

**VEROS FINANCIAL HOLDINGS, INC.  
EMPLOYEE STOCK OWNERSHIP PLAN  
Summary Plan Description**

(January 1, 2023)

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## VEROS FINANCIAL HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Veros Financial Holdings, Inc., a corporation organized under the laws of the State of Nevada (the “Corporation”) established the Veros Financial Holdings, Inc. Employee Stock Ownership Plan (the “Plan”), and the Veros Financial Holdings, Inc. Employee Stock Ownership Trust (“Trust”), effective as of January 1, 2023 (“Effective Date”). Since inception, the Corporation has been taxed as a C corporation for federal income tax purposes. You may obtain a copy of the Plan and Trust documents from the Corporation. If you have any questions regarding the Plan, you should contact the Corporation.

The Corporation maintains the Plan to provide eligible employees of the Corporation and any other related entity that adopts the Plan (“Participating Employer,” collectively, with the Corporation, the “Employers”) with an opportunity to acquire ownership interests in the Corporation. The Plan is intended to be a tax-qualified “employee stock ownership plan” as defined under the Internal Revenue Code of 1986, as amended (the “Code”). Because of this, the Plan will be invested primarily in shares of common stock of the Corporation (“Corporation Stock”) but may hold certain other investments from time to time.

**Important:** The Corporation does not intend to apply for a listing of the Corporation Stock on a national securities exchange, and there can be no assurance that any trading market for the Corporation Stock will develop or exist at any time.

This Summary Plan Description (which may also be called the “SPD”) provides a brief description of the Plan. This document is intended to summarize the Plan and not to interpret, extend, or change it in any way. The actual Plan should be consulted with respect to its complete and technical operations. In the event of any discrepancy between this SPD and the actual provisions of the Plan, the Plan will govern and be controlling.

Because the Plan does not address every possible individual situation, a committee (the “ESOP Committee”) may be appointed to interpret the intent of the Plan with respect to specific situations, as needed. If no ESOP Committee is appointed, the board of directors of the Corporation (the “Board”) will retain discretionary authority for interpretation of the Plan (the Board or the ESOP Committee, if appointed, shall be referred to herein as the “Plan Administrator”). The Plan Administrator, in its sole and absolute discretion, will make determinations regarding such things as the terms of the Plan, eligibility for benefits and the nature and amount of benefits, if any. The Plan Administrator’s interpretation of the Plan and decisions concerning the Plan will be final and binding.

### PARTICIPATION IN THE PLAN

#### “Eligible Employee”

If you are an employee of any Employer, you are generally eligible for participation in the Plan. You are an “Eligible Employee” for the Plan so long as you are not:

- A member of a collective bargaining unit if retirement benefits covering such unit were the subject of good faith bargaining and coverage under this Plan was not agreed to under such bargaining.

- A non-resident alien (within the meaning of Code §7701(b)(1)(B)) who receives no earned income (within the meaning of Code §911(d)(2)) from the Participating Employers which constitutes income from sources within the United States (within the meaning of Code §861(a)(3));
- A temporary employee;
- A Leased Employee (within the meaning of Code §414(n)(2) and 414(o)(2));
- Employed by a related entity that is not a Participating Employer;
- An individual who is not on the payroll of the Corporation or any Participating Employer;
- Classified as an independent contractor; or

In the event an individual is misclassified as anything other than an employee and as a result is denied eligibility into the Plan, any reclassification of such individual as an employee (by a court, administrative agency, or otherwise) shall only be effective for purposes of the Plan from the date of such determination (notwithstanding any retroactive classification of such individual as an employee for any other purposes under the Code).

“Participant”

Once you become a participant in the Plan (a “Participant”), you will remain a Participant until you terminate employment or otherwise become ineligible to participate in the Plan and take a distribution of any benefits owed to you under the Plan; provided, should you terminate employment or otherwise become ineligible under the Plan, you will be owed no further benefits with respect to the Plan other than what is allocated to and held in your Account (as defined in **ACCOUNTS**).

An Eligible Employee will become a Participant in accordance with the following:

- Each Eligible Employee who: (i) attained age eighteen (18) and (ii) was employed on October 31, 2023 became a Participant effective as of January 1, 2023.
- If not employed on October 31, 2023, an Eligible Employee will become a Participant as of the “Entry Date” in the Plan Year in which he or she attains age eighteen (18), and completes one (1) “Year of Service” (as explained in **HOURS OF SERVICE**).

“Entry Date”

The Plan’s “**Entry Date**” is January 1 of each Plan Year.

“Plan Year”

The “Plan Year” is each twelve (12) month period beginning on January 1 and ending the following December 31.

## HOURS OF SERVICE

An “Year of Service” for eligibility purposes means a twelve (12)-consecutive month period commencing on an Eligible Employee’s first day of employment with an Employer—and continuing with the first Plan Year that contains the Employee’s first anniversary date and every subsequent Plan Year thereafter—in which he or she completes one thousand (1,000) Hours of Service.

A “Year of Service” for vesting purposes means a twelve (12)-consecutive month period commencing on the first day of each Plan Year and continuing every subsequent Plan Year ending thereafter which he or she completes one thousand (1,000) Hours of Service.

For both eligibility and vesting purposes, you are credited with an Hour of Service for hours when you are actively working for the Corporation or your Participating Employer, as well as for certain limited periods of time when you are not working, such as during vacation, holidays, illness, jury duty, and paid leaves of absence. For vesting purposes only (as explained in **VESTING**), you incur a one-year “Break in Service” during any Plan Year in which you complete fewer than five hundred (500) Hours of Service. You will be granted Hours of Service (not to exceed five hundred one (501) Hours of Service for any one absence) from work due to pregnancy, birth of your child, placement of a child with you for adoption, or caring for a child immediately following birth or placement.

## CONTRIBUTIONS AND ALLOCATIONS

All contributions to the Plan and earnings on those contributions are held in the Trust. An Account (as defined in **ACCOUNTS**) in the Trust will be established in your name and your share of Plan assets will be credited to your Account.

### “Compensation”

“Compensation” for computing your share of annual contributions under the Plan is your taxable compensation for a Plan Year reportable by your Employer on your IRS Form W-2 but also including salary reduction contributions you made to an Employer-sponsored cafeteria, qualified transportation fringe, simplified employee pension, 401(k), or 457(b) plan. Your Compensation will also include “Post-Severance Compensation,” as well as the amount of any additional payments made by the Corporation to you for any period of active military service in the uniformed services in the United States for more than 30 days.

Your Compensation does not include reimbursements, expense allowances, fringe benefits (cash or non-cash), moving expenses, contributions made by Your Employer to a deferred compensation plan (including employer contributions to a 401(k) plan), or distributions from a deferred compensation plan.

For purposes of determining your Compensation, “Post-Severance Compensation” is defined as those amounts that (i) would have been included in your Compensation if the amounts were paid to you prior to your separation from service, and (ii) are paid to you by the later of (A) two and one-half (2½) months after your separation from service, or (B) the end of the Plan Year in which your separation from service occurred. Amounts paid after your separation from service

will be considered Post-Severance Compensation if the payment: (i) is regular compensation for services performed during your regular working hours, or compensation for services outside your regular working hours (such as overtime or shift differential, commissions, or other similar payments); and (ii) would have been paid to you prior to separation from service if you had continued to be employed.

Compensation shall be recognized only as of, and after, your Entry Date in the Plan (*i.e.*, only Compensation earned while you are a Participant will be included). Compensation taken into account under the Plan for any Plan Year shall not exceed Three Hundred Thirty Thousand Dollars (\$330,000) (for the 2023 Plan Year), as adjusted by the Commissioner of Internal Revenue to reflect increases in the cost-of-living in accordance with §401(a)(17)(B) of the Code.

#### “Disability”

You are considered to have a “Disability” under the Plan if you qualify for benefits under the Corporation’s long-term disability plan or if you are found disabled by the Social Security Administration under the Social Security Act then in effect. The determination of “Disability” shall be applied uniformly to all Participants.

#### “Earnings”

As of the end of each Plan Year, your Account will be credited with your share of the net income (or loss) of the Trust for the Plan Year which will be allocated based on Account balances.

#### “Employee Contributions”

The Plan does not permit (or require) Participants to make voluntary contributions or rollover contributions, and the Plan is not required to satisfy a special discrimination test under Code §401(m).

#### “ESOP Contributions”

Each Plan Year, the Corporation will make contributions to the Plan (the “ESOP Contribution”). ESOP Contributions by the Corporation may be made in the form of Corporation Stock, cash, or a combination of both. The Corporation retains the sole discretion to determine the amount (if any) of the ESOP Contribution in any given Plan Year. However, the Corporation will make an ESOP Contribution each Plan Year at least in such amount as needed to satisfy the obligations of the Plan, including payment of any outstanding loan entered into by the Plan that allowed the Plan to purchase the Corporation’s stock and create an ESOP. As a result, debt incurred by the Plan will be repaid by ESOP Contributions from the Corporation.

The ESOP Contribution for each Plan Year, if any, will be allocated among Participants in the ratio that the Compensation of each Participant bears to the total of all such Compensation of all Participants. In general, your Account will only be allocated an ESOP Contribution if you are employed on the last day of the Plan Year and you have completed one thousand (1,000) Hours of Service during the Plan Year for which the ESOP Contribution is made.

### **EXAMPLE**

Assume the ESOP Contribution for the 2023 Plan Year was One Hundred Thousand Dollars (\$100,000). Participant A worked one thousand (1,000) hours during the 2023 Plan Year and is employed on December 31, 2023 (the last day of the Plan Year).

Participant A's Compensation for the 2023 Plan Year was Fifty Thousand Dollars (\$50,000). The total Compensation of all Participants eligible to participate in the Plan, including Employee A, was Two Million Fifty Thousand Dollars (\$2,050,000).

$$\begin{array}{r} \$100,000 \\ \text{(Contribution)} \end{array} \quad \times \quad \begin{array}{r} \$50,000 \\ \$2,050,000 \end{array} = \$2,439.02$$

The total ESOP Contribution for Participant A is Two Thousand Four Hundred Thirty-Nine Dollars and Two Cents (\$2,439.02).

If you terminate employment during a Plan Year as a result of your Retirement (as defined in "Retirement"), your death, or your Disability, you will also receive an allocation of ESOP Contributions for that Plan Year regardless of your employment status on December 31 and the number of Hours of Service you performed.

#### "Exempt Loan"

The Plan has the ability to borrow money to buy Corporation Stock. Certain loans, called "Exempt Loans," may take the form either of a direct loan by the Corporation to the Plan, or a loan to the Plan by some other lender which is "guaranteed" by the Corporation. Exempt Loans are subject to several special rules described in various parts of this SPD. Shares of Corporation Stock purchased with the proceeds of an Exempt Loan are pledged as collateral for the Exempt Loan and subsequent contributions would be used, at least in part, to repay the Exempt Loan. S corporation distributions paid to the Plan which are attributable to shares of Corporation Stock purchased with an Exempt Loan will first be used to repay the Exempt Loan used to purchase such shares and then allocated to your Account as earnings.

**CORPORATION STOCK PURCHASED WITH AN EXEMPT LOAN IS NOT ALLOCATED DIRECTLY TO YOUR ACCOUNT. WHEN A CONTRIBUTION IS MADE TO THE PLAN AND PART OF AN EXEMPT LOAN IS REPAID, A PORTION OF THE SHARES PURCHASED WITH THE EXEMPT LOAN WILL BE RELEASED AND ALLOCATED TO ELIGIBLE PARTICIPANT ACCOUNTS.** These shares are allocated based on your Compensation in relation to the Compensation of all other Participants who share in the allocation of the ESOP Contribution as described above.

#### "Forfeitures"

Forfeitures during each Plan Year will be first used to reduce the Corporation's contribution obligations under the Plan and any remaining forfeitures will be allocated among active Accounts in the ratio that each such active Participant's Compensation received during the Plan Year then ended bears to all Compensation received by all active Participants during the Plan Year then ended. For all Plan Years beginning after January 1, 2023, your Account will only be

allocated Forfeitures if you are employed on the last day of the Plan Year and you have completed one thousand (1,000) Hours of Service during the Plan Year for which the Forfeitures are allocated. If you terminate employment during the Plan Year as a result of your Retirement, death or Disability, you will also receive an allocation of Forfeitures for that Plan Year regardless of your employment status on the last day of the Plan Year and the number of Hours of Service you performed.

### “Retirement”

For purposes of this SPD, Retirement means a Participant’s termination of employment with the Corporation or Participating Employer on or after the date the Participant turns age sixty-five (65).

## **LIMITS AND PROHIBITIONS ON ALLOCATIONS**

Federal law places limits on the total amount which may be added to your Account under all qualified plans you participate in during any Plan Year. For the 2023 Plan Year this amount cannot exceed the lesser of 100% of your Compensation for the Plan Year or Sixty-Six Thousand Dollars (\$66,000) as adjusted by the Commissioner of the Internal Revenue to reflect increases in the cost-of-living. Should you receive amounts in excess of these limits, the Plan may have to distribute such amounts from your account. If contributions to an individual exceed the “415 Limits”, amounts should first be distributed from the Corporation’s other qualified plans, if any.

In any Plan Year in which the Corporation is treated as a C corporation for federal tax purposes, no more than one-third of all contributions during the Plan Year can be allocated to the “Prohibited Group.” The Prohibited Group is the “Highly Compensated Employees” participating in the Plan. A Highly Compensated Employee generally includes (i) employees making over a certain amount set by the Internal Revenue Service (*e.g.*, One Hundred Fifty Thousand Dollars (\$150,000) for 2023), and (ii) five percent (5%) owners of the Corporation. If more than one-third of all contributions during the Plan Year are allocated to the Prohibited Group, any Forfeitures allocated to your account and ESOP Contributions used to pay interest on certain loans to the Plan will be subject to the 415 Limits described above.

In addition, certain individuals are prohibited from receiving an allocation of Corporation Stock under the Plan when the Plan acquired such stock in a “§1042 Transaction.” A §1042 Transaction is one wherein the individual selling shares of Corporation Stock to the Plan elects to defer recognition of the gain on the transaction as provided under Code §1042. If you or any relative of yours has sold Corporation Stock to the Plan, you should contact the Plan Administrator for details.

During any Plan Year in which the Corporation Stock held under this Plan consist of stock in an S Corporation, as determined for federal income tax purposes, certain “disqualified persons” may be prohibited from receiving an allocation under the Plan. A “disqualified person” is a person who either (i) owns ten-percent (10%) or more, or (ii) owns, along with specified family members, twenty-percent (20%) or more, of the issued and outstanding shares of Corporation Stock held by the Plan. If disqualified persons, when added together, own at least fifty-percent (50%) of the total outstanding shares of Corporation Stock, including shares owned by the Plan, shares held

individually, any rights which are based on Corporation Stock, *i.e.*, stock options and certain deferred compensation arrangements treated as being based on stock, an allocation to such disqualified person is prohibited. The Plan Administrator will be monitoring the status of potential “disqualified persons,” but if you think that you qualify as a “disqualified person,” either individually or due to the stock ownership of your family members, and want a more detailed explanation of these provisions and how they may affect you, please contact the Plan Administrator.

## ACCOUNTS

A Participant’s Account may consist of the following sub-accounts: a Corporation Stock Account and a General Investments Account. In addition, other Accounts can be used from time to time to record a Participant’s interest or the interests of a beneficiary. Any Corporation Stock contributed to the Plan should eventually be allocated directly to the Accounts of Participants who have satisfied the requirements to receive an allocation (as detailed in **CONTRIBUTIONS AND ALLOCATIONS**).

**CORPORATION STOCK PURCHASED WITH AN EXEMPT LOAN IS NOT ALLOCATED DIRECTLY TO YOUR ACCOUNT. RATHER, THE CORPORATION STOCK IS PLACED IN A SUSPENSE ACCOUNT. WHEN A CONTRIBUTION IS MADE AND PART OF AN EXEMPT LOAN IS REPAYED, A PRO RATA PORTION OF THE PLEDGED SHARES WILL BE RELEASED AND ALLOCATED TO YOUR ACCOUNT. AS THE EXEMPT LOAN IS PAID, SHARES ARE RELEASED FROM THE SUSPENSE ACCOUNT AND ARE ALLOCATED TO PARTICIPANT ACCOUNTS.** When shares are released, a portion of the pledged shares will be released and allocated to your Account based upon the contribution source (ESOP Discretionary Contributions) used to repay the Exempt Loan.

If you want more information on allocations to your Account under the Plan, please ask the Plan Administrator.

## VESTING

“Vesting” means your ownership of your Account. For example, if you are “100% Vested” you will receive one hundred-percent (100%) of the value of your Account if you terminate employment.

- You are one hundred-percent (100%) Vested in your Account if you terminate employment as a result of Disability.
- You are one hundred-percent (100%) Vested in your Account if you die while employed. If you die while on active duty in the uniformed services of the United States for a period longer than 30 days, you shall be treated as if you had resumed employment on the day prior to your death for purposes of determining the amount of any benefits payable under the Plan.
- You are one hundred-percent (100%) Vested in your Account if you terminate employment as a result of your Retirement.

In all other circumstances (such as resignation or dismissal), you will be entitled to a percentage of your Account based on your “Years of Vesting Service.” For purposes of Vesting, you will be credited with a Year of Vesting Service for each Plan Year in which you complete one thousand (1,000) Hours of Service.

All Years of Service with the Corporation (or any member of its controlled group) will be taken into account as Years of Vesting Service except those Years of Service prior to the Effective Date.

<u>Years of Vesting Service</u>	<u>Vested Percentage</u>
Less than 2 years	0%
2 years but less than 3	20%
3 years but less than 4	40%
4 years but less than 5	60%
5 years but less than 6	80%
6 years or more	100%

If you terminate employment with the Corporation before you are one hundred-percent (100%) Vested in your Accounts, any portion of the final balances in your Accounts which is not Vested will be forfeited as of the last day of the Plan Year in which you have incurred five (5) consecutive one (1)-year Breaks in Service.

If you terminate employment and are reemployed before you have five (5) consecutive one (1)-year Breaks in Service, any Forfeitures that result from your earlier termination of employment will be reinstated to your Accounts, provided, however, that if you received a distribution from the Plan you must repay the amount previously distributed to you to have the Forfeitures reinstated. If the number of your consecutive one (1)-year Breaks in Service is less than the greater of five (5) years or your Years of Vesting Service prior to your termination you will be credited with the Years of Vesting Service you earned prior to your termination.

If your employment terminates and you are reemployed by an Employer, the following rules shall apply:

- If you are reemployed before you incur five (5) one (1)-year Breaks in Service or after becoming Vested in any part of your Accounts, your employment will not be deemed to have been interrupted and, if you were a Participant previously, you will continue as such upon your reemployment.
- If you terminate your employment before becoming Vested in any of your Accounts and your Breaks in Service exceed the greater of (1) five (5) or (2) the aggregate number of your pre-Break in Service Years of Service, all of your pre-Break in Service Years of Service will be disregarded and you will be treated as a new Eligible Employee for all purposes of the Plan.

**Important:** If you believe you are entitled to a benefit that you have not received or disagree with any determination made by the Plan Administrator regarding your benefit, you may submit a claim for benefits under the Plan. However, the time period during which you may submit a claim for benefits (including the time period to bring suit after exhausting the Plan’s claims and appeals procedures) is limited. If you fail to make a timely claim for benefits or to timely appeal a denied claim, you may lose your right to those benefits. For important information regarding the process and deadlines for submitting a claim for benefits, including the deadline for filing a claim in court, please see the section of this booklet titled **CLAIMS PROCEDURES**.

## **DISTRIBUTIONS**

Distribution of benefits will generally be made in a single lump sum. Benefits shall only be paid if the Plan Administrator determines in its discretion that a person is entitled to the benefits. You should contact the Plan Administrator to receive more detailed information regarding your distribution options under the Plan.

### ***Distributions – Form of Payment***

Distribution of your Account will be in:

- Cash – to the extent (A) your Account is held in investments *other than* whole shares of Corporation Stock and/or (B) to the extent your total Account balance attributable to all investments is *less than* one thousand dollars (\$1,000). If you are not one hundred percent (100%) Vested in your ESOP Stock Account, distribution of your Account will not include any Corporation Stock acquired with the proceeds of an Acquisition Loan until the close of the Plan Year in which the entire Acquisition Loan is repaid in full.
- Shares of Corporation Stock – to the extent your Account is held in whole shares of Corporation Stock. Any fractional shares of Corporation Stock shall be paid in cash.

***Notwithstanding the preceding,*** you should be aware that once the Corporation elects to be taxed as an S corporation, any shares of Corporation Stock distributed to you will be subject to a **mandatory** requirement that you **immediately** resell such Corporation Stock back to the Corporation. This requirement ensures that the Corporation’s election to be taxed as an S corporation is not inadvertently violated. If you receive a distribution in shares of Corporation Stock, you will be required to execute an “Exercise of Put Option Form” (as explained in Distributions – Put Option below) which instructs the Trustee to “put” or sell all shares of the Corporation Stock back to the Corporation on your behalf. Once you have completed the Exercise of Put Option Form, the Corporation will purchase the Corporation Stock from you. **IN THE EVENT CORPORATION STOCK IS DISTRIBUTED TO YOU FROM THE PLAN YOU WILL NOT BE ENTITLED TO RETAIN ANY SHARES.**

### ***Distributions – Valuation***

For purposes of receiving a distribution from the Plan, whether it is a cash distribution or a distribution of shares of Corporation Stock, your Account shall be valued as of the Plan Year end immediately preceding such distribution.

## ***Distributions – Timing of Payment***

Federal law requires that you begin receiving distributions from the Plan no later than April 1 of the calendar year following the calendar year you reach age seventy-two (72) or terminate employment, whichever is later. If you are a five-percent (5%) owner of the Corporation, you must start receiving your distribution no later than April 1 of the calendar year following the calendar year you reach age seventy-two (72). These “minimum required distributions” must be received at least annually and may not be rolled over into an individual retirement account (“IRA”). In all other events you may elect to have each distribution described below paid directly to an IRA or another tax-qualified plan.

If you terminate employment for reasons other than death, Disability, or Retirement, and if you do not make an election regarding the timing of the distribution of your Account, distribution of the Vested portion of your Account generally will be made, at your election, in the sixth Plan Year following the Plan Year during which your employment terminated.

- **Account Balance is less than or equal to One Thousand Dollars (\$1,000).** Notwithstanding any other provision of this SPD to the contrary, if you are entitled to a distribution, and your Vested Account balance does not exceed One Thousand Dollars (\$1,000), your Vested Account balance will be paid directly to you in a cash lump sum payment as soon as administratively practicable following the end of the Plan Year in which your termination of employment occurs. All amounts attributable to Corporation Stock held in your Account will equal the fair market value of such Corporation Stock, valued as of the appropriate Plan Year end.
- **Account Balance equals One Thousand Dollars (\$1,000) - Five Thousand Dollars (\$5,000).** If you are entitled to a distribution and your Vested Account balance exceeds One Thousand Dollars (\$1,000), but is less than or equal to Five Thousand Dollars (\$5,000), your Vested Account balance will be paid in a direct rollover to an IRA on your behalf as soon as administratively practicable following the end of the Plan Year in which your termination of employment occurs. The IRA will be invested in a manner designed to preserve principal and provide a reasonable rate of return and liquidity. Any fees and expenses relating to establishing the IRA will be charged to that account.
- **Account balance exceeds Five Thousand Dollars (\$5,000).** If your Vested Account balance exceeds Five Thousand Dollars (\$5,000), your Vested Account balance will be distributed to you in a series of five (5) substantially equal annual installment payments; *provided however*, that as to your Corporation Stock Account, the Plan Administrator, in its sole discretion, may elongate such distribution period if your Account balance exceeds One Million Two Hundred Thirty Thousand Dollars (\$1,230,000). In such instance, the Plan Administrator may instead distribute your Account in substantially equal annual installments over a period of five (5) years, plus one (1) year for each Two Hundred Forty-Five Thousand Dollars (\$245,000) (or fraction thereof) by which your Account exceeds One Million Two Hundred Thirty Thousand Dollars (\$1,230,000) (these figures may be increased periodically for cost-of-living adjustments).

If your vested Account balance exceeds Five Thousand Dollars (\$5,000), once you elect to take a distribution of your Account, the Plan Administrator will begin distribution of your Account balance to you no later than:

- For distributions on account of death, Disability or Retirement; as soon as administratively practicable following the end of the Plan Year in which your death, Disability, or Retirement occurs; and
- For distributions for any other reason, not later than one (1) year after the close of the fifth (5<sup>th</sup>) Plan Year following the Plan Year in which you terminate employment.

If your Vested Account balance exceeds Five Thousand Dollars (\$5,000), your Account may be distributed to you (even without your consent) not later than one (1) year after the close of the Plan Year in which the later of the following occurs: (i) Retirement; (ii) the tenth (10<sup>th</sup>) anniversary of your participation in the Plan; or (iii) the date you terminate your employment.

Notwithstanding the above, unless you terminate employment as a result of death, Disability, or after reaching Retirement, and your Vested Account balance exceeds Five Thousand Dollars (\$5,000), the distribution of your Account will not include any Corporation Stock acquired with the proceeds of an Exempt Loan until the close of the Plan Year in which the entire Exempt Loan is repaid in full. Thus, any amounts allocated to your Account attributable to an Exempt Loan may remain in the Plan after your termination of employment (unless you terminate employment as a result of death, or Disability, or after your Retirement) until such time as the date the Exempt Loan is paid in full, at which time these amounts shall be distributed to you pursuant to the method of payment described below under *Distribution Options – Method of Payment*.

### ***Distributions – Method of Payment***

If you are terminating your employment for any reason, the following general distributions provisions apply with respect to the method of payment of your Account:

1. If your Vested Account balance does not exceed One Thousand Dollars (\$1,000), your vested Account balance will be paid to you in a cash lump sum payment.
2. If your Vested Account balance does exceed One Thousand Dollars (\$1,000) but does not exceed Five Thousand Dollars (\$5,000), your vested Account balance will be paid to you in a cash lump sum payment, if you consent to such distribution, or, if you do not consent to such distribution, as an automatic rollover to an IRA established for your benefit.
3. If your Vested Account balance exceeds Five Thousand Dollars (\$5,000), your vested Account balance will be distributed to you as follows:
  - As to your General Investments Account and your Corporation Stock Account, in a single lump sum each payment; or
  - Provided however, that as to your Corporation Stock Account, the Plan Administrator, in its sole discretion, may make distribution in substantially equal installments over a period not to exceed five (5) years. In addition, if your Account balance exceeds One Million

Three Hundred Thirty Thousand Dollars (\$1,330,000), the Plan Administrator may instead distribute your Account in substantially equal annual installments over a period of five (5) years, plus one (1) year for each Two Hundred Sixty-Five Thousand Dollars (\$265,000) (or fraction thereof) by which your Account exceeds One Million Three Hundred Thirty Thousand Dollars (\$1,330,000) (these figures may be increased periodically for cost-of-living adjustments).

You should contact the Plan Administrator to receive more detailed information regarding your distribution options under the Plan. Please note, any distribution you are entitled to receive from the Plan, can be rolled over in a direct rollover to an IRA or another qualified plan at your election, unless such distribution is a minimum required distribution as described above.

**Important:** If any Plan benefit is erroneously paid or overpaid, the Plan reserves the right to recover the incorrect payments with interest or to reduce any future payments to you or your beneficiary.

### ***Rollover Requirements for Non-Spousal Beneficiaries***

A non-spouse beneficiary may rollover amounts to be paid from the Plan so long as the following requirements are met:

1. The distribution is paid in a trustee-to-trustee transfer, or direct rollover, to an IRA;
2. The amount to be rolled over is not part of a minimum required distribution; and
3. The receiving IRA is appropriately designated (or named) as an inherited account for the designated beneficiary, “as beneficiary of Participant” (e.g., “Tom Smith, a beneficiary of John Smith”).

For purposes of a rollover for a non-spouse beneficiary, it is important to note that the rollover must be only to an IRA and must be paid in a trustee-to-trustee transfer. Any amounts paid directly to a beneficiary are not eligible to be rolled over into an IRA. Furthermore, a non-spouse beneficiary may not rollover amounts to be paid from the Plan to another qualified plan. Additionally, the IRA will be treated as an inherited IRA and, as such, will be subject to the minimum required distribution rules applicable to an inherited IRA.

For more information on distribution requirements from an inherited IRA, your non-spousal beneficiary would need to consult your IRA provider.

### ***Distributions – Put Option***

Any Corporation Stock received as a distribution will be subject to the requirement that the shares be immediately resold to the Corporation under a mandatory “put” option. If you receive a distribution in shares of Corporation Stock, you will, at the time of distribution, be required to execute an “Exercise of Put Option Form” which instructs the trustee to put or sell all shares of the Corporation Stock back to the Corporation on your behalf. Once you have completed the Exercise of Put Option Form, the Corporation (or the Plan) will purchase the Corporation Stock from you within thirty (30) days after receiving your completed Exercise of Put Option Form. Payment for

Corporation Stock will be either in a lump-sum payment or by a promissory note payable to you over a period of not more than five (5) years, bearing interest at a reasonable rate.

### **DIVERSIFICATION OF YOUR ACCOUNT**

For a period of ninety (90) days following the date on which the valuation for each Plan Year during your “election period” is completed, you may (with certain exceptions) elect one of two options with respect to your Account. Your “election period” runs for six (6) Plan Years, beginning with the Plan Year immediately after the later of the date on which you attain age fifty-five (55) and complete ten (10) years of participation in the Plan. You may either (a) receive a lump sum distribution, or (b) if the Corporation maintains another qualified defined contribution plan (*e.g.*, a 401(k) plan), you may direct the Trustee to make a direct transfer of a portion of your Account to that qualified plan if such plan accepts direct transfers and provided such plan offers at least three diversified investment options. The amount subject to your election will equal twenty-five percent (25%) of the value your Account which is held in Corporation Stock, less any amounts previously withdrawn. During the last ninety (90) day period occurring during your qualified election period, your Account subject to the election will be fifty percent (50%), rather than twenty-five percent (25%). The actual distribution will be made within ninety (90) days following the end of each election period.

If you elect to diversify your Account, you must make your election within the first ninety (90) days following the date on which the valuation is completed for the Plan year in which your diversification election becomes available. Your Account will then be diversified by distributing or transferring the portion of your Account which you elected within ninety (90) days after the last day of the period within which you made this election.

### **BENEFICIARY DESIGNATION**

If you are married and wish to designate someone other than your spouse as beneficiary, you may do so. However, your spouse must consent to this in a written statement which must be notarized. As a Participant, you may designate a beneficiary on forms provided for that purpose. **PLEASE BE SURE TO FILE A CURRENT BENEFICIARY DESIGNATION. IF THERE IS A CHANGE IN YOUR WISHES OR CIRCUMSTANCES, OR IF YOUR DESIGNATED BENEFICIARY DIES, YOU SHOULD PROMPTLY CHANGE THE DESIGNATION BY FILING A NEW BENEFICIARY DESIGNATION.** If you should die without a spouse or designated beneficiary, your benefits will be paid to your estate.

If you designate your spouse as your beneficiary and later you and your spouse are divorced, the designation will be automatically voided. If this occurs, your beneficiary will be your contingent or successive beneficiary as designated on your beneficiary election form. If you do not have a contingent or successive beneficiary, your estate will be your beneficiary. If you wish to keep your ex-spouse as your beneficiary, you must affirmatively do so by completing a new beneficiary designation form after your divorce, naming your ex-spouse as your beneficiary.

### **DETERMINATION OF SPOUSE**

The term “spouse” as used throughout the SPD shall mean the person to whom you are lawfully married in any domestic or foreign jurisdiction, regardless of the state of residence of

either you or your spouse. A person claiming to be your spouse shall be required to establish to the satisfaction of the Plan Administrator, with such documentation, certifications and affidavits which may be required by the Plan Administrator, that a marriage exists under applicable law.

A person ceases to be your spouse as of the date your marriage is legally terminated by divorce or annulment. The term “spouse” does not include any person with whom you are in another formal relationship, such as a marriage-equivalent civil union or registered domestic partnership.

## **TAXATION OF YOUR BENEFITS PAYMENTS**

Under existing law, you will be taxed on amounts in your Account when they are distributed to you unless you roll the funds over to another tax-qualified plan or an IRA. Certain distributions made before you reach age fifty-nine and a half (59½) can also be subject to a ten percent (10%) penalty tax. **WHEN YOU BECOME ENTITLED TO RECEIVE PAYMENT FROM THE PLAN YOU SHOULD SEEK TAX ADVICE TO DETERMINE HOW YOUR FUNDS WILL BE TAXED.**

In addition to the general tax consequences of a cash distribution, some additional special rules apply to a distribution of Corporation Stock. The Plan’s cost “basis” in the Corporation Stock, *i.e.*, essentially the average amount the Plan paid to acquire the shares, is taxed like you had received that amount in cash (see above), but any excess of the current value of the shares over the Plan’s cost basis (generally referred to as the “net unrealized appreciation” in the shares) is not taxed until you sell the shares, and even at that time should be taxed as long-term capital gain, and should not be subject to the ten percent (10%) early withdrawal tax. Note: if you so desire, you can elect to have the full value of the shares taxed immediately. Just like a cash distribution, you can make either a “direct” or an “indirect” rollover of the shares to an IRA or to the plan of a successor employer which is willing to accept such shares, and avoid the immediate tax on the Plan’s cost basis in the shares.

## **ASSIGNMENT OF BENEFITS**

Generally, no benefits under the Plan may be assigned to any third party, nor may be subject to attachment or garnishment by creditors until after they are actually received by you or your beneficiary. However, all or a portion of your benefits may be assigned to your spouse, former spouse, child or other dependent in accordance with a court order (known as a Qualified Domestic Relations Order or “QDRO”) awarding all or a portion of the benefits as alimony, child support or as part of a marital property settlement. Such a court order must meet numerous technical requirements which classify it as a QDRO before it can be honored by the Plan. If you are involved in child support or divorce proceedings, you should consult the Plan Administrator.

Immediate distribution of benefits payable under a QDRO is not permitted if you would not be entitled to a distribution at the time the QDRO is issued. If an Alternate Payee dies prior to distribution of the amounts payable to such Alternate Payee and the QDRO does not specify how amounts are to be distributed upon the Alternate Payee’s death, the Plan Administrator may choose to have a court determine to whom payments should be made.

## VOTING RIGHTS

You may direct the Trustee's voting of the Corporation Stock allocated to your Account only with respect to certain extraordinary transactions (such as merger, consolidation, recapitalization, reclassification, liquidation, dissolution, or sale of all or substantially all of the assets of the Corporation). If you do not provide the Trustee with timely written directions as to the manner in which such Corporation Stock is to be voted, the Trustee may vote such Corporation Stock in such a manner as determined in its sole discretion. On all other corporate matters requiring a vote of the shareholders of the Corporation, the Trustee, will vote such Corporation Stock allocated to your Account in such a manner as determined in its sole discretion.

## CLAIMS PROCEDURES

The Plan Administrator's decision on all claims and appeals is final and binding, and benefits will be paid only if the Plan Administrator determines, in its discretion, that you are entitled to them.

### *Benefits Claims*

If you or your beneficiary (or any other person who believes he or she may be entitled to benefits under the Plan) has an unresolved question about eligibility for benefits, the form of benefits, or the amount of benefits to be received or being received under the Plan, you may file a written claim with the Plan Administrator for the benefits to which you (or your beneficiary) (the "Claimant") feel entitled within sixty (60) days after receiving notification of Plan benefits or an estimate of Plan benefits. All such claims shall be submitted on a form provided by the Plan Administrator which shall be signed by the Claimant and shall be considered filed on the date the claim is received by the Plan Administrator.

A review decision will be made within sixty (60) days after receipt of such request (one hundred twenty (120) days in special circumstances) and the Claimant will be informed of the decision, in writing, within ninety (90) days after receipt of such request (one hundred eighty (180) days in special circumstances).

If the Claimant disagrees with the denial of benefits, the Claimant or his authorized representative may submit an appeal within sixty (60) days after receipt of the Plan Administrator's notice of an adverse benefit determination, requesting that the Plan Administrator review the claim. With the request for appeal, the Claimant may also submit additional written comments, documents, records, and other information relating to his claim for benefits. In conducting its review, the Plan Administrator shall consider any written statement or other evidence presented by the Claimant or his authorized representative in support of his claim, regardless as to whether this information was submitted or considered in the initial benefit determination. The Plan Administrator shall give the Claimant and his authorized representative reasonable access to all pertinent documents necessary for the preparation of his claim. If a Claimant fails to appeal before sixty (60) days of receiving the Plan Administrator's notice of a denial of benefits, the Plan Administrator's determination will be final, binding, and conclusive.

The Plan Administrator will respond to a written appeal within sixty (60) days after it receives such written application, unless special circumstances require an extension of time for

processing the claim. If an extension is required, the Claimant will be notified, in writing, of such extension prior to the termination of the initial sixty (60) day period. The Plan Administrator will notify Claimant of a decision on appeal no later than one hundred twenty (120) days after the claim for benefits is filed.

Any time a claim for benefits is denied by the Plan Administrator in whole or in part, the Plan Administrator will notify the Claimant in writing. The notification will set forth: (i) the specific reason or reasons for the adverse determination, (ii) the specific reference to Plan provisions on which the determination is based, (iii) a description of any additional material or information necessary for the Claimant to perfect his claim and an explanation of why such material or information is necessary, (iv) information as to the steps to be taken if the Claimant wishes to submit a request for review, including applicable time limits, and (v) the Claimant's right to bring a civil action under §502(a) of the Employee Retirement Income Security Act of 1974 as amended ("ERISA").

### ***Disability Claims***

If an application or claim for benefits that is based on your disability status is denied, you will receive a written notice within forty-five (45) days after the Plan Administrator receives your claim. You will also receive written notice within forty-five (45) days if there is a delay in processing your claim. The notice will include the reasons for the delay and the date a final decision may be expected. If the Plan Administrator needs more than forty-five (45) days to process your claim, the Plan Administrator may take up to two additional periods of thirty (30)-days (provided you receive written notice during the first thirty (30)-day additional period if the Plan Administrator needs to use the second thirty (30)-day additional period), for a total of one hundred five (105) days.

If you disagree with the denial, you may request, in writing, a review of the claim by the Plan Administrator. Your request must be made within one hundred eighty (180) days from the time you receive notice the claim is denied. If you fail to appeal before one hundred eighty (180) days of receiving the Plan Administrator's notice of a denial of benefits, the Plan Administrator's determination will be final, binding, and conclusive. With your request for appeal, you may also submit additional written comments, documents, records, and other information relating to your claim for benefits. In conducting its review, the Plan Administrator shall consider any written statement or other evidence presented by you or your authorized representative in support of your claim, regardless as to whether this information was submitted or considered in the initial benefit determination. The Plan Administrator shall give you and your authorized representative reasonable access to all pertinent documents necessary for the perfection of your claim.

Within forty-five (45) days after a request for review is received, you will receive a written notice of the final decision, or the reasons for a delay in reaching a final decision. In the event of a delay in the review process, you will be notified of the delay within forty-five (45) days of filing your review request. If the Plan Administrator needs more than forty-five (45) days to process your review, you will be notified of a final decision within ninety (90) days after the request for review was received.

### ***Exhaustion of Administrative Procedures Required***

You must use and exhaust the Plan's administrative claims and appeals procedure (described above) before bringing a suit in either state or Federal court. Similarly, failure to follow the Plan's prescribed procedures in a timely manner will also cause you to lose your right to sue regarding an adverse benefit determination. To the fullest extent permitted by applicable law, you may not bring any claims, demands, disputes, lawsuits or other proceedings as class or collective actions against the Plan, Trust, Trustee or Corporation.

### ***Timing of a Claim***

If your claim is denied under the administrative procedures described above and you want to bring a civil claim under ERISA, you must submit your claim to Arbitration by the later of: (a) three (3) months following the date you receive a final adverse determination of your claim on review, or, (b) twelve (12) months following the earliest of: (i) the date your first benefit payment was made or allegedly due, (ii) the date your request was first denied, or (iii) date when you knew of the underlying facts related to your claim.

### ***Arbitration***

As conditions to both participation and continuing participation in the Plan, you are legally bound by the Plan (the "**Arbitration Procedure**"), which sets forth the exclusive forum and procedure for the resolution of issues within the scope of the Arbitration Procedure. More specifically, the Arbitration Procedure provides that any issue within its scope (including the arbitrability of the issue) shall be resolved by mandatory and binding arbitration administered in accordance with the American Arbitration Association's Employment Arbitration Rules and Mediation Procedures in effect at the time of such issue, as such rules may be modified by the Arbitration Procedure or other terms of the Plan. In addition, the Arbitration Procedure binds the Plan, the Trust, your beneficiaries and others.

The Plan provides a class action waiver meaning that you can raise issues only in your individual capacity and solely with respect to your individual account. In other words, you are not permitted to bring class or collective actions. Moreover, if you raise an issue legally required to be raised in a representative capacity of another (i.e. issues you raise to restore losses to the Plan under ERISA Sections 502(a)(2) and 409), then you cannot bring a class or collective action and relief will be limited to remedy only loss to your individual account.

The Arbitration Procedures are available from the Plan Administrator and you are encouraged to read the Arbitration Procedures and consult the Plan Administrator regarding its scope and effect. If you have questions regarding the Arbitration Procedures or believe that you would benefit from an explanation or additional information, then please submit your question or information request in writing to the Plan Administrator in the first instance so that the Plan Administrator may provide you with suitable explanation or information.

## ADDITIONAL INFORMATION

### *Pension Benefit Guaranty Corporation*

Benefits provided under this Plan are not insured by the Pension Benefit Guaranty Corporation (“PBGC”) because this Plan is a “defined contribution plan,” which is a type of plan not eligible for PBGC insurance.

#### **Plan Name**

The official name of the Plan is the “Veros Financial Holdings, Inc. Employee Stock Ownership Plan.”

#### **Plan Sponsor**

Veros Financial Holdings, Inc.  
2857 Paradise Road, Suite 2101  
Las Vegas, NV 89109  
Phone:

#### **Plan Administrator**

The Corporation has appointed individuals to serve on an ESOP Committee to assist the trustee and ESOP Committee in discharging their respective responsibilities under the Plan.

ESOP Committee  
c/o Cyrus Bozorgi  
2857 Paradise Road, Suite 2101  
Las Vegas, NV 89109  
Phone:

### **Discretionary Authority of Plan Administrator**

The Plan Administrator has the exclusive right, power and authority, in its sole and absolute discretion, to administer and interpret the Plan and other Plan documents. The Plan Administrator has all powers reasonably necessary to carry out its responsibilities under the Plan including (but not limited to) the sole and absolute discretionary authority to:

- (a) Administer the Plan according to its terms and to interpret Plan policies and procedures;
- (b) Resolve and clarify inconsistencies, ambiguities and omissions in the Plan document and among and between the Plan document and other related documents;
- (c) Take all actions and make all decisions regarding questions of coverage, eligibility and entitlement to benefits, and benefit amounts; and

(d) Process and approve or deny all claims for benefits.

The decision of the Plan Administrator on any disputes arising under the Plan, including (but not limited to) questions of construction, interpretation and administration shall be final, conclusive and binding on all persons having an interest in or under the Plan. Any determination made by the Plan Administrator shall be given deference in the event the determination is subject to judicial review and shall be overturned by a court of law only if it is arbitrary and capricious

**Plan Year**

January 1 through December 31.

**Plan Trustee**

Stephanie Bozorgi, not in her individual capacity but solely in her capacity as trustee  
2857 Paradise Road, Suite 2101  
Las Vegas, NV 89109

**Plan Identification Number**

Employer Identification No.:  
Plan No.: 001

**Type of Plan**

The Plan is comprised of two portions: a stock bonus plan portion and a profit sharing plan portion, which taken together, comprise a single plan that qualifies as an employee stock ownership plan.

**Where to Serve Legal Process**

ESOP Committee  
c/o Cyrus Bozorgi  
2857 Paradise Road, Suite 2101  
Las Vegas, NV 89109  
Phone:

Legal process may also be served on the Plan Trustee at the address listed above.

**Top Heavy Rules**

If the Plan becomes “top heavy,” special rules requiring minimum contributions, accelerated vesting, and certain limitations apply. A plan is top heavy if the ratio of Account balances of “Key Employees” compared to total Account balances for all Participants exceeds one third (1/3). A Key Employee generally includes (i) employees making over a certain amount set by the Internal Revenue Service (*e.g.*, Two Hundred Fifteen Thousand Dollars (\$215,000) for 2023), (ii) five percent (5%) owners of the Corporation or (iii) one percent (1%) owners of the Corporation making over a certain amount set by the Internal Revenue Service (*e.g.* One Hundred

Fifty Thousand Dollars (\$150,000) for 2023. For any Plan Year in which the Plan is top heavy, the Corporation will make an additional contribution to participants who are not Key Employees equal to the lesser of (i) 3% of Compensation for the Plan Year or (ii) the highest ESOP contribution rate made on behalf of any Key Employee for the Plan Year. In the event that this should occur, you will be notified of any effect that it will have on you.

### **AMENDMENT OR TERMINATION OF THE PLAN**

The Corporation intends to maintain the Plan indefinitely. However, it has reserved the right to amend or terminate the Plan and Trust at any time. Amendments of the Plan (and Trust) may be made by action of the Corporation's Board of Directors. However, the Committee is authorized to amend the Plan (or the Trust) to comply with applicable law, regulations, and rulings, or to reflect administrative rules and procedures developed by the Committee; provided, however, that any amendment (other than an amendment needed to comply with applicable law, regulations, and rulings) that is expected to change the level of Employer Contributions, add Participant contributions under the Plan, or to materially increase the cost of the Plan to the Employers must be approved by the Corporation's Board of Directors.

Termination of the Plan may be made by resolution of the Corporation's Board of Directors, by resolution of a duly authorized committee of the Corporation's Board of Directors, or by a person or persons authorized by resolution of the Corporation's Board of Directors or such committee. Upon termination of the Plan, the Accounts of the affected Participants will be valued as of the date of the termination and will become one hundred percent (100%) Vested.

### **PARTICIPANT, BENEFICIARY, AND ALTERNATE PAYEE RESPONSIBILITY**

In order to ensure receipt of the Plan benefit to which you are entitled, you (or your spouse, beneficiary, or alternate payee under a Qualified Domestic Relations Order or "QDRO," as applicable) have the responsibility to:

- Notify the Plan Administrator of all changes in address, marital status, spousal identity, and employment status and all other changes that may affect your rights under the Plan;
- Provide promptly any information or statements related to your Plan benefits that are requested by the Plan Administrator;
- Verify and update, as appropriate, any beneficiary designations you may be permitted to make under the Plan;
- Return to the Plan promptly any amounts received from the Plan in error;
- Verify information received from the Plan Administrator and promptly notify the Plan Administrator of any inaccuracies, errors, or discrepancies in that information; and
- Make any elections and complete any applications or forms required under the Plan or by the Plan Administrator as a condition for receiving benefit payments.

## **PAYMENT OF PLAN EXPENSES**

Costs and expenses of the Plan and its administration are generally paid either by the Employers or paid out of the Trust (except for those arising from certain settlor functions of the Corporation and Participating Employers that may not be paid from the Trust). Other expenses for administrative actions required specifically with respect to your account may be allocable specifically to you (such as processing of a QDRO, for example) and may be charged directly to your Account.

## **NO GUARANTEE OF EMPLOYMENT**

Participation in the Plan does not give you the right to remain employed by the Corporation or any affiliated company. In addition, participation does not give you a right to any benefit to which you are not entitled under the terms of the Plan.

## **YOUR RIGHTS UNDER ERISA**

As a Participant you are entitled to certain rights and protections under ERISA. ERISA provides that all Participants shall be entitled to:

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, 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.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The Plan Administrator may make a reasonable charge for the copies.
- 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.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age under the Plan and if so, what your benefits would be under the Plan at normal retirement age if you stop working for the Corporation now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide the statement free of charge.

In addition to creating rights for Participants, ERISA imposes duties upon the people who are responsible for the operation of your 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, including the Corporation, a union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit under the Plan or for exercising your rights under ERISA.

If your claim for a pension 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 decisions 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 thirty (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 one hundred ten dollars (\$110) a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may, subject to the administrative procedures prescribed by the Plan, file suit in a state or Federal court. 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 the Plan fiduciaries misuse the Plan's assets, 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 a 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. This paragraph is subject, in all cases, to the requirement that the administrative procedures established by the Plan be exhausted prior to you filing suit in Federal court.

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 at the 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 hotline of the Employee Benefits Security Administration.