

THE ESOPupdate

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Thank
You
Jack

Jack Fitzgerald
1935–2025





A Gift of Ownership: Honoring Jack Fitzgerald's Vision

As heartfelt tributes to Jack Fitzgerald continue to pour in, perhaps the most profound tribute of all is the legacy he left us: transforming Fitzgerald into an employee-owned company. Jack made this decision not out of obligation, but out of deep care for the people who helped build the business. He understood the uncertainty that could follow his passing and chose to protect the livelihoods of every team member. In his own words, "I have enough problems with Saint Peter because I'm a used car salesman—the last thing I want to do is put 1,800 people out of work."

Thanks to his vision and generosity, we are not just employees—we are owners. And we can say with confidence that Jack Fitzgerald faced no trouble at the gate. – Rob Smith

Welcome to Ownership: **What It Means to Be Part of Fitzgerald Auto Mall Family**

At Fitzgerald Auto Mall, we do things a little differently—and proudly so. As the largest 100% employee-owned dealership group in the United States, we're not just coworkers, we're co-owners. That means every single one of us plays a vital role in the success and future of our business. If you're new here, welcome to the team. If you've been with us a while, congratulations on continuing to build something truly special.

What is an ESOP and Why Should You Care?

ESOP stands for **Employee Stock Ownership Plan**, and it's the cornerstone of our company's structure. Simply put, an ESOP gives you, the employee, a stake in Fitzgerald Auto Mall. Instead of outside investors or a private owner holding the reins, the company is owned by us—the people who make it thrive every day.

As we work hard to deliver exceptional service and uphold our values, we're not just earning a paycheck—we're building equity in our future.

A Culture Built on **Trust and Transparency**

Our culture isn't just about car sales and service—it's about values. Our slogan, "Transparency You Can Trust," doesn't just apply to our customers. It's at the heart of how we treat one another.

Being 100% employee-owned means we all have a vested interest in honesty, teamwork, and excellence. We support each other, we hold ourselves accountable, and we make decisions with integrity—because we're building something

How It's Different from a Traditional Company?

In most companies, employees work to help the owners or shareholders succeed. Here, we are the shareholders. That means when the company does well, we all benefit. Our profits don't just line the pockets of a few—they contribute to your retirement, your financial security, and your long-term success.

Unlike traditional retirement plans, the ESOP is funded entirely by the company. You don't have to contribute a single dollar to earn shares—your hard work and dedication do that for you. The longer you stay and the better the company performs, the more your account can grow.

Looking Ahead: A Solid Future for Your Retirement

When you hear “retirement plan,” you might think of something distant or out of reach. But thanks to the ESOP, your future is growing every day you are part of the team. In the future, long-time Fitzgerald employees will be able to retire with financial confidence, not just on social security.

As we continue to grow and innovate, we're not just shaping the future of the auto industry—we're shaping your future. The ESOP gives you the power to retire with dignity, and the pride of knowing you helped build the company that got you there.

What Does It Mean to Be An Owner at Fitzgerald Auto Malls?

It means **you** matter.

It means **your** work has impact.

It means **you** are part of something bigger—a company where the people who make it great own the success they create.

Let's keep driving forward—**together.**



Differences between ESOP & 401K Retirement Plans

Fitzgerald is making the financial futures of our associates a top priority. This is why we proudly transitioned to employee-owned in the ESOP. However, we encourage associates not to forget that we also offer a 401k plan to help them prepare for retirement.

While the ESOP and the 401K are both qualified retirement plans, they are quite different. The 401k is funded by the employees through deductions to their paychecks, whereas the ESOP is funded exclusively with contributions of company stock. Since the ESOP is such a fantastic benefit at no cost to the employee, you probably wonder, why should I continue to contribute to the 401K plan? →

ESOP FAQs

Q: How do I earn shares?

A: All associates are automatically enrolled in the ESOP on their first day of employment. There is no cost to participate. To earn shares, you simply need to work at least 1,000 hours during the plan year, which runs from February 1st to January 31st.

Q: How is the value of the shares determined each year?

A: An independent valuation firm determines the value of the company stock annually. Once set, the share value remains fixed for the entire plan year.

401K Benefits

- All new associates are enrolled into the 401k at a 5% contribution rate into the Pre-tax 401k option.
- The 401k offers flexibility to contribute on a pre-tax and/or post-tax option. You may change your contribution strategy at any time to fit your financial needs.
- You can select to contribute a flat dollar amount or percentage. The amount may be changed throughout the year.
- For associates 50 and over, you may contribute an additional \$7,500 in catch-up contributions above and beyond the \$23,500 annual maximum contribution.

Q: What happens if I leave employment?

A: The timing of your share payout depends on the circumstances of your departure. The plan year ends on January 31st, and any separations that occurred during the prior year are reported to our Third-Party Administrator (TPA). After the annual valuation is completed, the TPA will contact you to outline the next steps.

Q: Do I get to take all of the shares I earned?

A: You become fully vested— meaning you can keep 100% of your earned shares— after five years of service. If you leave before reaching five years, you are vested at 20% per year of service. Some exceptions may apply; please refer to the official plan documents available on the JJF Server or Paylocity for full details.

Still have questions?
Email esop@FitzMall.com



Welcome to the **Fitzgerald** family,  **Annapolis!**

A New Addition to the Family

We are excited to announce that Fitzgerald Auto Mall has officially added the Kia franchise to our Annapolis West Street location! This expansion is a fantastic opportunity for us to grow our presence in the Annapolis market and continue delivering the FitzWay experience to even more customers.

The Kia franchise will now operate under the leadership of General Manager Jeff Shaver, who will ensure a smooth transition and uphold our commitment to transparency, quality, and a great guest experience.

We also welcome new team members from Kia of Annapolis—please join us in making them feel at home!

What This Means for Our Team:

- A broader selection of high-quality vehicles to meet our customers' needs.
- More opportunities for career growth and collaboration.
- Strengthening our presence in the Annapolis area with an exciting and innovative brand.

We are excited to bring the Kia brand into the Fitzgerald family at our West Street location. This addition aligns perfectly with our mission to provide high-quality vehicles and an outstanding guest experience.

We want to thank each of you for your hard work and dedication, which make opportunities like this possible.

We look forward to a bright future with Kia at Fitzgerald Auto Mall and appreciate your continued dedication and support. If you have any questions, please reach out to your manager or leadership team.

Welcome, Kia of Annapolis, to the Fitzgerald family!

**Sincerely,
Rob, Dave, Gregg and Jack**



Community **SPOTLIGHT**

Fitzgerald Subaru of Gaithersburg Partners with St. Rose of Lima Church for a Food Drive!

Fitzgerald Subaru of Gaithersburg is excited to announce their partnership with St. Rose of Lima Church in Gaithersburg and the Knights of Columbus to support their monthly food drive! This initiative, typically held on the second Sunday of each month, helps provide essential food items to those in need. Fitzgerald Subaru proudly donates transportation for the food collected at St. Rose, delivering it to one of three local food pantries: St. Martin's Food Pantry, Germantown Help, and The Little Sisters of the Poor.



Car Seat Events and Pet Adoptions are back!



Next Car Seat Event

**Thursday, May 15th
10am–12:30pm**

**114 Baughsmann Lane
Frederick, MD 21702**

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Store in Frederick, Maryland!**

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furnishings, mattresses, and decor, plus
flexible financing and savings for you!



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