

SHORT-ELLIOTT-HENDRICKSON, INCORPORATED
EMPLOYEE STOCK OWNERSHIP PLAN
SUMMARY PLAN DESCRIPTION

July 2023

TABLE OF CONTENTS

	<u>PAGE</u>
INTRODUCTION.....	1
HOW TO USE THIS BOOKLET	1
WHEN CAN I PARTICIPATE IN THE PLAN?	1
WHO IS ELIGIBLE TO PARTICIPATE IN THE PLAN.....	3
HOW ARE CONTRIBUTIONS TO THE PLAN DETERMINED?.....	3
HOW MUCH IS ALLOCATED TO MY ACCOUNT?.....	3
HOW DOES THE PLAN KEEP TRACK OF CONTRIBUTIONS ALLOCATED TO ME?.....	4
HOW DOES THE INVESTMENT IN COMPANY STOCK WORK?	5
VESTING.....	6
CAN VESTING SERVICE BE LOST?	9
WHAT HAPPENS TO FORFEITED AMOUNTS?	9
WHEN MAY I RECEIVE A DISTRIBUTION FROM THE PLAN?	10
AM I ELIGIBLE FOR A DISTRIBUTION WHILE STILL EMPLOYED?.....	11
WHAT WILL BE THE AMOUNT AND FORM OF THE DISTRIBUTION?	13
HOW WILL I RECEIVE MY BENEFITS?	14
WHAT HAPPENS TO MY ACCOUNT BALANCE IF I DIE?.....	14
WHAT TAX RULES APPLY TO DISTRIBUTIONS FROM THE PLAN?.....	16
FACTS ABOUT THE PLAN.....	18
TOP HEAVY PROVISIONS	19
CLAIM PROCEDURE	19
DISABILITY CLAIM PROCEDURE	20
YOUR RIGHTS UNDER ERISA	24
DEFINITIONS	27
SUMMARY OF ADMINISTRATIVE INFORMATION.....	29

INTRODUCTION

The Short-Elliott-Hendrickson, Incorporated Employee Stock Ownership (“Plan”) is an employee stock ownership plan (or ESOP). This means the Plan is a retirement program designed to invest primarily in Employer stock, although other investments may be held under the Plan. Investment in the stock of your Employer, Short-Elliott-Hendrickson, Incorporated (the “Company” or the “Employer”), allows you to share in the future of the Company. Your benefits are not taxable until you receive a distribution from the Plan.

HOW TO USE THIS SUMMARY PLAN DESCRIPTION (SPD)

This SPD is intended to be a general description of the Plan’s provisions as of July 2023. The Plan documents consist of the Short-Elliott-Hendrickson, Incorporated Employee Stock Ownership Plan document and the Short-Elliott-Hendrickson, Incorporated Employee Stock Ownership Trust Agreement, along with amendments to the plan and trust documents. Because this is a summary, the Plan documents control if there is any difference between the provisions in this SPD and the Plan documents.

Throughout this SPD, certain words or terms are capitalized because they have special meanings. You should make sure you read the summary carefully so you understand the special meaning that is intended. A section called “Definitions” is provided to show the meaning of a capitalized word or term.

If you have questions that are not answered in this SPD, contact First International Bank & Trust, esoptrustee@fibt.com, 800-359-8092 or; the Plan Administrator at Short-Elliott-Hendrickson, Incorporated; 3535 Vadnais Center Drive, St. Paul, Minnesota, 55110; (800) 325-2055.

The Plan Administrator keeps the records for the Plan and is responsible for administration of the Plan. The Administrator has discretionary authority to construe the terms of the Plan and make determinations on questions that may affect your eligibility for benefits. The Administrator, Trustee, or ESOP Committee will also answer any questions you may have about the Plan.

WHEN CAN I PARTICIPATE IN THE PLAN?

To be eligible for the Plan, you must have been credited with at least 500 “Hours of Service.”

Hour of Service

Generally, an Hour of Service is an hour during which you are working for the Company and for which you are entitled to payment. An Hour of Service also includes certain hours for which you are paid, but are not actually working, such as for periods you are on vacation or sick. Workers compensation payments or payments which reimburse you for medical expenses do not result in Hours of Service credit. You can receive credit for up to 501 Hours of Service for any continuous period during which you are paid, but not actually performing services.

Plan Entry Dates

The first day of each quarter is an Entry Date. Upon reaching 500 Hours of Service, you will be enrolled in the Plan on the first Entry Date coincident with or next following the date on which you reach 500 Hours of Service; provided you have not terminated employment by that Entry Date. Once you enter the Plan, you are called a “Participant.”

Example 1: Jill starts work full-time for the Company on February 6, 2023. Jill reaches 500 Hours of Service on May 3, 2023. Jill is eligible to participate on July 1, 2023, which is the first Entry Date after completing 500 Hours of Service.

Example 2: Phil starts work for the Company on May 1, 2022. He is part-time, working 50 hours per month. Phil reaches 500 Hours of Service on February 28, 2023. Phil is eligible to enter the Plan on April 1, 2023, which is the first Entry Date after completing 500 Hours of Service.

There is one circumstance where you will not have to wait for an Entry Date to participate in the Plan. If you are already a Participant, terminate employment and then return to employment, you will be deemed to satisfy the service requirement upon your re-hire and will re-enter the Plan immediately, provided you are re-hired as an Eligible Employee (see below).

WHO IS ELIGIBLE TO PARTICIPATE IN THE PLAN?

SEH employees and applicable SEH subsidiary employees who reach eligibility or are credited with 500 Hours of Service are eligible to participate in the Plan. However, independent contractors and other so-called “leased employees,” non-resident aliens, ,” and employees of SEH Design/Build, Inc. are ineligible to participate in the Plan. Union employees are ineligible unless a collective bargaining agreement provides for their participation in the Plan. In the event an Employee who has been working in one or more of these excluded classes is no longer in an excluded class of Employees, the Employee shall immediately become a Participant if the Employee has satisfied the service requirement and would have otherwise previously become a Participant. Certain major shareholders of Short-Elliott-Hendrickson, Incorporated may also be ineligible to participate in some ESOP allocations.

HOW ARE CONTRIBUTIONS DETERMINED?

The Plan is funded entirely by Company Contributions. No Employee Contributions are required or permitted.

The amount of the Contributions are determined by the Company’s Board of Directors on an annual basis. For each Plan Year, the Board decides how much to contribute to the Plan based on the Company’s financial results for the year, its future prospects, and other considerations the Board deems relevant.

HOW MUCH IS ALLOCATED TO MY ACCOUNT?

The Contribution to your Account for a Plan Year is based on your Compensation for the Plan Year. Your share is determined by first calculating, as a percentage, how much Compensation you were paid compared to the Compensation of all Participants in the Plan. This percentage is then multiplied by the Contribution for the Plan Year.

Example 3: If the Company contributes \$50,000 to the Plan for the Plan Year; your Compensation for the Plan Year is \$40,000; and the total Compensation of all Participants in the Plan is \$1,000,000 for that Plan Year; then your Compensation would be 4% of the total Participant Compensation ($\$40,000 / \$1,000,000 = .04$ or 4%). Your share of the Contribution would be 4% of \$50,000, or \$2,000.

Eligibility to Receive an Allocation

To be eligible for a Contribution for a Plan Year, you must have at least 1,000 Hours of Service during the Plan Year and be employed by the Company on the last working day of the Plan Year (June 30).

Compensation

Credited Compensation, for purposes of determining your share of the Company's Contribution, is your annual taxable Compensation, including your base salary or wages, commissions, overtime and bonuses, as reported on your IRS Form W-2 (before income and social security withholding taxes). Credited Compensation also includes amounts that would have been paid to you if you had not entered into a salary reduction agreement under a 401(k) plan, flexible benefit or cafeteria plan.

Pay received before you are a Participant does not count. Credited Compensation does not include Compensation for employment that is non covered employment. Amounts in excess of \$330,000 shall not be counted. The \$330,000 limit is subject to cost-of-living adjustments in years after 2023 as determined by the IRS.

HOW DOES THE PLAN TRACK CONTRIBUTIONS ALLOCATED TO ME?

Each Participant under the Plan has a separate account. Your share of Contributions, as well as your share of the Plan's investment earnings and losses, are allocated to your Account as stated on your annual statement.

HOW DOES THE INVESTMENT IN COMPANY STOCK WORK?

In General

The Plan is authorized to have up to 100% of its assets invested in Stock. The investment may be made in a variety of ways. The Company can contribute Stock directly to the Plan or contribute cash and have the cash applied to purchase Stock. The Plan can also borrow money to purchase Stock and then use future Contributions to the Plan to pay off the loan.

Loans to Purchase Stock

If the Plan borrows money to buy a block of Stock, the Stock purchased with the borrowed money is held in a separate fund within the Plan and becomes the collateral for the loan. Each year, as payments are made on the loan, a corresponding number of shares of Stock is released, the shares become “free and clear” of the loan. The released shares are allocated among Participants based on their Compensation.

Voting Stock

You may direct the Trustee as to the manner in which the Stock allocated to your Account will be voted with respect to certain significant corporate events. Generally these events are the merger or consolidation, recapitalization, reclassification, liquidation, dissolution, and sale of substantially all assets of a trade or business. Before a shareholder vote related to these matters is held, you will be provided with a form to instruct the Trustee how to vote the shares allocated to your Account. The Trustee shall vote all shares for which it has not received instructions on voting consistent with the percentage of shares that the Trustee received instructions on voting.

Auto-Divestment following Termination of Employment

Following termination of employment, some or all of your investment in Stock may be liquidated and converted to cash, provided there is cash available in the Trust to fund this conversion. In that event, the Trustee will decide how the cash will be invested until the benefits are distributed under the terms of the Plan unless the Company chooses to allow participants to direct how their accounts will be invested. A similar process is applicable to beneficiaries of deceased participants, individuals receiving an interest in

the Plan under a qualified domestic relations order, and certain participants who terminate employment with the Company and become employed by a current or potential customer of the Company in a conflict position.

VESTING

In General

“Vesting” refers to your right to receive a distribution from the Plan when you terminate employment with the Company. Generally, if you do not have at least two Years of Service for vesting, you do not have a right to receive a distribution from the Plan. If you have two or more Years of Service for vesting, you are entitled to receive a distribution of the vested portion of your Plan Account balance after your termination of employment, at the time and in the form provided for distributions.

To be credited with a Year of Service for vesting, you must complete 1,000 Hours of Service during a Plan Year (July 1 - June 30), with the Company, any corporation that has merged into the Company, or an SEH subsidiary.

Full Vesting

If you are 100% vested, you will receive your entire Account balance after your termination of employment with the Company at the time or times discussed below. You are 100% vested, regardless of your Years of Service for vesting, under the following circumstances:

- If you have reached your Normal Retirement Date under the Plan (the last day of the Plan Year in which you reach age 59½; or age 55 if you were employed by the Company before July 1, 2023) while employed by the Company.
- If you die while employed or terminate employment due to Disability. (See definition of “Disability” at the end of this document.)
- If you die while performing qualified military service.
- If the Plan should be terminated and no successor plan is provided, all Participants in the Plan will be fully vested.

Vesting Schedule

Except in those circumstances explained above, you will become vested in your Account based on your Years of Service for vesting, in accordance with the following schedule:

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

Example 4: Jane is a 29-year old Participant and has earned 5 Years of Service as of June 30, 2021. On March 20, 2022, after completing 1,000 Hours of Service in the Plan Year beginning July 1, 2021, she resigns. She will receive an additional Year of Service and become 100% vested even though he is not employed during the entire Plan Year. She will not, however, receive the Company Contribution for that Plan Year because she was not employed on the last day of the Plan Year (June 30).

Example 5: Bill terminates employment when he has 5 Years of Service with the Company. His Account balance is \$10,000. Since Bill's vesting percentage is 80%, Bill is entitled to a distribution of \$8,000 ($80\% \times \$10,000 = \$8,000$). The unvested balance of \$2,000 is forfeited.

Break in Service

A Break in Service is a Plan Year (July 1 – June 30) during which you have less than 501 Hours of Service.

Maternity and Paternity Absences

Credit is given for absences for maternity or paternity reasons, including the adoption of a child. If you are on paid leave, credit is given for the period of your paid leave. During your leave, you will be credited with the number of Hours of Service you would have had if you had not taken a leave, based on your regular work schedule at the time the paid leave begins. Credit is also given, however, if the

absence is unpaid and, even if it is paid, additional credit will be given under some circumstances.

The credit is calculated as follows: Begin with the number of Hours of Service credited in the Plan Year the maternity or paternity absence begins, excluding any hours credited as a result of a paid leave. If the number of hours is less than 501, sufficient credit is given to bring your total hours for that year up to 501. If you have at least 501 hours in the year the absence begins (excluding hours attributable to a paid leave), sufficient credit is given in the next Plan Year to bring your total hours in the next Plan Year up to at least 501 Hours of Service. The purpose of the credit is to give you the number of Hours of Service you need in order to keep from having a Break in Service in the Plan Year the absence begins. If, however, you don't need the credit that year, the credit is recognized in the next Plan Year.

Example 6: Sue begins maternity leave from the Company beginning August 1, 2022. She works 100 hours per month and has 100 Hours of Service from the beginning of the Plan Year (July 1, 2022). The maternity leave is a paid leave because Sue qualifies for six months of short term disability payments. She returns to work six months later, on February 1, 2023, and resumes her pre-leave working schedule. Sue receives credit for 600 Hours of Service during her maternity leave (6 months x 100 hours per month pre-leave rate).

Example 7: The same facts described in Example 7, except that when Sue returns, she cuts back her schedule to 30 hours per month. Sue's total Hours of Service for the Plan Year in which her leave begins is calculated as follows:

	<u>Months</u>	<u>Hours</u>	<u>Month</u>	<u>Hours</u>	
Leave begins	July	100	January	100	Leave ends
	August	100	February	30	
	September	100	March	30	
	October	100	April	30	
	November	100	May	30	
	December	100	June	<u>30</u>	
				TOTAL	

For the next Plan Year she has 30 hours per month for a total of 360 for the Plan Year (12 x 30 = 360). Since this is less than 501 Hours of Service, Sue gets additional credit for 141 Hours of Service (501 - 360 = 141) to bring her total to 501 for the Plan Year. Therefore, she does not have a Break in Service for the Plan Year.

CAN VESTING SERVICE BE LOST?

In general, if you terminate employment and are later rehired by the Company, you will not lose vesting service. Years of Service after rehire will be added to the Years of Service for vesting accumulated before terminating employment with the Company.

The same general rule applies if, instead of termination of employment, you reduce your number of Hours of Service for one or more Plan Years to the extent that you have a one-year Break in Service during a Plan Year.

However, if the number of consecutive one-year Breaks in Service is five or more, whether the Breaks in Service arise from termination of employment or because you work less than the Break in Service threshold of 501 Hours of Service, the following rules apply:

- Years of Service completed after five consecutive one-year Breaks in Service are not taken into account to determine vesting in your Account which accrued before the Break in Service period began, that is, you cannot become further vested in your pre-break Account balance; and
- if your vesting percentage was 0% at the beginning of the five consecutive one-year Break in Service period, you will lose your vesting credit entirely and, for vesting purposes, will be considered a new Employee.

WHAT HAPPENS TO FORFEITED AMOUNTS?

If you terminate employment before you are fully vested in your Account, you will forfeit the unvested portion of your Account balance. The amount forfeited will be reallocated to Participants on the same basis as Company Contributions to the Plan. The amount forfeited will be restored to your Account without any increase for gain or decrease for loss due to investment if you return to work for the Company before you have 5 consecutive one-year Breaks in Service.

WHEN MAY I RECEIVE A DISTRIBUTION FROM THE PLAN?

Distributions are payable under the Plan on account of termination of employment with the Company. If your termination of employment is due to death or Disability or after reaching your Normal Retirement Date, different rules apply to the payment of your benefits.

Distributions are also payable under the Plan after age 55 under the Plan's diversification rules and after you reach age 65 during employment, both of which are explained below.

Account Balance of \$5,000 or less. If the vested amount in your Account is \$5,000 or less, your Account will be distributed to you in a lump sum as soon as reasonably practical after your employment ends, even if you have not provided a written request for a distribution. However, if you will receive an allocation for the Plan Year in which your employment ends, your distribution will not be available until the Plan Year after the year of your termination of employment. Unless you provide other instructions, a distribution in excess of \$1,000, but not in excess of \$5,000, will be rolled into an IRA established by the Company and you will be responsible for any reasonable fees charged by the IRA provider. Distributions of \$1,000 or less will be paid directly to you if you have not provided other instructions.

Account Balance of more than \$5,000, but not more than \$15,000. If the vested amount in your Account is more than \$5,000, but not more than \$15,000, your Account will be distributed to you in a lump sum as soon as reasonably practical after your employment ends, but only if you have provided a written request for a distribution. However, if you will receive an allocation for the Plan Year in which your employment ends, your distribution will not be available until the Plan Year after the year of your termination of employment.

Account Balance of more than \$15,000:

Retirement, Disability or Death. If your employment terminates because of retirement on or after your Normal Retirement Date, Disability or death, your distribution will generally be payable as soon as reasonably practical after the end of the Plan Year in which your employment terminates and the Company receives a properly completed

distribution form (unless your vested Account balance is \$15,000 or less, as discussed in the preceding paragraphs). However, because distributions are generally based on the value of your Account as of the last day of the Plan Year preceding the date of distribution, a distribution may be delayed while the value of your Account is being determined.

Termination of Employment. If your employment terminates for reasons other than retirement, Disability or death, there is a “waiting period” of five Plan Years after the Plan Year in which your employment terminates, before you may receive payment from the Plan (unless your vested Account balance is \$15,000 or less, as discussed above). You may request payment in or after the sixth Plan Year following the Plan Year in which your termination of employment occurred, and payment will be made consistent with distribution schedules. However, attainment of Normal Retirement Age, Disability, or death during the “waiting period” will make your distribution payable in the following Plan Year.

Required Beginning Date. Although you may defer distribution of your Account until a later date if your vested Account balance is more than \$5,000, there is a limit on how long you can defer a distribution. You cannot defer a distribution beyond the “required beginning date.” The required beginning date is generally April 1 following the calendar year you reach age 73 (age 72 if you were born July 1, 1949 to December 31, 1950; age 70½ if you were born before July 1, 1949). If you are still employed as of that date, the required beginning date is the April 1 following the calendar year you terminate employment. If still employed and you are a “5% owner,” the required beginning date is the April 1 following the calendar year you reach age 73 (age 72 if you were born July 1, 1949 to December 31, 1950; age 70½ if you were born before July 1, 1949).

**AM I ELIGIBLE FOR A
DISTRIBUTION WHILE
STILL EMPLOYED?**

The Plan permits distributions to you while you are employed in two circumstances.

Diversification at age 55

The Plan permits you to elect partial distributions to transfer up to twenty-five percent (25%) of your vested Account balance attributable to Short-Elliott-

Hendrickson, Incorporated stock each year during the “qualified election period” to the Short-Elliott-Hendrickson, Incorporated Profit Sharing and 401(k) Plan. The “qualified election period” is the period beginning after the Plan Year in which you first become a qualified Participant. A “qualified Participant” is a Participant (including a former Employee) who has attained age 55 and has completed 10 years of participation under the Plan in which assets were credited to the Participant’s Account. The portion of your vested Account balance eligible for this election increases to fifty percent (50%) during the sixth Plan Year of the qualified election period. In calculating the applicable percentage available for transfer, the number of shares previously distributed is taken into account. The election to take a partial distribution must be made within an election period beginning after the close of each Plan Year during this six-year period and ending 90 days after the date the value of the stock is provided to you. Distributions will be made within 90 days after the election period. Elections made in the sixth year shall apply to all subsequent years you remain employed, unless you elect otherwise.

Example 8: Mary has participated in the Plan for 10 years and she has attained age 55. Her vested Account consists of 100 shares of Company stock. In the first qualified election period, Mary elects to transfer 20% of her Account or 20 shares to her account in the Short-Elliott-Hendrickson, Incorporated Profit Sharing and 401(k) Plan. If the number of shares in her Account increases to 90 shares before the following election period, the maximum number of shares available for transfer in that second election period will be 8 shares:

90 shares + 20 shares previously distributed = 110 shares

110 shares x 25% = 28 shares

28 shares - 20 shares previously distributed = 8 shares

Distribution at age 65

If you attain age 65 and you are still employed by the Employer, you may (a) elect to commence distributions as provided below as if your employment had terminated in a prior Plan Year or (b) elect to receive a one-time distribution of up to \$100,000 (or 100% of your Account

if less). You may not receive more than one distribution under this paragraph in any Plan Year.

WHAT WILL BE THE AMOUNT AND FORM OF THE DISTRIBUTION?

The amount of the distribution depends on the value of your Account as of the valuation date that coincides with, or immediately precedes, the date of your distribution. The valuation date is June 30 of each year. The value of the Stock allocated to your Account is based on a fair market valuation by an independent appraiser. The value of other investments held under the Plan is based on a fair market valuation by the Trustee, adjusted for investment gain or loss, since the date of the last valuation.

After valuation is completed, the vested portion of your Account will be distributed to you as follows:

- Account Balance of \$50,000 or less – Lump Sum. If the value of your vested Account is \$50,000 or less, the entire amount will be distributed in a single lump sum payment.
- Account Balance of more than \$50,000 – Installments. If the value of your vested Account is greater than \$50,000, your vested Account balance will generally be distributed in up to five annual installments. The first installment will be equal to your vested Account balance divided by 5. However, if the amount of the installment calculated in this manner is less than \$50,000, the installment shall be increased to \$50,000.

Your remaining Account balance will be revalued as of each subsequent valuation date, and subsequent installments will be calculated by dividing the value of your remaining vested Account by the number of annual installments remaining; provided that an installment calculated to be less than \$50,000 will be adjusted to the lesser of \$50,000 or your remaining vested balance. Under this calculation method, your vested Account may be distributed in four or fewer annual installments.

Your distribution election is for a series of annual installments, and your annual installments may not be stopped or paused after they commence (unless you are rehired by the Employer). Your initial payment instructions will apply to all subsequent installments unless you elect otherwise.

Notwithstanding the foregoing, if your Account exceeds \$1,330,000, an additional annual installment (up to a maximum of five additional annual installments) will be made for each additional \$265,000, or fraction thereof, by which your Account exceeds \$1,330,000. These dollar amounts will be adjusted by the IRS in future years for cost of living increases.

- Auto-Divested Accounts. Notwithstanding the foregoing, if your account has been auto-divested out of Stock, in whole or in part, distribution of the auto-divested portion of your Account, to the extent vested, will be available for distribution. If your Account has not been fully auto-divested, the amount eligible for payment will be the greater of the portion of your vested Account that has been auto-divested or the amount provided above.

HOW WILL I RECEIVE MY DISTRIBUTION(S)?

Normally, distributions from your Account will be in cash or Stock except that a fractional share of Stock will be converted to cash. Any Stock you receive may be resold to the Company during either of the following two periods. The first is for 60 days after the date the Stock is distributed to you. The second period is again for 60 days in the Plan Year after the Plan Year in which the first period expired, beginning on the date the Company notifies you of the current fair market value of the Stock. Payment for the Stock will be made within 30 days from the date you exercise the option to sell. The Company may elect, however, to pay the purchase price in annual installments over a period of up to five years. Installment payments would include reasonable interest and the payments would be adequately secured.

If you have received Stock and decide to transfer or dispose of it, you must first offer to sell it to the Trustee and the Company. Either the Trustee or the Company has the option to purchase the Stock within 14 days of the offer.

WHAT HAPPENS TO MY ACCOUNT BALANCE IF I DIE?

Your Account is fully vested if you die while employed by the Company. If you die before your Account is distributed to you or before payments from your Account begin, your Account will be distributed to the Beneficiary or Beneficiaries named by you. Your Beneficiary will receive a distribution in a lump sum if the vested benefit is \$5,000

or less. If your vested benefit equals or exceeds \$5,000, distribution payments will be made to your Beneficiary as follows:

Eligible Designated Beneficiary. If your designated Beneficiary is an “eligible designated beneficiary,” then minimum distributions of your death benefit must generally begin within one year of your death and must be paid over a period not extending beyond your Beneficiary’s life expectancy. If your spouse is the Beneficiary, the start of payments may be delayed until the year in which you would have attained age 73 (age 72 if you were born July 1, 1949 to December 31, 1950; age 70½ if you were born before July 1, 1949). An “eligible designated beneficiary” means a designated Beneficiary who is your surviving spouse, your minor child, a disabled individual, a chronically ill individual, or any other individual who is not more than ten years younger than you. However, with respect to your minor child, your entire death benefit must be paid within ten years after such child turns 18.

Other Designated Beneficiary. If your designated Beneficiary is not an “eligible designated beneficiary,” then your entire death benefit must be paid by December 31 of the calendar year that includes the tenth anniversary of your death.

Designated Beneficiary Other Than an Individual. If your Beneficiary is not an individual (for example, a charitable organization, your estate or certain trusts), the entire benefit must be paid by December 31 of the calendar year that includes the fifth anniversary of your death.

No Designated Beneficiary.

If you have no designated Beneficiary, then your entire death benefit must be paid by December 31 of the calendar year that includes the fifth anniversary of your death.

If you die after payment of Plan benefits has begun, payments will continue to be made under the payment option which was in effect at the time of your death. For example, if your Account is being paid over a period of ten years and you die after five years, payments would be made to your Beneficiary for another five years.

Since your spouse has certain rights in the death benefit, you should immediately report any change in your marital status to the Plan Administrator.

If you are married, your spouse must be your sole Beneficiary unless your spouse consents in writing to a different Beneficiary. The consent must be either notarized or witnessed by a representative of the Plan and must be filed with the Company.

Beneficiary Designation

When you become eligible to participate in the Plan, you will be asked to fill out a form designating the person or persons you wish to be your Beneficiaries. If there is no Beneficiary designation on file at the time of your death or if all of your designated Beneficiaries die before you, your benefits will be distributed to your spouse, or if none, to your surviving issue, or if none, to your estate.

The following are important points to remember:

- Your Beneficiary designation controls the payment of your benefits from the Plan if you die, regardless of the terms of your will.
- Provided you obtain the consent of your spouse (as described above), you may change your Beneficiary designation at any time by filling out a new form.
- It is your responsibility to be sure that the Beneficiary designation names those persons you want to receive your benefits.

WHAT TAX RULES APPLY TO DISTRIBUTIONS FROM THE PLAN?

First, please note that not all tax considerations are covered in this section. Because each person's tax obligation is determined by many factors, it is important to talk with your tax advisor before you receive any distribution from the Plan.

Taxation of Your Account Balance While Held in the Trust

Amounts contributed to the Plan on your behalf are not taxable and the earnings on your Account accumulate tax-free so long as the earnings are not distributed to you.

Taxation of Direct Rollovers

If you elect a direct rollover of your Account balance, you will generally not be liable for tax until such time as you receive a distribution from the IRA or the plan to which your Account balance is rolled over.

Taxation of Distributions to You

Amounts distributed to you from your Account are generally considered taxable income in the year distributed to you and are subject to mandatory withholding of income tax at a rate of 20%. In addition, distributions made before you reach age 59½ may be subject to an additional 10% tax unless such distributions are made because of: (1) termination of employment during or after the calendar year in which you attain age 55; (2) death; (3) Disability; or (4) certain other limited events.

If you elect to receive a distribution of your benefits rather than having your benefits directly rolled over into another plan or an IRA, you can reduce or eliminate your tax liability for the distribution if you roll over part or all of the distribution into another qualified plan or IRA within 60 days of receiving the money. Check with your tax advisor at the time you receive a distribution to determine whether you can or should roll the distribution over.

Effect on IRA Contributions

Under current law, if you (or your spouse) are an active participant in a qualified plan, then your ability to deduct an IRA contribution may be limited or eliminated, depending upon your household's adjusted gross income. You are considered an active participant in a defined contribution plan, such as this Plan, if any Employer Contributions or forfeitures are allocated on your behalf during the calendar year. You should contact a tax

professional for more information on the rules that apply to deducting any IRA contributions you plan to make.

FACTS ABOUT THE PLAN

Can My Account Be Used to Benefit the Company?

The Trust has been established solely for the benefit of participating Employees and their Beneficiaries. The Company may not borrow the Trust's assets, nor does it have a right to any of the investments and income of the Trust.

Can the Plan be Terminated or Amended?

The Company has the right at any time to amend or terminate the Plan in whole or in part by action of its Board of Directors.

The Company has adopted the Plan with the intention that Contributions will be continued indefinitely. However, if the Company decides to terminate the Plan, the entire amount of your Account will be distributed to you. The Plan would automatically terminate upon the complete discontinuance of Contributions by the Company or upon the bankruptcy, general assignment to creditors, or dissolution of the Company. After termination, the assets of the Plan will be valued and distributed to each Participant in a lump sum.

Can I Use My Benefits as Collateral or Assign Them to a Creditor?

You cannot assign or transfer the benefits in your Account. You also cannot use your Account as security for a loan. The Plan Administrator, however, must honor a "Qualified Domestic Relations Order," which is defined as a decree or order issued by a court which obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, child or other dependent. If such an order is received by the Plan Administrator, you will receive written notice. To satisfy your obligation under the Order, all or a portion of your benefits may be used. The Plan Administrator will determine the validity of any domestic relations order which it receives. You may request a copy free of charge of the Plan procedures used in processing Qualified Domestic Relations Orders from First International Bank & Trust, esoptrustee@fibt.com, 800-359-8092.

Benefit Limitations Required by Law

Under federal law, the maximum “annual addition” to your Account for any Plan Year cannot exceed the lesser of (i) 100% of your compensation, or (ii) \$66,000 (adjusted for cost of living). “Annual addition” includes all Employer Contributions and forfeitures credited to your Account for the Plan Year. Special limitations apply if you were a participant in any other retirement plan for the same Plan Year. Federal law imposes an annual limit (\$330,000 for the Plan Year beginning July 1, 2023) on the amount of an individual’s pay which may be considered for Plan purposes. This limit is adjusted from time to time to reflect cost-of-living increases.

TOP HEAVY PROVISIONS

If the Plan is “Top Heavy” for any given year, as defined under IRS rules, then the Plan must meet certain minimum contribution requirements. In general terms, a plan is Top Heavy if more than 60% of the plan assets are held in the accounts of Key Employees (generally, high paid officers of the Company).

CLAIM PROCEDURE

If you believe that you are being denied benefits under the Plan, or you disagree with the amount of the benefit, you must file a written claim with the Plan Administrator. The Plan Administrator is responsible for deciding claims for benefits under the Plan. The Plan Administrator will notify you of its decision in writing within 90 days after your written claim. If the Plan Administrator determines that you are not eligible for benefits or full benefits, the notice will tell you:

- (1) the specific reasons for the denial;
- (2) a specific reference to the provision of the Plan on which the denial is based;
- (3) a description of any additional information or material necessary for you to establish your claim (and an explanation of why such information or material is necessary); and
- (4) an explanation of the Plan’s claim review procedure.

If the Plan Administrator determines that there are special circumstances requiring additional time to make a decision, the Plan Administrator will notify you of the special circumstances and the date by which a decision is expected to be made and may extend the time for up to an additional 90-day period.

If the Plan Administrator determines that you are not eligible for benefits, or if you believe that you are entitled to greater or different benefits, you will have the opportunity to have your claim reviewed by the Plan Administrator by filing a petition for review with the Plan Administrator within 60 days after you receive the notice issued by the Plan Administrator. Your petition should state the specific reasons why you believe you are entitled to benefits, or greater or different benefits. Within 60 days after the Plan Administrator receives the petition, the Plan Administrator will give you (and your counsel, if any,) an opportunity to present your position to the Plan Administrator orally or in writing, and you (or your counsel) shall have the right to review the pertinent documents. Within 60 days after the hearing (or the date of receipt of the petition if you present your position in writing), the Plan Administrator will notify you of its decision in writing, stating the decision and the specific provisions of the Plan on which the decision is based. If a hearing is requested, the Plan Administrator may defer its decision for an additional 60 days.

In the event of your death, the same claims procedure will apply to your Beneficiaries.

DISABILITY CLAIM PROCEDURE

For Disability benefits under the Plan, special claim rules apply. In the case of a Disability benefit claim, the time periods for filing and appealing a claim set out in this paragraph apply instead of the time periods described above. There are also additional rules that apply, such as information that must be provided in certain cases when a Disability benefit claim is denied. Where there is not an additional rule or a substitute rule that applies, the general claims procedure described above applies. For purposes of these special rules, a “Disability benefit claim” is a claim where the payment of the benefit depends on a determination by the Plan that you are disabled.

(1) The Plan Administrator will notify you of its determination regarding the availability of benefits within

a reasonable period of time, but not later than forty-five (45) days after receipt of the claim by the Plan. This period may be extended by the Plan for up to 30 days, provided that the Plan Administrator both determines that such an extension is necessary due to matters beyond the control of the Plan and notifies you, prior to the expiration of the initial 45-day period, of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision. If, prior to the end of the first 30-day extension period, the Plan Administrator determines that, due to matters beyond the control of the Plan, a decision cannot be rendered within that extension period, the period for making the determination may be extended for up to an additional 30 days, provided that the Plan Administrator notifies you, prior to the expiration of the first 30-day extension period, of the circumstances requiring the extension and the date as of which the Plan expects to render a decision. In the case of any such extension, the notice of extension shall specifically explain the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues, and you shall be afforded at least 45 days within which to provide the specified information.

(2) If a claim is denied, you have 180 days following receipt of the denial within which to appeal the determination. Your appeal will be reviewed in a manner that does not afford deference to the initial adverse benefit determination and that is conducted by an appropriate named fiduciary of the Plan who is neither the individual who made the adverse benefit determination that is the subject of the appeal, nor a subordinate of such individual. In deciding an appeal of any adverse benefit determination that is based in whole or in part on a medical judgment, the appropriate named fiduciary will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment. Such professional may not be an individual who was consulted in connection with the adverse benefit determination that is the subject of the appeal or a subordinate of such individual. If you request, the Plan will furnish you with the identity of any medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your benefit claim denial (without regard to whether the advice was relied upon in making the benefit determination).

(3) The Plan Administrator will notify you of the Plan's benefit determination on appeal within a reasonable period of time, but not later than forty-five (45) days after receipt of your request for review by the Plan, unless the Plan Administrator determines that special circumstances (such as the need to hold a hearing, if the Plan's procedures provide for a hearing) require an extension of time for processing the claim. If the Plan Administrator determines that an extension of time for processing is required, written notice of the extension shall be furnished to you prior to the termination of the initial 45-day period. In no event will such extension exceed a period of 45 days from the end of the initial period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the determination on appeal.

(4) The period of time within which an initial benefit determination or benefit determination following an appeal is required to be made will begin at the time the claim or appeal is filed in accordance with the procedures of the Plan, without regard to whether all the information necessary to make a determination accompanies the filing. In the event that a period of time is extended as permitted in subparagraph (1) or (3) due to your failure to submit information necessary to decide a claim, the period for making the determination will be tolled from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

(5) In the case of any benefit denial, including denial after appeal, if an internal rule, guideline, protocol, or other similar criterion was relied upon in denying the benefit, you will be furnished with: (A) a discussion of the decision, including an explanation of the basis for disagreeing with or not following: (i) the views presented by you of health care professionals treating you and vocational professionals who evaluated you; (ii) the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with your benefit denial, without regard to whether the advice was relied upon in making the benefit determination; and (iii) a Social Security Administration disability determination presented by you to the Plan; (B) if the benefit denial is based on a medical necessity or experimental treatment or

similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances, or a statement that such explanation will be provided free of charge upon request; (C) either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the benefit determination, or a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist; and (D) 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 participant's claim for benefits.

(6) Before a benefit denial can be issued on appeal, you shall be provided free of charge with any new or additional evidence considered, relied upon, or generated by the Plan in connection with the claim, and any new or additional rationale for the denial of benefit. This information must be provided as soon as possible and sufficiently in advance of the date the decision is required to give you a reasonable opportunity to respond.

(7) Benefit denials following an appeal will include the following statement: "You and your plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your State insurance regulatory agency."

(8) In the case of your death, the same rules will apply to your Beneficiary.

(9) These special rules for Disability claims apply only if the Plan or someone acting on behalf of the Plan must make the Disability determination. They do not apply if the Plan pays a benefit based on a Disability determination made by someone else for purposes of another benefit plan or program. For example, if the Plan pays a Disability benefit only to Participants who are determined to be disabled by Social Security or who are determined to be disabled by an insurer under the Employer's Disability insurance policy, these special rules would not apply. Instead, the general claims rules apply.

YOUR 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 provisions require that all Participants have the following information.

Plan Documents:

ERISA provides that all Participants shall be entitled to:

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

(2) Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and copies of the latest annual report (Form 5500) and updated Summary Plan Description. The Plan Administrator may make a reasonable charge for the copies.

(3) 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.

(4) Obtain a statement telling you whether you have a right to receive benefits at your Normal Retirement Age (age 59½ or age 55 if you were employed by the Company before July 1, 2023) and, if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to benefits, the statement will tell you how many more years you have to work to get a right to benefits. This statement must be requested in writing and is not required to be given more than once a year. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries.

In addition to creating rights for 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

Participants and Beneficiaries. No one, including the Company or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit under the Plan or exercising your rights under ERISA.

Enforce Your Rights.

If your claim for a 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 materials which you are entitled to receive 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 up to \$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 file suit in a state or 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 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. However, no legal action may be commenced or maintained against the Plan prior, until after you exhaust the Plan's claims procedures, which are described in this Summary Plan Description.

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, you should contact the nearest office

of the Employee Benefits Security Administration, U.S. Department of Labor 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 Employee Benefits Security Administration's publications hotline at 1-866-444-3272, or online at www.dol.gov.

DEFINITIONS

Each of the following terms is capitalized whenever used in this booklet to indicate that the term has a special meaning. Although some of these terms have already been defined elsewhere in this booklet, the definition of each term is provided here for ease of reference:

Account – The Account established and maintained for a Participant under the Plan to which Contributions on behalf of the Participant, and earnings and losses therein, are credited.

Break in Service – A Break in Service is a year during which you have less than 501 Hours of Service. A Break in Service does not occur if you take a leave of absence approved by the Company or leave the Company to enter service in the armed forces, as long as you return to employment as stated in the terms of your leave.

Company – Short-Elliott-Hendrickson, Incorporated.

Compensation – For purposes of determining your share of the Company's Contribution, Compensation is your taxable (W-2) compensation, including your base salary or wages, commissions, overtime and bonuses. Any salary reductions credited to flexible spending accounts under a flexible benefit plan are included as part of your Compensation even though the Contributions are not taxable.

Disability – means a medically determinable physical or mental impairment of a Participant that renders the Participant permanently incapable of performing duties which they were employed to perform for the Employer when such impairment commenced, and also incapable of performing other work which the Employer offers to employ them to perform at comparable compensation. Disability shall be based upon the certificate of a physician approved by the Plan Administrator.

Entry Date – The Plan's Entry Dates are the first day of each quarter.

Hour of Service – Generally, an Hour of Service is an hour during which you are working for the Company and for which you are entitled to payment. An Hour of Service also includes an hour for which you are paid but are not actually working, such as vacation or sick pay. You can receive credit for up to 501 Hours of Service for any continuous

period during which you are paid but not actually performing services.

Normal Retirement Date – the last day of the Plan Year (June 30) coinciding with or next following the day you attain age 59½; or age 55 if you were employed by the Company before July 1, 2023.

Participant – any Employee who is eligible to participate in Contributions to the Plan.

Plan Year – July 1st to June 30th.

Stock – Common Stock of Short-Elliott-Hendrickson, Incorporated.

Year of Service for Vesting – To be credited for a Year of Service for Vesting purposes, you must complete at least 1,000 Hours of Service during a Plan Year in which you are employed with the Company, an SEH subsidiary, or any corporation that has merged into the Company. Past service credit shall be given for periods prior to the effective date of the Plan.

SUMMARY OF ADMINISTRATIVE INFORMATION

Name of the Plan:	Short-Elliott-Hendrickson, Incorporated Employee Stock Ownership Plan
Employer, Plan Sponsor and Plan Administrator:	Short-Elliott-Hendrickson, Incorporated is the Employer, Plan Sponsor and Plan Administrator
Plan Sponsor and Plan Administrator Address & Telephone Number:	3535 Vadnais Center Drive St. Paul, MN 55110 (651) 490-2000
Employer I.D. Number:	41-1251208
Plan Number:	003
Type of Plan:	This Plan is commonly known as an ESOP. It is a defined contribution plan and your benefit is equal to the Vested amount of funds accumulated in your Account.
Trustee's Name and Address:	First International Bank & Trust 3001 25 th St S Fargo, ND 58103 esoptrustee@fibt.com (800) 359-8092
Plan Year:	July 1 through June 30
Agent for Service of Legal Process:	The Plan Administrator may receive service of legal process and may be served at the above address. Process may also be served on the Plan Trustee at the address listed above.
Requests for Information:	If you have any questions regarding your benefits, please contact the Plan Administrator. All requests, appeals, elections and other communications should be in writing and should be hand delivered or sent by certified mail.