

SUMMARY PLAN DESCRIPTION

SWINERTON 401(k) & SAVINGS PLAN

Updated as of November 16, 2021

Important Note

This booklet is called a Summary Plan Description (“SPD”) and is intended to provide a brief description of the Plan’s features. Complete details of the Plan are contained in the Plan document. If there is a difference between this booklet and the Plan document, the Plan document (available from the Swinerton Incorporated Human Resources Department in Concord, CA) will govern. The information provided on taxes is general in nature and may not apply to your personal circumstances. You should consult a tax advisor for more information.

Plan Highlights

The following information contains highlights of the Plan.

Please read the entire Summary Plan Description for more details.

Joining the Plan

If you are an eligible employee, you may begin participating in the Plan as of the first day of the month coincident with or next following your completion of a 3-month period of employment during which you complete at least 250 hours of service.

Saving is easy

Your contributions to the Plan are made through the convenience of automatic payroll deductions. You may contribute from 1% to 50% of your pay as pretax and/or Roth contributions.

If you first became eligible to participate in the Plan on or after January 1, 2008, you will automatically be enrolled in the Plan with a pretax contribution rate of 3% unless you elect otherwise.

If you first become eligible to participate in the Plan on or after January 1, 2014, you will automatically be enrolled in the Plan with a pretax contribution rate of 5% unless you elect otherwise. A written confirmation of your automatic enrollment will be mailed to you.

In addition, unless you elect otherwise, effective January 1, 2019, your pretax deferral percent will automatically increase each year beginning July 1, 2020 by 1% until you reach a combined pretax/Roth contribution rate of 20%.

Contributing to the Plan on a pretax basis allows you to reduce the amount of current income taxes you pay each year.

In certain circumstances and subject to certain limitations, you may elect to have benefits earned under another eligible retirement plan, Individual Retirement Account ("IRA"), and a Simplified Employee Pension Plan ("SEP") transferred or rolled over to your account under this Plan.

Company contributions

The Company intends to match 100% of the first 3%, plus 50% of the next 2% of your pay that you contribute to the Plan as a pretax and/or Roth contribution ("safe-harbor matching contributions"). The Company may also make discretionary contributions on your behalf at the end of each Plan Year. If you perform services subject to the Davis-Bacon Act or similar state prevailing wage law ("Davis-Bacon Act"), the Company will make

prevailing wage contributions on your behalf to help satisfy the fringe benefit requirements of the Davis-Bacon Act.

Managing your investments

The Plan offers a range of investment options so you can put your money to work in a number of ways.

Flexibility

You may change the investment of your account balance (excluding however, the portion consisting of any Company discretionary contributions and matching contributions made in the form of Swinerton Incorporated common stock ("Swinerton Stock")) at any time. You may also change the amount you are contributing to the Plan. Of course, you may stop contributing at any time.

Vesting

Your pretax, Roth and rollover contributions, as well as any after-tax contributions you may have previously made, are always 100% vested. In addition, any safe-harbor matching contributions and prevailing wage contributions made on your behalf are always 100% vested. This means you have full ownership of such contributions. However, the extent to which you are vested in any Company matching contributions made prior to January 1, 2005 on your behalf depends on your years of service.

Accessing your account

The Plan allows you to borrow against your vested account balance under the profit sharing portion of the Plan (excluding any Company discretionary contributions and matching contributions made on your behalf in the form of Swinerton Stock). In addition, the Plan allows withdrawals under certain limited circumstances from the profit sharing portion of the Plan (subject to certain restrictions).

Leaving the Company

When you leave the Company, your vested account balance will be paid to you or you may elect to have your vested account transferred to an Individual Retirement Account ("IRA") or to another eligible retirement plan. Under certain circumstances, you may also elect to defer distribution of your vested account.

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Introduction

Chances are, you're hoping for a long and fulfilling retirement. A significant part of how rewarding your retirement experience will be depends on how well you have planned for it.

It's not easy to save for the future. Planning to save and actually doing it are two different things. Often the "doing" is the most difficult. Through the Swinerton 401(k) & Savings Plan (the "Plan"), you are offered an easy way to work with your employer (the "Company") to add to your long-term retirement savings. The Plan is technically a combination profit sharing plan (referred to as the "profit sharing portion") and employee stock ownership plan (referred to as the "ESOP portion"). The profit sharing portion includes salary deferrals (401(k)), employer matching and discretionary contributions, any after-tax contributions you may have previously made, as well as your rollover contributions, while the ESOP portion is designed to invest primarily in Swinerton Incorporated Stock ("Swinerton Stock").

You may make pretax and/or Roth contributions to the Plan. The Company intends to match a percentage of your pretax and Roth contributions and also may make discretionary contributions at the end of each Plan Year. Your Plan account has the potential to grow faster than saving outside the Plan because your pretax/Roth contributions, any Company matching and discretionary contributions made on your behalf and any earnings in your account are not subject to current income taxes until they are paid to you from the Plan.

Your personal financial security is one of life's most important objectives. The Company shares your concern and offers the Plan as one way to help you build a strong financial future.

Contacting Principal (Website and Phone Service)

To help with your retirement planning, many features of the Plan are available to you by contacting Principal Life Insurance Company (“Principal”) via the Internet (www.principal.com) 24 hours a day, seven days a week or over an automated telephone system (1-800-547-7754) from 7 AM to 9 PM Central Time (“CT”) on any business day the New York Stock Exchange (“NYSE”) is open (“NYSE business day”). You may also speak with a Participant Service Center Representative.

Contacting Principal enables you to:

- Obtain information about your Plan account;
- Request an account statement;
- Select/change a beneficiary(ies) for your account;
- Obtain Plan forms;
- Initiate and/or process a loan or distribution from the Plan; and
- Make changes to your contribution percentage and investment elections.

You will receive separate instructions to access Plan information by contacting Principal. If you have any questions about using this service, contact the Swinerton Incorporated Human Resources Department in San Francisco, CA.

Joining the Plan

Eligibility

All employees of the Company, other than leased employees, independent contractors (even if that classification is later changed) and employees covered by a collective bargaining agreement (unless the terms of the bargaining agreement otherwise provides), are eligible to participate in the Plan.

If you are an eligible employee, you may begin participating in the Plan on the first day of the month coincident with or next following your completion of a 3-consecutive month period of employment with the Company during which you are credited with at least 250 hours of service.

An “hour of service” includes all hours actually worked, plus most paid non-working hours such as vacation, sick days, and the like. However, no more than 501 hours of service will be credited to you for any single continuous period during which you are not actually working.

If you have any questions concerning your eligibility to participate in the Plan or the calculation of your hours of service, contact the Swinerton Incorporated Human Resources Department in San Francisco, CA.

Automatic Enrollment

Upon satisfying the eligibility requirements described above, when you first become eligible to participate in the Plan, you will automatically be enrolled with a pretax contribution rate of 5%. Furthermore, if you are rehired by the Company on or after January 1, 2017, and you have satisfied the eligibility requirements described above, you will automatically be enrolled in the Plan with a pretax contribution rate of 5%. You will receive notification prior to being automatically enrolled in the Plan.

If you are rehired by the Company on or before December 31, 2016, and you have satisfied the eligibility requirements described above but you have not made an affirmative election to contribute to the Plan (including an election to contribute 0% of your pay), you will automatically be enrolled in the Plan as of January 1, 2017, with a pretax contribution rate of 5%. You will receive notification prior to being automatically enrolled in the Plan.

If you desire to contribute more or less than 5% of your pay, or, if you do not want to contribute at all (opt out), you must contact Principal prior to your Plan entry date to make your election. In addition, you may also opt out of Automatic Enrollment within 90-days following your initial automatic enrollment (the first date pretax deferrals were automatically withheld from your paycheck). The amount withheld will be refunded to you (as adjusted for investment gains and losses) and will be subject to federal income taxes just like your regular pay. However, such refunded amount would not be subject to any early withdrawal penalty. Additionally, any Company matching contributions made on the refunded automatic enrollment pretax contributions will be forfeited. You may request such a refund of your pretax deferrals through the Swinerton Incorporated Human Resources Department in San Francisco, CA.

Effective as of January 1, 2017, if you were previously automatically enrolled in the Plan or you are automatically enrolled in accordance with the above, your pretax contribution rate will automatically increase each year on July 1st beginning the year 2020 by 1% until you reach a pretax contribution rate of 20%, unless you elect otherwise by contacting Principal.

Please contact Principal to designate your beneficiary under the Plan. If you do not contact Principal to designate your beneficiary, your beneficiary will be your surviving spouse. If there is no surviving spouse, your estate will be your beneficiary.

NOTE: *Your service with Cambridge Swinerton Builders, Inc. will be counted under the Plan for purposes of determining when you meet the eligibility service requirement stated above.*

Military Service

If you leave employment for certain periods of military service and are reemployed, you will be eligible to receive service credit, make contributions and receive Company contributions for those periods of qualified military service in accordance with the rules under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). If you have any questions regarding this provision, contact the Swinerton Incorporated Human Resources Department in San Francisco, CA.

Savings Highlights

Your Pretax and Roth Contributions

You may contribute to the Plan from 1% to 50% of your “pay” as a pretax (before federal and, in most cases, state income taxes) and/or Roth contribution. For Plan purposes, “pay” excludes reimbursements or other expense allowances, moving expenses, any program of deferred compensation, fringe benefits (cash and noncash), welfare benefits, bonuses paid in Swinerton Stock (and any cash paid to you in connection with such Swinerton Stock bonuses) and any compensation received before becoming a participant in the Plan. In addition, under the federal tax laws, pay in excess of \$305,000 for 2022 may not be taken into account for Plan purposes. This limit will be periodically adjusted by the Internal Revenue Service (“IRS”).

The federal tax laws also limit the amount you can contribute to the Plan as pretax and Roth contributions each year. This combined pretax and Roth contribution limit is \$20,500 for 2022. You should also be aware that the annual dollar limit is an aggregate limit that applies to all contributions you may make under this Plan or other cash or deferred arrangements (including other 401(k) plans and 403(b) plans). Generally, if your total pretax and Roth contributions under all cash or deferred arrangements for a calendar year exceed the annual dollar limit, the excess must be included in your income for the year of the contribution and, if the excess is not returned to you by the following April 15th, it is included in your income again when it is later distributed to you. For this reason, it is desirable to request the return of any amounts contributed in excess of the federal limits.

If you have contributed in excess of the federal limits in any year, you must decide which plan or arrangement you would like to return the excess. If you decide that the excess should be distributed from this Plan, you must communicate this in writing to the Swinerton Incorporated Human Resources Department in San Francisco, CA no later than the March 1st following the close of the calendar year in which such excess deferrals were made. However, if the entire dollar limit is exceeded in this Plan or any other plan maintained by the Company, every effort will be made to return the excess contribution and any earnings to you by April 15th.

NOTE: *Other requirements under the federal tax laws may limit the total amount that may be allocated to your account in any year, or the total pretax and Roth contributions which may be made by certain higher-paid employees. These limits could require you to reduce your contribution percentage or the total you have contributed for the year. You will be advised if you are subject to such limitations.*

Your Catch-Up Contributions

If you are at least age 50, or will be age 50 by the end of the calendar year, you are eligible to make a pretax and/or, effective July 2, 2018, Roth “catch-up” contribution for the year. The combined maximum catch-up contribution is \$6,500 for 2022. You may elect to make a catch-up contribution by contacting Principal. However, you should be aware that any intended catch-up contribution will be treated as a regular pretax and/or Roth contribution until your total pretax and/or Roth contributions for the year reach the maximum limit permitted under the Plan.

Rollover Contributions

In certain circumstances, you may elect to have benefits earned under a qualified plan, a 403(b) plan, a governmental 457 plan (excluding, however, any after-tax contributions), and a Simplified Employee Pension Plan (SEP) transferred or rolled over to your account under this Plan. In general, you may also roll over funds held in an IRA provided such account consists solely of amounts rolled over from

a retirement plan.

If you are not a member of an excluded class of employees, you may elect to make a rollover even prior to satisfying the eligibility requirements for participating in the Plan. Any rollover contributions made to the Plan will also be available for withdrawals and loans prior to the date you become eligible to participate in the Plan.

To make a rollover contribution, contact Principal.

Retirement Savings Potential

Traditionally, many people save on an after-tax basis. This means that any money they are saving has already been taxed. Under the Plan, however, you save on a pretax basis, which reduces your current income taxes. Social Security (FICA and Medicare) taxes continue to apply to your contributions to the Plan. The following example illustrates the difference in spendable income that may be obtained by making pretax contributions. Roth contributions may also be made to the Plan. As Roth contributions are made on an after-tax basis, the difference in spendable income will be the same as though you saved on a traditional, after-tax basis.

Example *	TRADITIONAL SAVINGS METHOD	SWINERTON 401(k) & SAVINGS PLAN
	After-Tax/Roth	Pretax
Annual pay	\$20,000	\$20,000
Pretax savings	-0	-1,400
Adjusted gross pay	=20,000	=18,600
Federal & State taxes	-4,000	-3,720
Social Security taxes	-1,530	-1,530
Net pay	=14,470	=13,350
After-tax savings	-1,400	-0
Spendable income	=13,070	=13,350
Difference in spendable income		\$280

* This example assumes that you earn \$20,000 a year, save 7% of your pay, are in a 20% tax bracket and have Social Security taxes withheld using an estimated rate of .0765%. Taxes will be assessed when you receive a distribution from the Plan.

“Safe-Harbor” Matching Contribution

Remember, when you make pretax and/or Roth contributions to the Plan, the Company contributes as well. The Company believes this Plan is important for your future retirement security. Therefore, the Company intends to match 100% of the first 3%, and 50% of the next 2% of your pay that you contribute to the Plan on a pretax/Roth (after-tax) basis for the year.

What does this Company match mean to you? Go back to the \$20,000 a year example. Your pretax contribution of \$1,400 equals 7% of your annual pay. With the Company matching contribution feature, an additional \$800 $[(\$20,000 \times 3\% \times 100\%) + (\$20,000 \times 2\% \times 50\%)]$ will be allocated to your account for the year.

As with prior years, for 2022, your “Match Holding Account” will reflect matching contributions on your behalf if you participate in your own pretax/Roth 401(k) contributions. The Match Holding Account is not funded until after the close of the Plan Year. Therefore, the amount related to the Match Holding Account is maintained for recordkeeping purposes only. Investment allocation and personal return information are presented as if the Match Holding Account were fully funded/invested, and, therefore, do not necessarily represent the allocation or returns of actual current investments associated with your account. After finalization of year end accounting for the Plan, the Match Holding Account will be funded in shares of Swinerton Incorporated stock or cash, or a combination of both (as determined by the Swinerton Incorporated Board of Directors).

To obtain additional information about the Match Holding Account, please refer to your quarterly Account Statement or the Match Holding Account fact sheet that is available by contacting Principal. You can also contact the Swinerton Incorporated Human Resources Department in San Francisco.

The Company’s Board of Directors reserves the right to change the matching contribution formula. You will be notified in the event of a change to the matching formula.

Matching contributions are excluded from your income for Social Security (FICA and Medicare) and income tax purposes. Matching contributions (adjusted for investment gains and losses) will be subject to income tax when distributed.

NOTE: *If you maximize your contributions at the beginning of the year, due to Plan limitations or limitations prescribed by law, you may not be able to contribute during the entire year. As a result, you may fail to receive the full matching contribution for the year. In addition, you may fail to receive the full matching contribution if your rate of deferral changes during the Plan Year. In either event, you may be entitled to receive a supplemental matching contribution at the end of the year. This supplemental matching contribution is designed to ensure that you receive the full matching contribution for the year. You should be aware that any such supplemental matching contribution for the year will be made solely in the Company’s discretion.*

Company Discretionary Contributions

At the end of each Plan Year, the Company may also make a discretionary contribution to the profit sharing portion and/or the ESOP portion of the Plan. Discretionary contributions to the profit sharing portion and the ESOP portion of the Plan may be paid in cash or in shares of Swinerton Stock. If you meet the eligibility requirement described below, your share of any such contributions will be determined by the ratio that your pay (including your pretax/Roth contributions) for the Plan Year bears to the pay of all eligible participants.

You should be aware that, under the federal tax laws, pay in excess of \$305,000 for 2022 (and as periodically adjusted thereafter by the IRS) may not be taken into account when allocating such contributions. In addition, if you become a participant in the Plan in the middle of a Plan Year, your share of any Company discretionary contributions for that year will be based only on the pay you receive after you become a Plan participant.

If you are employed by more than one employer during the year and the rates of discretionary contributions are different for those employers, your share of discretionary contributions will be based upon the contribution rate for the employer for whom you are employed on the last day of the Plan Year.

You will normally be eligible to share in any discretionary contributions made under the profit sharing portion and/or the ESOP portion of the Plan for a Plan Year only if you are employed by the Company on the last day of the Plan Year.

You do not have to make pretax/Roth contributions to share in any Company discretionary contributions made for any Plan Year. However, if you fail to make any pretax/Roth contributions for a Plan Year, you will not receive any matching contributions for that year.

The Company's Board of Directors will decide whether or not to make discretionary contributions for each Plan Year and reserves the right to reduce or eliminate discretionary contributions for any Plan Year. Once again, the rate of the discretionary contributions, if any, may vary among the participating employers.

Discretionary contributions are excluded from your income for Social Security (FICA and Medicare) and income tax purposes. Discretionary contributions (adjusted for investment gains and losses) will be subject to income tax when distributed.

Prevailing Wage Contributions

If you are an eligible employee and perform services under a public contract that is subject to the Davis-Bacon Act or similar state prevailing wage law ("Davis-Bacon Act"), you will be considered a Davis-Bacon Employee. For each Davis-Bacon Employee, the Company will make a prevailing wage contribution on your behalf in such amount as may be necessary to satisfy the fringe benefit requirements of the Davis-Bacon Act. The amount of the prevailing wage contribution will vary and will be equal to the remaining balance of the prevailing wage fringe benefit amount following the application of other prevailing wage fringe benefits. Under the Davis-Bacon Act, your fringe benefit is based on your employment classification as designated on the appropriate prevailing wage determination.

Prevailing wage contributions are excluded from your income for Social Security (FICA and Medicare) and income tax purposes. Discretionary contributions (adjusted for investment gains and losses) will be subject to income tax when distributed.

Managing Your Investments

You work hard for your money. One of the advantages of the Plan is that it lets your money work hard for you. The Plan provides you with a broad range of investment options. The Plan permits you to invest your account (excluding the portion consisting of any Company discretionary contributions and matching contributions made in the form of Swinerton Stock) in either individual investment options or in one of the *Portfolios* Asset Allocations ("*Portfolios*") available under the Plan. Different investment options may be offered from time to time and you will be informed in advance of any changes. If you do not specify how your account is to be invested, or, if you have been automatically enrolled in the Plan, your account will automatically be invested in the Plan's default fund, as set forth in your enrollment materials.

Additional information concerning the available individual investment options and *Portfolios* is provided separately.

NOTE: *The Plan is intended to constitute a Plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974 (“ERISA”). Section 404(c) is a provision providing special rules for participant-directed plans, like ours, that permit participants to exercise control over the assets in their accounts. If a Plan complies with Section 404(c), the Plan’s fiduciaries will not be liable for poor investment performance or losses resulting directly from participant-directed investment decisions. This means you are responsible for your investment decisions under the Plan.*

You have the right to receive the following information upon request:

1. A description of the annual operating expenses of each standard investment option and the aggregate amount of such expenses expressed as a percentage of average net assets.
2. Copies of any updated prospectuses, financial statements and reports and other information furnished to the Plan relating to each such investment option.
3. A semi-annual listing of assets comprising the portfolio of each standard investment option, the value of such assets (or the proportion of the investment option which it comprises) and, with respect to each asset which is a fixed rate investment contract issued by a bank, savings and loan association or insurance company, the name of the issuer of the contract, the term of the contract and the rate of return of the contract.
4. Information concerning the value of shares or units in each investment option, as well as the past and current investment performance of each investment option.
5. Information concerning the value of shares or units in each investment option held in your account.

The Plan Administrator is responsible for providing the above information which is contained in either the fund prospectuses and/or in the quarterly statement that you receive. The contact information for the Plan Administrator is set forth in the “Important Facts” section of this booklet. However, the above information can also be obtained by contacting Principal.

For more information about your investment options, including fees and expenses, please consult the prospectuses.

Flexibility

Changing Contributions and Investments

Nearly everyone’s personal financial situation is likely to change over the years. Because of this, the Plan offers you the flexibility to change the amount of your contributions or to stop your contributions entirely. In addition, the Plan permits you to change your investment elections.

Contributions

You may elect to change how much of your pay you contribute as pretax and/or Roth contributions, from 1% to 50% in whole percentages, by contacting Principal. Your pretax and/or Roth contribution change will be effective as soon as administratively possible. Of course, you may elect to stop contributing pretax and/or Roth contributions at any time. If you elect to stop contributing, your pretax

and/or Roth contributions will cease as soon as administratively possible following your election. If you do choose to stop contributing, you may begin making pretax and/or Roth contributions again, by contacting Principal.

You may also elect to change how much of your pay you contribute as a pretax and/or Roth contribution for your catch-up contribution by contacting Principal. Your catch-up contribution change will be effective as soon as administratively possible. You may elect to stop contributing pretax and/or Roth catch-up contributions at any time. If you elect to stop contributing, your catch-up contributions will cease as soon as administratively possible following the contribution change date. If you choose to stop contributing catch-up contributions, you may begin making catch-up contributions again, at any time by contacting Principal.

Investments

With respect to the portion of your account which is subject to your investment direction, you may change your investment election for future contributions allocated to your account, and/or your investment election for your existing account balance, by contacting Principal. Investment election changes made and confirmed before 4:00 PM ET on any NYSE business day will generally be effective as of the close of that day and cannot be changed or cancelled after the NYSE closes on that day. A change confirmed on or after 4:00 PM ET, or on weekends or holidays, will generally be effective as of the close of the next NYSE business day and cannot be changed or cancelled after the NYSE closes on that day. In the event the NYSE closes prior to 4:00 PM ET on any business day, a change made and confirmed before the time the NYSE closes will generally be effective as of the close of that day and cannot be changed or cancelled after the NYSE closes on that day. A change made or confirmed on or after such closing time will generally be effective as of the close of the next NYSE business day and cannot be changed or cancelled after the NYSE closes on that day. In the event an investment option does not have sufficient liquidity to meet same day redemption requests, your change will be effective as soon as administratively possible thereafter.

NOTE: *There may be limitations on your ability to direct the investment of your account under the Plan. Policies established by mutual funds may impose redemption fees on certain transactions and also may impose restrictions or limitations on frequent or excessive trading. The Plan Administrator will enforce the funds' policies on redemption fees and trading restrictions or limitations as Plan rules. As a result, if your investment direction violates a fund's trading restriction or limitation, your action may result in redemption fees being assessed to your account or your investment directions may be declined. In some circumstances, your ability to make additional investments in a fund may be suspended or terminated. Please refer to the underlying prospectus(es) and other fund information for further details on the funds' policies on redemption fees and trading restrictions or limitations. You may also obtain related information by contacting Principal.*

Confirmation will be provided to you for each change of your contribution percentage and/or your investment election. If you change your investment election with respect to future contributions and your existing account balance among the individual investment options, you will receive separate confirmation(s).

Accessing Your Account

One of the most commonly asked questions about the Plan is, “Can I get my money out of the Plan?” Since the primary purpose of the Plan is to encourage long-term retirement savings, distribution of your vested account normally cannot be made before your retirement or other termination of employment. However, while you remain employed by the Company, you may borrow and withdraw money from the profit sharing portion of your vested account, excluding, however, any Company discretionary contributions and matching contributions made on your behalf in the form of Swinerton Stock. Please note that loans and withdrawals under the profit sharing portion of the Plan may be subject to limitations, in addition to those described below, established by the Plan Administrator in order to anticipate changes in the value of your account due to market fluctuations.

Loans

The Plan allows you to borrow against the value of your vested account balance under the profit sharing portion of the Plan (excluding any Company discretionary contributions and matching contributions made on your behalf in the form of Swinerton Stock). It’s a way for you to borrow your own money. The interest you pay on your loan goes back into your own Plan account. You can model your repayment schedule and apply for a loan by contacting Principal. Loan documentation and processing instructions will be mailed to you. A loan setup fee of \$75 will be deducted from your account each time you initiate a Plan loan.

You may only have two loans outstanding at any time. The annual interest rate will be equal to the Prime Rate (as published in *The Wall Street Journal* on the day the loan is initiated), plus 1%.

The minimum amount you can borrow is \$1,000. The maximum loan amount available to you will be determined by your vested account balance under the profit sharing portion of the Plan. The maximum amount available is the lesser of (i) 50% of your vested account balance under the profit sharing portion of the Plan (excluding any Company discretionary contributions and matching contributions made on your behalf in Swinerton Stock) or (ii) \$50,000. This \$50,000 maximum is reduced, however, by the amount of your highest outstanding loan balance for the previous 12-month period.

Loans must be repaid through payroll deductions over a period of not more than five years. However, if you’re using the loan to purchase your principal residence, the loan can be repaid over a period of not more than 10 years. Loans may be repaid in full at any time without penalty. Failure to repay a loan in accordance with its terms will constitute default. If you default on your Plan loan, under the federal tax laws, you will be considered to be in taxable receipt of your unpaid loan balance (except for the portion of your loan attributable to Roth/after-tax contributions, only the earnings are taxable). As a result, you will have to pay income taxes on the amount of your unpaid loan. If you are under age 59½, an additional 10% penalty tax may also apply. In addition, interest will generally continue to accrue (for purposes of determining your eligibility for any subsequent loan) until the loan is repaid or you separate from service. If you have questions regarding treatment of loans in default, contact the Swinerton Incorporated Human Resources Department in San Francisco, CA.

If you are on an authorized leave of absence without pay or with a rate of pay that is less than your required loan repayment amount, your loan repayment may be suspended for a period equal to the lesser of one year or the duration of the leave of absence. In the event of certain military service, your loan may be suspended for a longer period.

If you stop working for the Company before your loan is repaid, your outstanding loan balance will become due and payable, subject to the grace period set forth in your loan agreement and promissory note. You will have the opportunity to repay your loan during the grace period, but if you fail to do so, your outstanding loan balance will automatically be deducted from your vested account balance and the non-Roth/after-tax portion treated as taxable income to you. For the portion of your loan attributable to Roth/after-tax contributions, only the earnings are taxable; however, Roth earnings will not be taxable if you have satisfied the requirements for receipt of a Roth “qualified distribution”. If you are under age 59½, an additional 10% penalty tax may also apply.

If you request a distribution from the Plan prior to the end of the grace period and prior to repaying your loan, your outstanding balance will be deducted from your account before it is distributed to you. Once again, that outstanding loan balance will be treated as a taxable distribution to you.

Hardship Withdrawals

Under the Plan, you are permitted to withdraw a portion of your vested account if you experience one of the following six financial hardships:

- Purchase of your principal residence;
- Payment of unreimbursed medical expenses incurred by you, your spouse or dependents, or to permit you, your spouse, your dependents or your primary beneficiary under the Plan to obtain medical care;
- Payment of tuition and “related expenses” (as defined under federal law) for the next 12 months of post-secondary education (for example, college, graduate school and/or equivalent courses) for you, your spouse, your children, your dependents or your primary beneficiary under the Plan;
- Payment to prevent eviction from your principal residence or foreclosure on the mortgage of your principal residence;
- Payment of funeral or burial expenses for your deceased parent, spouse, children or dependents (as defined in Section 152 of the Code, without regard to Section 152 (d)(1)(B) of the Code) or your primary beneficiary under the Plan; or
- Payment to repair damage to your principal residence that would qualify for a casualty loss deduction under Section 165 of the Code (determined without regard to Section 165(h) of the Code or whether the loss exceeds ten percent (10%) of your adjusted gross income).

You may only withdraw from the profit sharing portion of your vested account (not including any investment earnings on your pretax/Roth contributions, any Company discretionary contributions and matching contributions made on your behalf in the form of Swinerton Stock, any Safe-Harbor matching contributions, and any prevailing wage contributions) and any withdrawal will be made pro-rata from the investment fund(s) in which your accounts are invested. In addition, you will only be allowed to make one hardship withdrawal each Plan Year. The amount withdrawn may not exceed the amount needed to meet your hardship including, if you elect, the amount needed to pay any applicable tax withholding on the withdrawal. A hardship withdrawal fee of \$25 will be deducted from your account upon approval of each hardship request.

In reviewing your request for a hardship withdrawal, consideration will be given to the nature of your financial need, the documentation you provide and whether or not you have exhausted all other financial resources available to you, including a withdrawal from the Plan. In other words, you will have

to prove a financial hardship and that you (and your spouse and dependents) have no other monies immediately available to meet that hardship.

Effective for hardship withdrawals made on or after January 1, 2020, you must represent in writing or electronic medium that you have insufficient cash or other liquid assets to satisfy your need. The Plan may rely on your representation (unless it has actual knowledge to the contrary).

The amount you withdraw for financial hardship will be subject to optional federal income tax withholding. If you are under age 59½, an additional 10% penalty tax may apply. You may obtain a hardship withdrawal form by contacting Principal. You should, however, consult with your tax advisor before exercising this option.

Age 59½ Withdrawals

If you have attained age 59½, you may elect to withdraw all or a portion of your vested account balance under the profit sharing portion of the Plan (excluding any Company discretionary contributions and matching contributions made on your behalf in the form of Swinerton Stock), subject to rules and procedures as may be established by the Committee. Any withdrawal will be made pro-rata from the investment fund(s) in which your accounts are invested.

The money you withdraw may be subject to mandatory 20% federal income tax withholding and state tax withholding, if applicable. It will not, however, be subject to the 10% penalty tax. Qualified distributions of Roth contributions and related earnings are not subject to applicable federal and state income tax withholding. You may request an age 59½ withdrawal by contacting Principal. You should, however, consult with your tax advisor before exercising this option.

After-Tax Withdrawals

You may withdraw all or a portion of your account attributable to any after-tax contributions you may have previously made to the Plan, subject to rules and procedures as may be established by the Committee.

If you withdraw any voluntary after-tax contributions that were made after December 31, 1986, a portion of the amount withdrawn must include earnings, which will be subject to income tax. The taxable portion will be determined on a pro rata basis based upon the value of your after-tax contributions made after December 31, 1986.

The taxable portion of the amount withdrawn may also be subject to mandatory 20% federal tax withholding and state tax withholding, if applicable. If you are under age 59½, an additional 10% penalty tax may also apply. You may request an after-tax contribution withdrawal by contacting Principal. You should, however, consult with your tax advisor before exercising this option.

Withdrawals of Rollover Contributions

You may elect to withdraw all or a portion of your account attributable to any rollover contributions you may have made to the Plan, subject to rules and procedures as may be established by the Committee.

The money you withdraw may be subject to mandatory 20% federal income tax withholding and state tax withholding, if applicable. If you are under age 59½, an additional 10% penalty tax may also apply. You may request a rollover contribution withdrawal by contacting Principal. You should, however, consult your tax advisor before exercising this option.

Vesting

Vesting means ownership. You are always 100% vested (in other words, you have complete ownership) in your pretax and Roth contributions, any rollover contributions you may have made, any after-tax contributions you may have previously made, any safe-harbor matching contributions made on your behalf, and any prevailing wage contributions made on your behalf (adjusted for investment gains and losses).

If you are actively employed by the Company on January 1, 2005 or hired on or after January 1, 2005:

- You are also 100% vested in any Company discretionary contributions made on your behalf under the ESOP portion of the Plan (adjusted for investment gains and losses); and
- You are also 100% vested in any Company discretionary contributions made on your behalf under the profit sharing portion of the Plan (adjusted for investment gains and losses).

You will become vested in matching contributions made prior to January 1, 2005, in accordance with the following schedule:

<u>Credited Service</u>	<u>Nonforfeitable Percentage</u>
Less than 2 years	0%
2 years but less than 3 years	25%
3 years but less than 4 years	50%
4 years but less than 5 years	75%
At least 5 years	100%

NOTE: If the Company decides to make non-safe harbor matching contributions, you will become vested in such matching contributions in accordance with the preceding schedule.

NOTE: Your service with Cambridge Swinerton Builders, Inc. will be counted under the Plan for purposes of determining the above vesting percentage.

Leaving the Company

Distributions and Taxation

Distributions from the Profit Sharing Portion of the Plan

Following your retirement or other termination of employment, and subject to the “Required Minimum Distributions” section below, distribution of your vested account balance under the profit sharing portion of the Plan will normally be made as soon as administratively possible following your completion of your online distribution or completion of the Distribution Election Form(s).

You will need to complete a separate Distribution Election Form if any portion of your vested account balance under the profit sharing portion of the Plan is invested in Swinerton Incorporated Stock (“Swinerton Stock”).

Beginning in the year following the year of separation, the portion invested in Swinerton Stock will be distributed to you in shares of stock by the end of the Plan Year in which you complete the Distribution Election Form, subject to the Company’s right (under the terms of the Plan and the Company’s Articles of Incorporation) to immediately repurchase the shares of Swinerton Stock that were distributed. Fractional shares must be distributed in cash.

NOTE: *If the portion of your vested account balance under the profit sharing portion of the Plan exceeds \$5,000, you may elect to defer distribution of this portion until you have reached your normal retirement date under the Plan. Your normal retirement date is your attainment of age 62. You may not defer distribution beyond your normal retirement date.*

If your vested account balance under the profit sharing portion of the Plan is \$1,000 or less, unless you make a timely election to rollover this portion of your vested account to an eligible IRA or another eligible retirement plan, or elect to have this portion of your vested account distributed to you, this portion of your account will be paid to you in a single-sum cash payment as soon as administratively possible following your termination of employment. If your vested account balance under the profit sharing portion of the Plan exceeds \$1,000 but is equal to or less than \$5,000, unless you elect otherwise, a cash payment of this portion of your account will be rolled over to an IRA selected by the Plan Administrator. The Plan Administrator has selected the Principal Bank IRA.

If your vested account is automatically rolled over to the Principal Bank IRA, your account will be invested under this IRA in an investment product designed to preserve principal and provide a reasonable rate of return and liquidity. Any fees and expenses under the Principal Bank IRA will be charged to your account. Please note that if your distribution is automatically rolled over to the Principal Bank IRA, you will continue to have the same access to your account information by contacting Principal.

For further information concerning the distribution of Swinerton Stock or the Plan's automatic rollover provision, contact the Swinerton Incorporated Human Resources Department in San Francisco, CA. For information regarding the Principal Bank IRA and/or the fees and expenses associated with the Principal Bank IRA, contact Principal.

Following your termination of employment, all or a portion of the Swinerton Stock in the profit sharing portion of your account may be segregated and invested in Trust Assets other than Swinerton Stock, with the timing and amount of such segregation and investment determined by the Swinerton 401(k) & Savings Committee at the direction of the Swinerton Incorporated Board of Directors.

Distributions from the ESOP Portion of the Plan

Following your retirement or other termination of employment, and subject to the "Required Minimum Distributions" section below, distribution of your vested account balance under the ESOP portion of the Plan will normally be made as soon as administratively possible following your completion of the Distribution Election Form.

Beginning in the year following the year of your separation, the portion of your account invested in Swinerton Stock in the ESOP portion of the Plan, if any, will be distributed to you in shares of stock by the end of the Plan Year in which you complete the Distribution Election Form, subject to the Company's right (under the terms of the Plan and the Company's Articles of Incorporation) to immediately repurchase the shares of Swinerton Stock that were distributed. In addition, the ESOP portion of your account that is not invested in Swinerton Stock will be distributed to you in accordance with your election made on the completed Distribution Election Form.

The Board of Directors has the right to select a later benefit distribution date if more time is required and may determine that distribution will be made in installments over a period of not more than 15 years. In addition, since the Bylaws of the Company restrict the ownership of substantially all outstanding shares of Swinerton Stock to current employees and the ESOP, your benefits under the ESOP portion of the Plan may be required to be distributed to you in cash.

NOTE: *If the portion of your vested account balance under the ESOP portion of the Plan exceeds \$5,000, you may elect to defer distribution of this portion of the Plan until you have reached your normal retirement date under the Plan. Your normal retirement date is the attainment of age 62. You may not*

defer distribution beyond your normal retirement date.

If your vested account balance under the ESOP portion of the Plan is \$1,000 or less, unless you make a timely election to roll over this portion of your vested account to an eligible IRA or another eligible retirement plan, or elect to have this portion of your vested account distributed to you, this portion of your account will be paid to you in a single-sum cash payment as soon as administratively possible following your termination of employment. If your vested account balance under the ESOP portion of the Plan exceeds \$1,000 but is equal to or less than \$5,000, unless you elect otherwise, a cash payment of this portion of your account will be rolled over to an IRA selected by the Plan Administrator. The Plan Administrator has selected the Principal Bank IRA.

If your vested account is automatically rolled over to the Principal Bank IRA, your account will be invested under this IRA in an investment product designed to preserve principal and provide a reasonable rate of return and liquidity. Any fees and expenses under the Principal Bank IRA will be charged to your account. Please note that if your distribution is automatically rolled over to the Principal Bank IRA, you will continue to have the same access to your account information by contacting Principal.

For further information concerning the distribution of Swinerton Stock or the Plan's automatic rollover provision, contact the Swinerton Incorporated Human Resources Department in San Francisco, CA. For information regarding the Principal Bank IRA and/or the fees and expenses associated with the Principal Bank IRA, contact Principal.

Following your termination of employment, all or a portion of the Swinerton Stock in the ESOP portion of your account may be segregated, exchanged for cash and invested in Trust Assets other than Swinerton Stock with the timing and amount of such segregation and investment determined by the Swinerton 401(k) & Savings Committee at the direction of the Swinerton Incorporated Board of Directors.

NOTE: *The exchange transaction will take place on a nondiscriminatory basis and the most recent appraised fair market value of Swinerton Stock will be used when exchanging Swinerton Stock for cash. Further, the exchange transaction will apply to the ESOP portion of any accounts established on behalf of alternate payees and beneficiaries under the Plan.*

Required Minimum Distributions

NOTE: *Under federal law, distribution of your vested account must be made or commence no later than the April 1 following the year you attain age 70½ or, if later, following the year you terminate employment. However, if you are a 5% owner of the Company, you will be required to begin receiving minimum distributions from your account by the April 1 following the year you attain age 70½ regardless of whether you have terminated employment at that time.*

In General

Whenever you receive a distribution from the Plan, it will normally be subject to income taxes. To provide for the resulting taxes, your distribution may be subject to mandatory 20% federal income tax withholding and may also be subject to any applicable state income tax withholding. However, you may be able to defer income taxes on your distribution by electing to have your distribution paid directly to an IRA or to another eligible retirement plan.

If you are younger than age 59½ when you receive your distribution, any amount you receive may be subject to a 10% federal excise tax (penalty tax) in addition to any applicable federal and state income taxes. However, the 10% penalty tax will not apply to distributions made to your beneficiary in the event of your death or if you transfer your distribution directly to an IRA or to another eligible retirement plan. You may request a distribution for the profit sharing portion of the Plan by contacting Principal. For information concerning distribution of Swinerton Stock under the profit sharing portion of the Plan and

the ESOP portion of the Plan, contact the Swinerton Incorporated Human Resources Department in San Francisco, CA.

You will be provided with more information concerning your distribution options when you apply for benefits under the Plan.

NOTE: *Qualified distributions of Roth contributions and related earnings are not subject to federal or state taxes. A “qualified distribution” is one that occurs after a five-year period of Roth participation and that either (1) is made on or after the date you attain age 59½, (2) is made after your death, or (3) is attributable to your disability.*

Death Benefit

If you die while employed by the Company, your beneficiary will be entitled to receive the full value of your account. If you die after terminating employment, but before distribution of your vested account has been made or commenced, the vested balance of your account will be paid to your beneficiary.

You may choose anyone to be your beneficiary under the Plan. You make your designation by contacting Principal. However, under federal law, if you are married and wish to name someone other than your spouse as your beneficiary, you may do so only with your spouse’s written and notarized consent. If you fail to designate a beneficiary, or if your designated beneficiary dies before you do, the Plan provides that your beneficiary will automatically be your surviving spouse, or, if none, your estate.

Disability

As mentioned, if you terminate employment with the Company as a result of your “permanent and total disability,” you will also be entitled to receive the full value of your Plan account, regardless of your years of vesting service under the Plan. For this purpose, you will be considered “permanently and totally disabled” if you are entitled to receive disability benefits under Social Security.

Distributions to persons under the age of 59½ because of disability may qualify for exclusion from the 10% penalty tax described previously.

Effect on Other Benefits

Your contributions to the Plan will not affect other salary-related benefits, such as life insurance and disability benefits. Also, making contributions will not change the amount of your Social Security benefits or the Social Security taxes that are withheld from your pay.

Important Facts

Swinerton Incorporated is the Plan Sponsor

The Plan Sponsor's address, telephone number and federal employer identification number (EIN) are:

**Swinerton Incorporated
2001 Clayton Rd. 7th Floor
Concord, CA, 94520**

**Phone: (925) 602-6400
EIN: 93-1132374**

- The Plan covers employees of Swinerton Incorporated and affiliates. A list of the participating affiliates may be obtained upon written request to the Plan Administrator.
- The Plan Sponsor also serves as the Plan Administrator.
- The Committee is appointed by the Plan Sponsor's Board of Directors and may be contacted at the Plan Sponsor's address shown above.
- The Plan Year is the 12-month period beginning January 1 and ending December 31.
- The Committee has been designated as agent for service of legal process.
- The Plan is a profit sharing and employee stock ownership plan and the number assigned to the Plan by the Plan Sponsor is 001.
- The Plan's administrative service provider is Principal Life Insurance Company.
- The 401(k) & Savings Committee and current Trustees of the Plan are:

**Jason R. Chupp
Ruth A. Fernandez
Lori Dunn-Guion
Peter Hau**

**Brenda Reimche
Robert Ruszkowski
Lana O. Smith
Jay Yarbrough**

- The following information is required to be communicated to you under the Pension Protection Act of 2006. Please read this information carefully.

Importance of Diversification

To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform very well often cause another asset category, or another particular security, to perform poorly. If you invest more than 20% of your retirement savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk.

In deciding how to invest your retirement savings, you should take into account all of your assets, including any retirement savings outside of the Plan. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk.

Swinerton 401(k) & Savings Plan

It is also important to periodically review your investment portfolio, your investment objectives, and the investment options under the Plan to help ensure that your retirement savings will meet your retirement goals.

To obtain other sources of information on individual investing and diversification, you may access the Department of Labor's website at www.dol.gov/ebsa/investing.html

Statements of Your Account

Reports on Your Plan Account

At the end of each calendar quarter, a statement will be provided to you in accordance with the requirements of applicable law. To help you keep up-to-date on the status of your account, the statement will include the following:

- The amount you contributed to the Plan;
- The amount the Company contributed to the Plan on your behalf;
- The investment options you have selected;
- The earnings and/or losses on your investments;
- The current value of your account (including any transfers or rollover contributions);
- Withdrawals or loans, if any; and
- Administrative fees deducted from your account during the calendar quarter. *(An annual ESOP administrative \$16 flat fee is also deducted. This fee usually appears on the first or second quarter statement.)*
- You may also request a statement at any time by contacting Principal.

NOTE: *It is very important to keep the Company advised of any changes to your contact information, for example, change of address. This is particularly important following your termination of employment. Your failure to do so may result in the Plan's inability to pay any benefits to which you are entitled and, under certain circumstances, may subsequently subject you to tax penalties.*

Your ERISA Rights and Information

What are my rights under the Employee Retirement Income Security Act of 1974?

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 ("ERISA"). ERISA provides that all Plan participants are entitled to:

Receive Information About Your Plan and Benefits

- 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 (a) the amounts credited to your account under the Plan and (b) what your vested account balance is under the Plan. This statement is required to be given quarterly. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate the 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 your employer, your union, 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 the right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the 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. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in 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.

Assistance With Your Questions

If you have any questions about the Plan, contact the Swinerton Incorporated Human Resources Department in San Francisco, CA. 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, contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed

in your telephone directory; or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

How do I make a claim for benefits?

We hope there will never be a disagreement as to the amount owed to you under the Plan. However, if there is a disagreement, you must follow the Plan's claims procedure or you may forfeit certain legal rights to contest the decision.

Claim for Benefits

Filing a Claim for Benefits. Any request for benefits under the Plan submitted by you or your beneficiary ("Claimant") in accordance with the Plan's reasonable procedure for filing benefit claims is considered a claim for benefits. If the claim for benefits is wholly or partially denied, the Secretary of the Committee ("Secretary") must notify the Claimant of the denial within 90 days (unless such period is extended) after the claim is filed. If a claim is denied (in whole or part), the Secretary will provide the Claimant with a written or electronic notice that sets forth the following information: (a) the specific reason or reasons for the adverse benefit determination ("denial"); (b) reference to the specific Plan provisions on which the denial is based; (c) a description of any additional material or information necessary for the Claimant to perfect the claim and an explanation of why such material or information is necessary; and (d) a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review.

If special circumstances require an extension of time for processing the claim beyond the initial 90-day period, a written notice of the extension will be furnished to the Claimant prior to the termination of the initial 90-day period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Secretary expects to render the benefit determination, which may not be later than 90 days after the end of the initial 90-day period.

Appeal of Adverse Benefit Determination. Each Claimant, whose claim for benefits has been denied, in whole or in part, may request an appeal of that denial, upon written application to the Chair of the Committee ("Chair"). The request for review must be filed by the Claimant with the Chair within 60 days after the Claimant receives written or electronic notification of the denied claim. If the Claimant files a request for review, the Chair will conduct a full and fair review of the claim. During such full and fair review, the Claimant will be provided with (a) the opportunity to submit written comments, documents, records, and other information relating to the claim for benefits and (b) reasonable access to and copies of, upon request and free of charge, all documents, records and other information relevant to the Claimant's claim for benefits. In addition, such full and fair review shall take into account all comments, documents, records, and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

Decision on Review. The decision on review by the Chair will be in writing, and the writing will be furnished to the Claimant. If the claim is denied upon review, the written explanation will include (a) the specific reason or reasons for the adverse benefit determination, (b) references to the specific Plan provisions on which the denial is based, (c) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim, and (d) a statement of the Claimant's right to bring an action under Section 502(a) of ERISA. The decision by the Chair will be made promptly and not later than 60 days

after the Chair's receipt of a request for review, unless special circumstances require an extension of the time for processing the claim in which case a decision will be rendered as soon as possible, but not later than 120 days after receipt of a request for review. If such an extension of time for review is required, written notice of the extension will be furnished to the Claimant prior to the termination of the initial 60-day period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Chair expects to render the determination on review.

To the extent permitted by applicable law, the determination on review shall be final and binding on all interested persons.

How will my participation in the Plan affect my IRA?

According to the current federal tax laws, you can continue to maintain IRAs while you are participating in the Plan, and you can make after-tax contributions to your IRA in amounts permitted by the federal tax laws. But your ability to make tax-deductible contributions to an IRA for any year in which you participate in the Plan is restricted according to your income level. See the instructions in Form 1040 or contact your tax advisor for more information.

What happens if the Plan is amended or terminated?

The Company reserves the right to amend the Plan or to terminate it. However, no amendment can reduce the amount in your account. If the Plan terminates, your account will become 100% vested, that is, nonforfeitable. The Plan is for the exclusive benefit of its participants and, therefore, money cannot go back to the Company because of the Plan's termination.

Upon termination of the Plan, the Company will generally liquidate assets and distribute the value of your account to you (subject to IRS requirements).

Is there any way I can lose Plan benefits?

Yes, there are a few ways in which you could lose expected benefits such as the following, among others:

If investments go down in value

The value of your account depends on the performance of your investments under the Plan. Your account balance is subject to both gain and loss due to investment results. If you receive a distribution at a time when the value of your investments has declined, you may not receive a distribution that is as large as you had hoped. Also, certain administrative expenses of the Plan may be paid from the Plan's trust fund or, in some cases, may be charged directly to your account.

If a "Qualified Domestic Relations Order" is received

In general, your account cannot be attached or paid to creditors or to anyone other than yourself. However, under federal law, the Plan Administrator is required to obey a Qualified Domestic Relations Order. This is a decree or domestic relations order ("Order") issued by a court that satisfies certain requirements under the Internal Revenue Code. A Qualified Domestic Relations Order may require that all or a portion of your vested account be paid to your spouse, former spouse, child or other dependent ("Alternate Payee"). The Plan Administrator, in accordance with procedures set forth in the law, will determine the validity of any Order received and will inform you upon the receipt of any such Order affecting you. You may obtain a copy of such procedures, without charge, from the Plan Administrator. Please note that an hourly fee of \$220 will be charged for the review and analysis of any Order relating to your account. In addition, there will be a \$350

fee to separate the funds and establish an account for the Alternate Payee. These fees will be shared equally between you and the Alternate Payee unless otherwise specified in the Order.

Should I be aware of any other aspects of the Plan?

In an effort to keep retirement plans from favoring “key employees,” Congress has put a complicated set of rules in the Internal Revenue Code that apply to any “top-heavy” retirement plan. Stated simply, the Plan will be “top-heavy” if the value of accounts belonging to key employees (generally officers, shareholders, and other higher-paid employees) exceeds 60% of the value of the accounts for all participants.

Each year, the Plan will be tested to determine if it is top-heavy. Although, it is unlikely that the Plan will become top-heavy, if it does, “special rules” will become effective which could require the Company to make contributions on your behalf.

You should also be aware that the Pension Benefit Guaranty Corporation, a federal agency that insures defined benefit plans, does not insure this type of plan. The government has exempted plans like ours from such insurance because all contributions go directly to your account and you will be 100% vested in your account if the Plan is ever terminated.

For additional questions about the Plan, contact Principal at 1-800-547-7754 between the hours of 7 AM and 9 PM Central Time.