the distribution schedule in effect at the time of your death.

Plan Distributions (cont.)

In general, if you pass away before your “required beginning date,” as described in the section titled [“Required Minimum Distributions During Your Lifetime,”](#) and your Spouse is not your sole Beneficiary, your Beneficiary must:

- Begin receiving installment payments on or before December 31 of the calendar year immediately following the calendar year in which you died, and such installment payments must be paid over a period not extending beyond the life expectancy of your Beneficiary. Or,
- Elect (by the Plan’s applicable deadline) to receive your entire Vested Plan account balance on or before December 31 of the calendar year that contains the fifth anniversary of your death.

In general, if you pass away before your “required beginning date,” as described in the section titled [“Required Minimum Distributions During Your Lifetime,”](#) and your surviving Spouse is your sole Beneficiary, your Beneficiary must:

- Begin receiving installment payments by the later of December 31 of the calendar year following the calendar year in which you died, or December 31 of the calendar year in which you would have reached age 70 1/2, and such installment payments must be paid over a period not extending beyond the life expectancy of your Beneficiary. Or,
- Elect (by the Plan’s applicable deadline) to receive your entire Vested account balance on or before December 31 of the calendar year that contains the fifth anniversary of your death.

Your Beneficiary may elect to receive your remaining Vested account balance on a faster schedule or in a single lump sum payment.

Taxation of Distributions

Pre-tax Account

When you receive a distribution of your Pre-tax Contributions, earnings attributable to your Pre-tax Contributions, and other pre-tax amounts (such as employer contributions, Pre-tax Rollover Contributions, and related earnings) these amounts will generally be taxable as ordinary income in the year they are distributed. If any part of your pre-tax account balance is distributed to you before you reach age 59½, you may be subject to an additional 10% early withdrawal penalty tax on the amount of the distribution. Distributions from the Plan to your surviving Beneficiary after your death are not subject to the 10% penalty tax.

You can postpone paying income taxes on your pre-tax amounts, and avoid the 10% penalty tax for an early withdrawal from the Plan, by rolling over a pre-tax amount that is an eligible rollover distribution to an employer’s eligible retirement plan (if accepted) or a traditional IRA, as described in the section titled [“Eligible Rollover Distributions.”](#) You may also roll over a pre-tax amount that is an eligible rollover distribution to a Roth IRA and avoid the 10% penalty tax for an early withdrawal from the Plan; however, any previously untaxed amounts will be taxable income to you in the year of the rollover.

Roth Account

If you receive a “qualified distribution” of Roth Contributions from the Plan, then **neither** your Roth Contributions, **nor** any earnings attributable to those contributions will be subject to income taxes. A distribution from the Plan is a “qualified distribution” if it is taken at least five years after January 1 of the year in which you make your first Roth Contribution **and** you’ve either reached age 59 ½, become totally disabled, or died.

If your distribution is not a “qualified distribution,” then the portion of your distribution that represents earnings on your Roth Contributions will be taxable (but not the portion that represents your Roth Contributions), and such earnings portion may be subject to an additional 10% early withdrawal penalty tax if you haven’t reached age 59 ½, unless you roll over such earnings portion, as described in “Eligible Rollover Distributions,” below. Distributions from the Plan to your surviving Beneficiary after your death are not subject to the 10% penalty tax.

If you made a Roth Rollover Contribution to the Plan, special rules may apply for determining whether your distribution is a “qualified distribution” and for determining any applicable taxes and penalties.

This summary describes the taxation of distributions from the Plan and not from another employer's eligible retirement plan, an IRA, or a Roth IRA. Tax laws change frequently. If you have any questions regarding income tax considerations for Plan distributions, please consult your personal tax advisor.

Eligible Rollover Distributions

Most lump sum distributions, partial lump sum distributions, and installment payments that are being paid over a period of less than 10 years are considered "eligible rollover distributions;" however, certain distributions are not eligible rollover distributions, such as required minimum distributions, hardship withdrawals, and installment payments that are being paid over your life expectancy, the joint life expectancy of you and your Beneficiary, or a specified period of 10 years or more.

You may generally elect to directly roll over an eligible rollover distribution or indirectly roll over the eligible rollover distribution through a "60-day" rollover. If you elect a direct rollover, a check will be made payable to the rollover institution and will typically be mailed directly to the rollover institution. In some cases, the check may be mailed to you, and you will be responsible for forwarding the check to the rollover institution. If you do not elect a direct rollover, the check will be made payable to you. If the check is made payable to you and you wish to make a "60-day rollover," you will have 60 days after you receive the distribution to make a deposit into another eligible retirement plan, as described below.

If you wish to directly roll over installment payments that are eligible rollover distributions, you may elect to receive installment payments and to directly roll them over outside of the T. Rowe Price Retirement Income Manager "TRPRIM" program. Please call T. Rowe Price Retirement Plan Services at 1-800-922-9945 for additional information regarding directly rolling over installment payments.

Pre-tax Account

An eligible rollover distribution from the pre-tax portion of your account can be rolled over either directly or through a "60-day" rollover to another employer's eligible retirement plan (if accepted), or a traditional IRA. An eligible rollover distribution from the pre-tax portion of your account may also be rolled over either directly or through a "60-day" rollover to a Roth IRA; however, any previously untaxed amounts will be taxable income to you in the year of the rollover.

Please note that the Plan is required to withhold 20% of the taxable portion of an eligible rollover distribution for federal income taxes unless you elect a direct rollover. This means that, in order to roll over the entire payment in a "60-day" rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment (including the portion withheld), the portion not rolled over will be taxed and may be subject to the additional 10% early withdrawal penalty tax if you are under age 59 1/2. State income tax withholding may also apply.

If you pass away, your surviving Spouse Beneficiary may generally roll over an eligible rollover distribution to their employer's eligible retirement plan (if accepted), an IRA, or Roth IRA. Your non-Spouse Beneficiary may only elect a direct rollover of an eligible rollover distribution from the Plan to an inherited IRA or inherited Roth IRA.

Roth Account

An eligible rollover distribution from the Roth portion of your account can be rolled over directly to a Roth account in another employer's eligible retirement plan (if accepted) or to a Roth IRA. An eligible rollover distribution from the Roth portion of your account may also be rolled over through a "60-day" rollover to a Roth IRA. You may only make a "60-day" rollover to a Roth account in another employer's eligible retirement plan if the payment is **not** a "qualified distribution" and the rollover does not exceed the amount of the Roth earnings in the payment. You cannot do a "60-day" rollover to an employer plan of any part of a "qualified distribution."

Please note that if your payment is an eligible rollover distribution and not a "qualified distribution," as described in the section titled "[Taxation of Distributions](#)," then the Plan is required to withhold 20% of the portion of the distribution attributable to earnings on your Roth Contributions for federal income taxes, unless you elect a direct rollover. This means that, in order to roll over the entire payment in a "60-day" rollover to a Roth IRA, you must use other funds to make up for the 20% withheld. If the payment is not a "qualified distribution" and you do not roll over an amount at least equal to the Roth earnings portion of the distribution (including any portion withheld), you will be taxed on the amount of those Roth earnings

Plan Distributions *(cont.)*

not rolled over, including the additional 10% early withdrawal penalty tax if you are under age 59½ (unless an exception applies). State income tax withholding may also apply.

If you made a Roth Rollover Contribution to the Plan, special rules may apply for determining the taxable portion of a distribution, any applicable 10% penalty tax, and any applicable withholding.

If you pass away, your surviving Spouse Beneficiary may generally roll over an eligible rollover distribution to a Roth account in their employer's eligible retirement plan (if accepted) or a Roth IRA. Your non-Spouse Beneficiary may only elect a direct rollover of an eligible rollover distribution to an inherited Roth IRA.

This summary describes eligible rollover distributions from the Plan and not from another employer's eligible retirement plan, IRA, or Roth IRA. Tax laws change frequently. If you have any questions regarding income tax considerations for Plan distributions, please consult your personal tax advisor.

Missing Participants

If you are entitled to a distribution but the Committee cannot locate you, your Vested account balance may be forfeited. If you or your Beneficiary subsequently makes a written claim for payment, your Vested account balance will be restored (unadjusted for any gains or losses since the forfeiture).

Please note that if a distribution check from the Plan is made payable to you and you fail to cash your check in a timely manner, all or part of your Plan benefit will be taxable income to you in the year of the distribution (except for a "qualified distribution" from a Roth account). Your Plan benefit will be reinstated in an after-tax account (which is not a Roth account) and special rules will apply for determining the taxation of any future distributions from your Plan account and for making rollovers from your Plan account.

Redemption Fees

As described under the heading "[Fees and Expenses](#)," a redemption fee will be deducted from your distribution if you receive a distribution from an Investment Fund that assesses a redemption fee and you have not met the fund's minimum holding period requirement.

Former Circuit City Employees

The following special vesting provisions apply to certain Associates who were formerly employed by Circuit City Stores, Inc., and who participated in the Circuit City Stores, Inc. 401(k) Savings Plan (the "Circuit City Plan"):

- If you are a former employee of Circuit City Stores, Inc. and you became a CarMax Associate before March 1, 2003, you will be credited with Vested Service you earned under the Circuit City Plan.
- If you are a former employee of Circuit City Stores, Inc. and you became a CarMax Associate before March 1, 2005, you will be credited with Vested Service you earned under the Circuit City Plan before October 1, 2002, but only if you have not incurred a Break in Service.
- If you are a former employee of Circuit City Stores, Inc. and you became a CarMax Associate on or after March 1, 2005, you will not be credited with Vested Service for your period of employment with Circuit City Stores, Inc.

Qualified Domestic Relations Order

A Qualified Domestic Relations Order (QDRO) is a court order that creates or recognizes an Alternate Payee's (*i.e.*, Spouse, former Spouse, or child) right to all or part of your Plan benefits. While ERISA generally protects Plan benefits against creditors, Qualified Domestic Relations Orders are an exception. Such an order can compel payment of Vested benefits even though the Plan prohibits distributions to an alternate payee who would otherwise not be a Participant.

The Committee will notify you if the Plan receives a Domestic Relations Order that may affect your benefits. A hold will be placed on your Plan Account while the Committee determines whether the order is qualified. You and each Alternate Payee will be notified of the decision if the order is determined to be qualified. The affected portion of your account balance will be transferred into a separate account for the Alternate Payee. Additional information regarding QDRO determination procedures can be found in the QDRO kit, which you can obtain, free of charge, as described below.

If you expect to submit a Domestic Relations Order to the Plan, it is recommended that you request a QDRO kit (free of charge) *prior* to requesting a court to enter a Domestic Relations Order. A sample QDRO kit and model order can be found on <http://www.qocenter.com/>. This will help ensure that you meet Plan requirements for a Qualified Domestic Relations Order prior to incurring court expenses. Each Domestic Relations Order submitted for review and qualification will be assessed a \$650 Qualification Fee from Alight. Once a Domestic Relations Order has been deemed qualified, the separation of assets will be processed at T. Rowe Price, and your Plan Account will be assessed a \$300 QDRO Split Fee from T. Rowe Price.

Claims Procedure

You do not need to file a formal request or claim to receive your benefits under the Plan. Please call T. Rowe Price Retirement Plan Services at 1-800-922-9945 to request a distribution of your Plan benefit. However, if you disagree with the Committee's determination of the amount of your benefits under the Plan or with respect to any other decision the Committee may make regarding your interest in the Plan, you have the right to file a claim to have the decision reconsidered. The following information describes the process for filing benefit claims.

Filing a Claim for Benefits

A claim for benefits under the Plan must be made in writing to the Committee. You may designate (in writing) an authorized representative to act on your behalf in pursuing your claim for benefits.

Time for Decision on a Claim

If you have submitted a claim for benefits, your claim will be considered approved only if you receive such approval in writing. If your claim is denied, in whole or in part, you will receive written notice of the denial within 90 days after receipt of your claim, or within 180 days after such receipt if special circumstances require an extension of time. If special circumstances require an extension of time, you will be furnished written notice prior to the end of the initial 90-day period. The notice of extension will explain the special circumstances requiring an extension of time and the date by which the Committee expects to render a decision.

Notification of Denial

A written notice of denial will contain the following:

- the specific reason or reasons for denial;
- a reference to specific Plan provisions on which the denial is based;
- a description of any additional material or information necessary for the claimant to perfect the claim, and an explanation of why the material or information is necessary; and
- an explanation of the claims review procedure and the time limits applicable to such procedures, including a statement of your right to bring a civil action under ERISA Section 502(a) following a denial upon review of the claim.

Right to Review

Review may be requested at any time within 90 days following the date you received written notice of the denial. A failure to file a request for review within 90 days will constitute a waiver of your right to have the denial of your claim reviewed.

Review Procedures

Your petition for review should be made in writing to the Committee and should state your name and address, the fact that you are disputing the denial of a claim, the date of the initial notice of denial, and the reason(s), in clear and concise terms, for disputing the denial. These reason(s) must include a description of the issues and any evidence that you consider relevant to your petition. If you fail to raise certain issues or to present certain evidence on review, you will not be permitted to raise such issues or present such evidence in any later proceeding or judicial review of your claim.

During the review process, the Committee will:

- provide, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to the claim;
- permit you to submit written comments (neither you nor your authorized representative will be permitted to present comments in person), documents, records and other information relating to the claim; and

Claims Procedure *(cont.)*

- provide a review that takes into account all comments, documents, records and other information submitted by you, without regard to whether such information was submitted or considered in the initial determination.

The Committee has full authority to interpret and apply in its discretion the provisions of the Plan when reviewing your petition. The decision of the Committee is final and binding upon you and any other claimants and any person making a claim through or under you or any other claimants.

Time for Decision on Review

Unless special circumstances require an extension of time for processing, you will be notified of the decision on review within 60 days after receipt of your written petition for review. If an extension is necessary due to special circumstances, you will be given a written notice of the required extension prior to the expiration of the initial 60-day period. The notice will indicate the circumstances requiring the extension and the date by which the Committee expects to render a decision. The extension may be for up to 60 additional days.

Notification of Determination on Review

If your claim is denied upon review, the written notice will contain the following information:

- the specific reason(s) for the denial and specific reference to the provisions of the Plan on which the denial is based;
- 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 the claim for benefits; and
- a statement explaining your right to bring a civil action under Section 502(a) of ERISA following the denial.

Deadline to Bring Legal Action

You must complete the claims and review processes described above before you may bring legal action. Once you have completed these processes, you must file any arbitration proceeding within one year of the Plan's final decision on review.

Arbitration

All claims and disputes of any nature under the Plan shall be subject to arbitration. All claims will not be decided through litigation before a judge or jury in federal, state or local courts. You must complete the claims and review processes described above before commencing arbitration.

By participating in the Plan, you have waived any right to be a party in a class action. Any claim you bring in arbitration is limited to your individual claim.

Arbitration under the Plan is governed by the CarMax Dispute Resolution Rules and Procedures (the "Procedures"). Arbitration will be conducted in accordance with Rules 5 to 18 of the Procedures, copies of which were provided to you before your commenced employment and are also available upon request from your HR representative and online at CarMax World, carmax.sharepoint.com/sites/portal or the Committee.

You must provide written notice of any claim no later than: (1) the expiration of the statute of limitations prescribed by applicable law, and/or (2) one year of the Plan's final decision on review, whichever is shorter. You must commence arbitration in accordance with the terms of Rule 4 of the version of the Procedure as in effect at the time of notice of the claim.

Your claim will be heard in a location where you were last employed, pursuant to Rule 6(b) of the Procedures. If your claim is for breach of fiduciary duty by the Plan, it will be held in Richmond, Virginia.

Fees and Expenses

The Committee is authorized to determine how the Plan's expenses will be allocated among (charged to) individual participant Accounts and may change how the Plan's expenses are allocated at any time. The following table is provided to help you understand how Plan expenses are paid and allocated among Participants (and surviving Beneficiaries, as applicable). There are several sources of additional information regarding the fees and expenses charged in connection with the Plan. These sources are listed after the chart below.

Plan Expenses	Description	Payer
Individual service fees	These fees represent charges associated with a Participant's or surviving Beneficiary's use of a particular Plan feature or transaction.	<p>Participants (and surviving Beneficiaries) are responsible for the following fees when they utilize the associated Plan feature:</p> <ul style="list-style-type: none"> • Loan Origination Fee: \$50 per approved loan (Participants only) • Loan Maintenance Fee: \$25 annually for each outstanding loan (Participants only) • Optional Morningstar Investment Management Services: 35 basis points • Express Mail Fee: \$30 per use for express mail delivery • Wire Fee: \$30 per wire remitted • Qualified Domestic Relations Order (QDRO) Qualification Fee: \$650 per participant per QDRO processed by Alight • Qualified Domestic Relations Order (QDRO) Split Fee: \$300 processing fee per QDRO • Distribution Fee: \$25 service fee per distribution (excluding hardships, installment payments, and required minimum distributions) <p>The fees will be deducted from the Participant's (or surviving Beneficiary's) account. Please see the Participant Disclosure Notice for the most current list of the amount and type of fees.</p>
Investment fees and expenses	These fees and expenses are generally associated with managing investment fund investments and assessed as a percentage of fund assets.	<p>Certain fees are deducted from an investment fund's total return and are identified in the Participant Disclosure Notice, the Morningstar fact sheet, and the fund prospectus (for mutual funds). Please review the Participant Disclosure Notice for a comparison of the investment management fees ("Expense Ratio") charged to the Plan's investment funds. Expense ratios vary from option to option. Some of the Plan's investment funds may pay fees to the Plan's recordkeeper to offset the Plan's</p>

Fees and Expenses (cont.)

		administrative expenses (referred to as "expense reimbursements"). These expense reimbursements are included within the expense ratio already charged at the investment fund level.
Investment transaction fees	Some investment funds charge a redemption fee or surrender charge to discourage short-term buying and selling.	Participants (and surviving Beneficiaries) who invest in certain investment funds may be subject to redemption fees if they don't meet the minimum holding period requirement. These fees (if any), are identified in the Participant Disclosure Notice. These fees will be deducted from Participant (or surviving Beneficiary) accounts.
Administrative Expenses	Fees associated with the overall administration of the plan, including the cost of recordkeeping, accounting, legal and trustee services. They also include additional fees for special features and services, such as telephone and Internet access to your account.	There is a \$6.50 quarterly recordkeeping fee.

You may view the Plan's fees and expenses in the following places:

- Your quarterly Plan statement shows the total assets in your account, how they are invested, and the increases and decreases in the value of your investment funds during the period covered by the statement. Your statements also may show administrative fees, if any, deducted directly from your account.
- You may obtain fee and expense information by accessing the Plan web site at rps.troweprice.com or by calling T. Rowe Price Retirement Plan Services at 1-800-922-9945.
- The prospectuses and Morningstar fact sheets for the Plan Investment Funds also contain information regarding plan fees and expense information, and these prospectuses and Morningstar fact sheets are available by accessing the Plan web site at rps.troweprice.com or by calling T. Rowe Price Retirement Plan Services at 1-800-922-9945.
- The Summary Annual Report of the Plan also includes fee and expense information and is sent to Participants and surviving Beneficiaries annually. To obtain a copy, contact the MYKMXHR Service Center at 1-888-695-6947 or email benefits@carmax.com.
- The annual Participant Disclosure Notice includes fee and expense information and is sent to Participants, Alternate Payees, and surviving Beneficiaries annually. To obtain a copy, contact the Committee or T. Rowe Price Retirement Plan Services at 1-800-922-9945.

General Information

Name of the Plan

CarMax, Inc. Retirement Savings Plan

Type of Plan

401(k) Plan; Profit Sharing Plan; participant-directed investments

Effective Date

October 1, 2002. The Plan was most recently amended and restated effective January 1, 2017. The Plan may be amended from time to time as described in the section titled "[Plan Amendment or Termination](#)," below.

Plan Sponsor

CarMax, Inc.
12800 Tuckahoe Creek Parkway
Richmond, VA 23238

(804) 747-0422

Employer Identification Number: 54-1821055

Plan Administrator

The Plan is administered on behalf of the Company by the Benefits Administrative Committee, which is the Plan Administrator for ERISA purposes. The Plan Administrator may be contacted at:

Benefits Administrative Committee of CarMax, Inc.
12800 Tuckahoe Creek Parkway
Richmond, VA 23238

(804) 747-0422

The Plan contracts with T. Rowe Price Retirement Plan Services, Inc. to provide administrative and recordkeeping services. T. Rowe Price Retirement Plan Services, Inc. may be contacted at 1-800-922-9945.

Plan Year

Each year from January 1 through December 31.

Plan Number

(PN) 003

Agent for Service of Legal Process

Corporate Secretary
CarMax, Inc.
12800 Tuckahoe Creek Parkway
Richmond, VA 23238
Attention: Corporate Secretary

(804) 747-0422

Service of legal process may be made upon the Plan Administrator or Trustee.

Trustee Name and Address

The Plan's assets are held in trust. The Plan Trustee is:

T. Rowe Price Trust Company
100 East Pratt Street
Baltimore, MD 21202

Plan Document Controls

The benefits described in this SPD do not constitute or imply contracts or any other contractual obligations between the Company and its Associates and/or other individuals eligible to participate in or benefit under this Plan. In the event the relevant facts about your participation are inaccurate, an adjustment will be made. In any event, the terms of the Plan Document and/or Company policies will prevail.

CarMax, Inc. retains the right to modify or terminate any of these benefits without the consent of, or notice to, Associates and/or other individuals eligible to participate in, or benefit under, this Plan. The Company maintains this Plan by choice, not obligation.

Administration

The Chief Human Resources Officer of CarMax, Inc. shall appoint at least three individuals, called the Benefits Administrative Committee, to administer the Plan. The Committee makes all decisions regarding benefit eligibility and amounts. You have the right to ask the Committee questions concerning the Plan or Plan documentation.

The Committee has the express discretionary authority to interpret the terms of the Plan and to decide factual and other questions relating to the Plan and its benefits, including without limitation, factual questions relating to eligibility for, entitlement to, and payment of benefits. The Committee's interpretations of the Plan and factual determinations concerning benefit issues are binding on Participants and Beneficiaries. The Committee may delegate administrative or record-keeping functions as it deems appropriate. The Committee may correct any errors that may occur in administering the Plan.

Top-Heavy Rules

A plan is top-heavy if the sum of the accounts of key employees is more than 60% of all the accounts. Key employees are generally employees who are officers of the Company and other employees who are among the most highly paid of the Company and have the highest percentage of ownership of the Company. If the Plan is top-heavy, special rules apply that relate to minimum allocations and the amount of compensation that may be considered in making such minimum allocations to the Plan.

For each Plan Year that the Plan is top-heavy, your account may receive a Company contribution if you are employed on the last day of the Plan Year and are a non-key employee. The amount of such contribution will generally be an amount up to 3% of your compensation or, if less, the highest percentage allocated to the accounts of key employees.

No Right to Employment

The benefits described in this SPD do not constitute or imply employment contracts or any other contractual obligations between the Company and its Associates and/or other individuals eligible to participate in or benefit under this Plan. Being a Participant in the Plan does not give an Associate the right to remain employed with the Company.

While in the Plan, you cannot sell, transfer or assign either voluntarily or involuntarily, the value of your Plan account. However, under certain circumstances a court may award part of your benefit to a present or former Spouse, child or other dependent as part of a Qualified Domestic Relations Order.

Plan Continuance

The Company expects and intends to continue the Plan indefinitely, but reserves the right to terminate or amend the Plan at any time. If the Plan is terminated, you will become immediately Vested in the value of your Plan account.

Plan Amendment or Termination

The Plan may be amended by the Board of Directors of CarMax, Inc. or the Committee at any time for any reason; provided, however, that any amendment that is financially material to CarMax, Inc. or its shareholders must be approved by the Board of Directors of CarMax, Inc. The Plan may not be amended to decrease the amount of your Vested Plan account balance as of the date of the amendment. The Plan may be terminated by the Board of Directors of CarMax, Inc. at any time for any reason. If the Plan is terminated or partially terminated, each affected Participant will be 100% Vested in their Plan account balance, and their Plan account balance will be paid to them (or to their Beneficiary, in the event of their death) in a lump sum as soon as administratively possible after the termination.

The Plan is not insured by the Pension Benefit Guarantee Corporation, the government agency that insures certain pension plan benefits upon plan termination, because the Pension Benefit Guarantee Corporation does not insure 401(k) profit-sharing plans.

Plan Construction

Except as otherwise provided under the Internal Revenue Code, ERISA, and other applicable law, the provisions of the Plan shall be construed, enforced and administered in accordance with the laws of Virginia.

Participant's Rights Under ERISA

As a Participant in the Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants shall be entitled to:

Receive Information About Your Plan and Benefits

You may examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites, all documents governing the Plan and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

You may obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan and copies of the latest annual report (Form 5500 Series) and the updated summary plan description. The administrator may make a reasonable charge for the copies.

You may receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.

You may receive a statement showing the current value of your Plan account balance and whether you are Vested or the earliest date on which you may become Vested. This statement must be requested in writing and is not required to be given more than once every twelve months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and Beneficiaries. No one may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a Plan benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan 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 control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file you may bring a claim through Arbitration as described in the "Arbitration" section above. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support 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 you may 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 these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, 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 N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hot-line of the Employee Benefits Security Administration.