

**SUMMARY PLAN DESCRIPTION
STRATEGIES TO EMPOWER PEOPLE
EMPLOYEE STOCK OWNERSHIP PLAN**

Reflecting Plan Provisions As Of December 31, 2018

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**SUMMARY PLAN DESCRIPTION
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INTRODUCTION

Strategies To Empower People, Inc. (Company) wishes to recognize your efforts in making it a success and to reward you with participation in the Strategies To Empower People Employee Stock Ownership Plan or "ESOP" that became effective as of January 1, 2018. The ESOP is a way for you to share in the Company's growth while accumulating retirement assets for your future. The ESOP is for the exclusive benefit of eligible employees and their beneficiaries. Contributions to the ESOP may be in the form of cash or Company stock. Any contributions to the ESOP will be invested primarily in Company stock. However, cash in the ESOP may be invested in savings accounts or other prudent investments.

This Summary Plan Description (SPD) describes the important features of the plan in non-technical language. It is intended to answer most of your questions about the plan and replaces all prior announcements about the plan. However, this SPD is just a summary and general description of the plan – it does not fully describe or summarize all of the provisions of the plan. The examples and illustrations do not reflect all facts that could impact your benefits under the ESOP.

The Company has a copy of the official plan document, which may be modified from time to time. It is available for your inspection. If you have questions or need a copy of the plan, please contact the Plan Administrator, which is the Administrative Committee (Committee). The Plan Administrator is responsible for the overall operation of the plan. The Plan Administrator has the right to make rules and decisions concerning the operation of the plan and eligibility for benefits, and to interpret the plan's provisions and any ambiguities.

If there is ever any conflict between the plan document and any statements made in this SPD, the plan document will control. No statements contained in this SPD or any summary of material modifications to this SPD constitute terms of the plan. All terms of the plan are in the plan document and any amendments to the plan document. Please remember that no employee of the Company – not even your supervisor – has any authority to bind the Company to any benefit or procedure that conflicts with the official plan document.

This SPD and the plan document do not confer any contractual right to any person either to become or to remain an employee of the Company.

PLAN HIGHLIGHTS

Here's an overview of how the ESOP works:

- If you were employed on December 31, 2018, worked at least 1,000 hours with the Company during the first plan year and were at least 21 years old, you automatically became a participant in the ESOP effective as of January 1, 2018. Otherwise, you are eligible to become a participant in the ESOP after you have attained age 21 and have completed one year of service with the Company during which you work at least 1,000 hours.
- When you become eligible, you will participate in the ESOP beginning on the first day of the plan year (January 1) in which you complete your first year of service. This is your entry date. You do not need to enroll.
- You do not contribute to this ESOP. Each year, based on the Company's financial performance, the Company determines if it will make a contribution to the ESOP.
- If you meet certain requirements during a plan year, you will share in the allocation of Company contributions for that plan year. The amount contributed to your account will be a portion of the Company's total contribution based on your eligible compensation as a percentage of total eligible compensation of all eligible ESOP participants.
- You are 100% vested if you leave the Company after reaching normal retirement age or because of death. Normal retirement age under the plan is age 65.
- If you leave the Company before reaching normal retirement age, other than because of death, the vested percentage of your ESOP account is determined by your years of service with the Company after the ESOP began on January 1, 2018. Only the vested portion of your account will be distributed to you.
- Your vested account balance will be paid to you according to the ESOP plan document as described in the Distribution Of Your Account section of this SPD.

ELIGIBILITY AND ENTERING THE PLAN

1. When Am I Eligible To Participate In The ESOP?

You are eligible to participate in the ESOP when you have attained age 21 and you have completed one year of employment beginning on your date of hire with

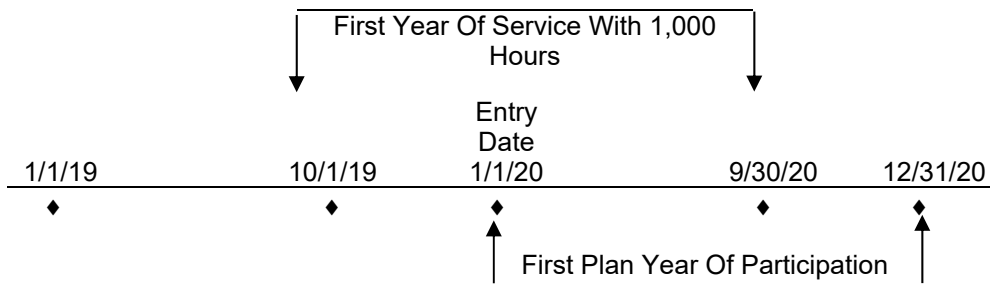
the Company and are credited with at least 1,000 hours of service during that one year period. If you complete less than 1,000 hours of service in your first 12 months of employment with the Company, you can still qualify after you work at least 1,000 hours during any plan year, beginning with the plan year that includes the first anniversary of your date of hire.

For the ESOP's first plan year (ending December 31, 2018), any eligible employees who were employed by the Company on December 31, 2018 and worked at least 1,000 hours of service during the first plan year will enter the plan for the 2018 plan year.

However, you are excluded from the plan if you are a client of the Day Program Services, a collective bargaining unit employee, a leased employee or a nonresident alien with no U.S. source of income.

You will enter the plan on January 1 of the plan year in which you satisfy all of the eligibility requirements above. If you terminate employment prior to the last day of the plan year (or last day of the eligibility computation period, if earlier) you will not enter the plan.

Example: Larry begins working for the Company on October 1, 2019. He works full time, which means he will have worked at least 1,000 hours during his first year of employment (October 1, 2019 to September 30, 2020). Larry begins participating in the ESOP on January 1, 2020 provided he is still employed as an eligible employee as of September 30, 2020. However, to receive an employer contribution, he must satisfy the requirements in the "Contributions To Your Account" section of this SPD.



2. When Am I Eligible If I Terminate Employment And I Am Later Rehired?

If you were a participant in this plan when you terminated employment and you are rehired, you will again become a participant as of the date you are rehired as an eligible employee.

If you met the eligibility service requirements, but did not become a participant before you terminated employment, you will enter the plan on the later of (i) your

rehire date or (ii) the date you would have become a participant if you had not terminated employment.

If you did not meet the eligibility service requirements to become a participant in this plan when you terminated employment and you return to employment with the Company after a one year break in service, you will be eligible for the plan after you satisfy the eligibility requirements. Your service prior to your termination of employment will not be counted for eligibility purposes, however, your eligibility computation period will be based on your original hire date.

If you did not meet the eligibility service requirements to become a participant in this plan when you terminated employment and you return to employment with the Company before a one year break in service, you will be eligible for the plan after you satisfy the eligibility requirements. Your eligibility computation period will be based on your original hire date. Your service prior to your termination of employment will be counted for eligibility purposes.

3. When Does My Participation In The ESOP End?

You will cease to be an active participant in the ESOP on the date you terminate employment with the Company for any reason. You will no longer receive allocations of Company contributions unless one of the exceptions in the Contributions To Your Account section of this SPD applies. However, until you receive your distribution and, as long as you maintain an account balance, your account will still be credited with your share of investment gains and losses. When you receive your total distribution from the ESOP, you are no longer an ESOP participant for any purpose.

CREDITING SERVICE

4. What Counts As An Hour Of Service?

An hour of service is an hour for which you are paid by the Company. Even if you are not at work, you may earn up to 501 hours of service per year for time when no duties are performed but for which you are paid by the Company for: approved vacations and holidays; sick and disability leave; layoff; jury duty; or approved leaves of absence, including military leave provided that you return to work for the Company within the time period set by law following discharge from military service. If a record of your actual hours worked is not available, you will be credited with 190 hours for each month of employment in which you work at least one hour during the month, if you are paid monthly; 45 hours a week if paid weekly; 95 hours semi-monthly if paid semi-monthly; or 10 hours a day if paid daily.

5. What Is A Break In Service?

A break in service is a plan year in which you are credited with less than 501 hours of service. You will be credited with up to 501 hours of service for time when no duties are performed but for which you are paid by the Company, if the hours are required to be credited to prevent a break in service.

CONTRIBUTIONS TO YOUR ACCOUNT

6. How Are Employer Contributions Allocated To My Account?

The Company may declare a discretionary amount to be contributed to the ESOP each plan year based on the Company's financial performance. A portion of the total contribution is allocated to your account if you are credited with at least 1,000 hours of service during the plan year and you are employed as an eligible employee on the last day of the plan year. However, the following special rules apply:

- **Termination After Normal Retirement Age:** If you terminate employment with the Company on or after reaching normal retirement age, you are not required to be an employee on the last day of the plan year, in which you terminate employment, and you will receive an allocation to your account if you are credited with at least 1,000 hours of service during the plan year.
- **Termination Because Of Death:** If you die while employed by the Company, you will receive an allocation to your account if you are credited with 1,000 hours of service during the plan year of your death.

If you are eligible for an allocation to your ESOP account for a plan year, your account is credited with a portion of the Company's total contribution to the ESOP for the plan year based on your compensation (limited to \$275,000 for the plan year beginning in 2018 and adjusted annually as a percentage of total compensation of all eligible ESOP participants for the plan year).

Example: Suppose the Company's contribution for the plan year is \$200,000. Larry's eligible compensation for the plan year is \$50,000. The total compensation for all participants eligible to share in the Company's contribution, including Larry's, is \$1,000,000. Larry's share will be:

$$\begin{array}{rcccl} \$200,000 & \times & \frac{\$50,000}{\$1,000,000} & = & \$10,000 \end{array}$$

7. How Much Can Be Contributed To My Account?

There is a limit on the total annual amount that may be contributed to your ESOP account and your account under any other retirement plan the Company may

have (such as a 401(k) plan). The total amount of contributions and forfeitures that are allocated to your accounts for any plan year cannot exceed the lesser of (i) 100% of your compensation for the plan year, or (ii) \$55,000 for 2018. This dollar amount may be changed in future years to reflect cost of living increases or changes in the law. This allocation limit does not apply to the amount of investment earnings that can be allocated to your account.

In addition, under certain circumstances, you may be entitled to a minimum allocation for any plan year in which the plan is considered "top heavy." Stated simply, a plan is top heavy if the value of account balances belonging to "key employees" exceeds 60% of the total value of all account balances for all employees. Key employees are generally certain officers and shareholders of the Company.

Contributions may also be limited for highly compensated employees. You will be notified if any of these limits apply to you.

8. Can Allocations To My Stock Account Be Limited?

The Committee and the Trustees may be required by the terms of the plan to rebalance the ratio of cash and Company stock in participants' accounts. They may also cap stock allocations to certain participants who are (or may become) classified as "disqualified persons" under the Internal Revenue Code in order to maintain the tax qualified status of the plan as an ESOP. The Committee will notify you if your account will be rebalanced or capped.

9. How Are Contributions Invested?

Contributions are held in a trust that has been established to hold Company stock and other ESOP assets. The trust is a separate legal entity. The Trustees have the responsibility to hold the trust's assets for the benefit of participants and their beneficiaries according to the terms of the written trust agreement that is part of the ESOP plan document.

The ESOP trust may borrow money to purchase Company stock. Contributions may be used by the ESOP to make payments on the loan.

All Company stock purchased with a loan is held in a "suspense account" and is released and allocated to participants' individual ESOP accounts as the loan is paid. The stock that is released for a year is allocated among participants eligible to share in the Company's contribution for the year.

Example: Your allocated share of Company stock that is released based upon employer discretionary contributions is determined by the following fraction:

$$\frac{\text{Number Of Shares Of Company Stock Released From Suspense Account}}{\text{Total Compensation Of All Eligible Participants}} \times \text{Your Compensation}$$

10. What Is The Value Of My Account?

Contributions made by the Company to the plan are deposited into the trust and then allocated to individual participant accounts. The value of your account is determined by the contributions allocated to your account and any investment gains or losses in your account. After the end of each plan year, the Committee will send you a statement that shows how much Company stock or cash is in your account, the balance of your account as of the previous valuation, and your vested percentage of your account. The Company will also notify you each plan year of your share of contributions and forfeitures from terminated employees that have been allocated to your account.

Because the trust may have losses as well as gains, your benefit is limited to the fair market value of the vested amount in your account as of the most recent valuation date. The fair market value of Company stock in the ESOP is determined each year by the Trustee based on a valuation prepared by the ESOP's independent appraiser. There is no guarantee that any specific amount will be paid to you.

Expenses incurred by the plan as a result of processing elections relating to your account may be charged directly against your account balance. These expenses include, but are not limited to, distribution processing and fees incurred by the trust as a result of a domestic relations order involving your account.

VESTING

11. What Is Vesting?

Contributions to your ESOP account belong to you after you earn a vested (nonforfeitable) right to them. Your vested interest in your account is the percentage of your account that you have earned. You are vested in your account according to your number of years of service at the Company.

12. How Do I Vest In My Account?

You will automatically become 100% vested in your account if you are employed by the Company when you

- Reach normal retirement age; or

- Die.

The vested interest in your account at any time prior to normal retirement age or death will be determined under the vesting schedule below.

Years Of Service	Percent Vested
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

13. How Are Years Of Service Counted For Vesting?

You are credited with a year of service for purposes of vesting for every plan year in which you have completed 1,000 hours of service. You will not be credited with years of service for service with the Company before the effective date of this plan for purposes of vesting.

14. What Happens To My Non-Vested Account?

If your employment with the Company ends before you are 100% vested, you will forfeit the non-vested portion of your account on the earlier of the last day of the plan year in which you either (i) receive a total distribution of the entire vested portion of your account or (ii) incur five consecutive one year breaks in service. If you have no vested interest in your account when you terminate employment, your account will forfeit on the last day of the plan year in which you terminate. Forfeitures may be used to pay administrative expenses. Any remaining forfeitures are allocated with Company contributions to other participants' accounts.

15. How Are Years Of Service Counted For Vesting If I Terminate Employment And I Am Later Rehired?

If you terminate employment and are rehired before you have five or more consecutive one year breaks in service, your years of service before and after you are rehired will be counted for vesting.

If you had a vested interest in all or a portion of your account and you are rehired after you have five or more consecutive one year breaks in service, your years of service prior to reemployment will be counted for vesting when you complete a year of service after your rehire date. However, your years of service following

reemployment will not increase your vesting for contributions made to your account before you terminated employment.

If you did not have a vested interest in your account and you are rehired after you have five or more consecutive one year breaks in service, your years of service prior to reemployment will not be counted for vesting.

DISTRIBUTION OF YOUR ACCOUNT

16. How Will My Vested Account Be Distributed?

Except as provided below in this article, if your vested ESOP account balance (other than your profit sharing account, if any) is not over \$5,000, the entire amount of your vested ESOP account will be distributed in a single sum and the timing for receiving your payment is addressed in the questions below. You must consent to any distribution that exceeds \$5,000 if it is paid before you reach normal retirement age.

If your vested ESOP account balance (other than your profit sharing account, if any), does not exceed \$1,000, it may be paid to you without your consent. If your vested ESOP account balance (other than your profit sharing account, if any) is over \$1,000 but does not exceed \$5,000 and you do not consent to a distribution of your account, or do not instruct the Committee to roll your account over to an individual retirement account (IRA) or another qualified retirement plan, your entire vested account may be rolled over to an IRA by the Committee. The Committee will provide you with information regarding the IRA provider and the investment product for the IRA when distribution information is sent to you after termination of your employment.

If your vested ESOP account balance (other than your profit sharing account, if any) is over \$5,000, the distribution of the vested portion of your account will be made in substantially equal annual payments over five years. If your account balance exceeds \$1,105,000 for 2018, the payments will be made over five years, plus one additional year (but not more than five additional years) for each \$220,000 for 2018 (or fraction thereof) by which the balance exceeds \$1,105,000 for 2018. These dollar figures are indexed for inflation annually.

The timing for receiving your payments will differ based on the reason for your termination, (i.e., disability, death, normal retirement age, and other) which are described in the questions below.

17. When Will My Account Be Distributed If I Retire?

If you terminate employment with the Company after attaining normal retirement age, you are eligible to begin receiving your vested ESOP account not later than one year following the end of the plan year in which you terminate.

If you continue working after normal retirement age, you cannot receive a distribution until you terminate your employment with the Company. Your undistributed account balance will continue to increase or decrease in value until your distribution is complete.

You must start taking mandatory distributions no later than the April 1 following the year in which you attain age 70-1/2 if you are no longer an employee of the Company at that time or if you are a more than 5% owner of the Company with respect to the plan year ending in the calendar year in which you attain age 70-1/2.

Example: Larry retires from the Company on July 1, 2020 after reaching normal retirement age. The plan year ends on December 31, 2020. As soon as the valuation of the ESOP is completed for the December 31, 2020 plan year, Larry can begin to receive a distribution of his account.

18. When Will My Account Be Distributed If I Become Disabled?

If you terminate employment due to disability (as defined in the plan), you are eligible to begin receiving your vested ESOP account not later than one year following the end of the plan year in which your employment with the Company terminates because of disability. To be considered totally and permanently disabled under the plan, you must suffer a physical or mental condition that qualifies you for total and permanent Social Security disability benefits.

19. When Will My Account Be Distributed If I Die?

Your beneficiary or beneficiaries are eligible to begin receiving your vested ESOP account not later than one year following the close of the plan year in which your employment with the Company terminates because of your death.

20. Who May Be My Beneficiary?

You may name anyone you wish as your beneficiary. You may even designate more than one beneficiary. However, if you are married, your spouse is automatically your beneficiary. If you are married and you wish to designate a beneficiary other than your spouse, your spouse must consent to the designation in writing and their signature on the consent form must be witnessed by a Committee member (a plan representative) or by a notary public.

Be sure to keep the name of your beneficiary up to date. You may want to change your beneficiary if you marry or divorce. If you have designated your spouse as the beneficiary under the plan, such designation shall be deemed to have been revoked in the event of your divorce unless you designate your ex-spouse as your beneficiary by a new designation signed by you and delivered

to the Plan Administrator after your divorce becomes final and prior to your death. Beneficiary designation forms are available from the Plan Administrator.

If you die without naming a beneficiary, the Plan Administrator will pay your vested benefit (if any) to the first survivor(s) on the following list:

- Your spouse
- Your children in equal shares
- Your parents in equal shares
- Your heirs

21. When Will My Account Be Paid If I Terminate For Reasons Other Than Death, Disability Or Normal Retirement?

If your employment with the Company ends for any reason other than death or disability (as defined in the plan document) and before attaining normal retirement age, and your account balance does not exceed \$5,000, you will begin to receive the vested portion of your ESOP account as soon as administratively feasible after the end of the plan year in which your employment ends. If your account balance exceeds \$5,000, you will begin to receive the vested portion of your ESOP account during the sixth plan year following the plan year in which you leave employment with the Company.

Example: Lori (who has not reached normal retirement age) terminates her employment with the Company in order to take a job elsewhere on September 30, 2020. The plan year ends on December 31, 2020 and Lori's vested account balance exceeds \$5,000. Lori is eligible to begin receiving a distribution of the vested portion of her account as soon as administratively feasible after January 1, 2026, but before December 31, 2026.

In no event will the distribution of your account due to termination of your employment begin later than 60 days after the end of the plan year in which you reach normal retirement age and in which occurs the tenth anniversary of your participation in the plan (or as soon as administratively feasible after the completion of the annual administration for the plan year).

DIVERSIFICATION RIGHTS

22. When Can I Diversify My Stock Account?

When you have attained age 55 and completed 10 years of participation in the ESOP, excluding years prior to the plan becoming an ESOP) you will have the right to direct the plan to diversify a portion of the employer stock in your ESOP stock account into cash. A year of participation for diversification under the plan

will be credited for each 12-month period you are a participant in the plan, commencing on your original entry date into the plan, provided you are an Employee of the Company.

You have the right to make six annual diversification elections. You may elect in each of these years to diversify a cumulative amount of up to 25% of the stock in your ESOP account for the first five years and a cumulative amount of 50% in the sixth and final year. The amount eligible for diversification will be reduced by amounts paid to you as a result of your termination of employment.

23. How Do I Diversify My Stock Account?

You will need to provide the Committee with your election, if any, in writing, within 90 days after the valuation is provided to you for the plan year to which the election applies. If you elect, the plan will either (i) distribute the portion of the account covered by the election in cash to you within 90 days of the last day of the period in which the election can be made or (ii) offer at least three investment options, in which you are authorized to direct the investments of your accounts which may be made available in another qualified plan maintained by the Company. Payments will be made in the same manner as other payments are made under the "Stock Rights" section of this SPD.

HOW YOUR DISTRIBUTION IS TAXED

24. Do I Have To Pay Taxes On My Distribution?

When you receive payment from your account, income taxes will be withheld on any cash distributed from the plan. Withholding will not be made on any shares distributed from the plan. Regardless of your age, however, you (or your beneficiary who is your surviving spouse) may directly roll your distribution into an IRA, a Roth IRA, or another employer's qualified plan that is willing to accept a rollover contribution. By directly rolling over your distribution, you will avoid the mandatory 20% federal income tax withholding and continue to postpone payment of income tax. If the Trustees of the ESOP do not directly roll over or transfer your account balance to another qualified plan or IRA, withholding applies. In addition, if you do not roll over your distribution, you will also be subject to a 10% penalty tax unless:

- You are at least age 59-1/2;
- You terminated employment with the Company after you attained age 55; or
- The distribution is made because of death or disability.

A non-spouse beneficiary may directly roll over an eligible distribution only to an IRA or Roth IRA. Certain limitations may apply.

If a participant or beneficiary to whom a distribution should be made cannot be located after reasonable efforts by the Committee, the Committee may retain the benefit in the plan or direct that the benefit be rolled over to an IRA selected by the Committee on behalf of the missing participant or beneficiary, if the plan so provides.

This is only a brief explanation of the applicable law and IRS rules and regulations as of the date this SPD is published since the federal tax laws frequently change. You will receive additional information at the time of your distribution. You should consult your tax advisor for guidance about current tax laws and to determine your personal tax situation before taking any distribution from the plan.

The summary of the tax aspects of your distribution describes federal taxes only. Additional taxes and penalty taxes may apply under your State's tax laws.

STOCK RIGHTS

25. Who Votes The Stock In My Account?

The Company stock is voted by the Trustees in the best interest of the participants. In the case of shareholder approval of any corporate merger, consolidation, recapitalization, reclassification, liquidation, dissolution or sale of substantially all of the corporation's assets, you will be entitled to direct the Trustees how to vote those shares allocated to your account. Some of the Company stock in the plan, however, may not be allocated to the account of any participant at the time a vote is required, and some participants may fail to instruct the Trustee how to vote the stock in their accounts. The Trustees will vote the unallocated and uninstructed shares of Company stock in the best interest of the plan and the participants.

26. Will I Receive A Distribution In The Form Of Stock Or Cash?

Because the Company has elected to be taxed as a subchapter S Corporation, the value of any shares of Company stock credited to your account when you become entitled to a distribution will be paid to you or your beneficiary in cash or in stock which will be immediately repurchased by the Company. If stock is repurchased, you will receive a cash payment from the Company for the stock.

The value of the stock in your ESOP account will be based on the stock's fair market value as determined by the plan's independent appraiser as of the valuation date immediately preceding your distribution.

PROTECTION OF BENEFITS

27. Are My Benefits Protected?

In general, your creditors cannot garnish or levy upon your account and you cannot sell, transfer, assign or pledge your account. However, if you and your spouse separate or divorce, a court can direct through a qualified domestic relations order (QDRO) that up to 100% of your account be transferred to another person (usually your ex-spouse or your children).

28. How Is A QDRO Paid?

A QDRO may not require the plan to provide any type or form of benefit, timing, or any option not otherwise provided by the plan to a participant. A QDRO may not require the plan to make distributions to an alternate payee prior to the participant's termination of employment unless it is after the participant reaches age 50 and it is distributed as if the participant had terminated employment. The plan has a procedure for processing domestic relations orders and for determining whether a domestic relations order satisfies the requirements for being a QDRO. You can obtain a copy of the plan's QDRO procedures from the Committee, free of charge.

ADDITIONAL INFORMATION

29. What Can Affect My Benefits?

Benefits under the plan that might otherwise be payable to you or your beneficiary may be reduced or lost if:

- a. You terminate employment before you become a participant in the plan;
- b. You fail to complete at least 1,000 hours of service during a plan year;
- c. You are not employed on the last day of a plan year;
- d. Your account's investments do not perform as well as you had anticipated;
- e. You terminate employment before you become fully vested; or
- f. You fail to keep the Plan Administrator informed of address changes.

An agency called the Pension Benefit Guaranty Corporation (PBGC) guarantees vested benefits under certain types of pension plans in case of plan termination. Benefits under the ESOP are not guaranteed by the PBGC because the employee stock ownership plans are "defined contribution" plans that are not

regulated by the PBGC. A defined contribution plan is a retirement plan that provides each participant with an individual account. The benefits for the participant are based solely on employer contributions and any income, gains or losses in the trust, including annual valuations of the Company stock and plan expenses.

30. Can The Company Amend Or Terminate The Plan?

The Company set up this plan for its employees and expects it will be able to continue to make contributions. However, the Company has the right to change or terminate this plan at any time so long as the plan is not changed in any way that would reduce the benefits you have already earned under the plan. For example, the Company is permitted to amend the plan to eliminate a single sum distribution option and only distribute shares of Company stock in installments.

If the plan is terminated, you will become 100% vested in your account. After termination, the Trustee will pay the benefits as directed by the Committee.

CLAIMS PROCEDURES

31. How Are Questions And Claims Regarding Eligibility And Benefits Handled?

You or your designated beneficiaries have the right to make a claim with the Plan Administrator (that is, the Committee) for benefits under the plan. The Committee has absolute discretion to determine participants' and beneficiaries' rights to benefits under the plan. All benefit claim decisions will be made in accordance with the terms of the plan document and the plan terms will be applied consistently to all claimants.

A participant or a beneficiary can initiate the benefit claim process by requesting, in writing, a claim form from the Committee. A claim shall not be deemed to be filed for the timing purposes of these claims and appeals procedures, however, until all necessary claim forms, which shall be supplied by the Committee, are completed and submitted to the Committee. A claim will be considered submitted if it is delivered to a member of the Committee directly. A participant or a beneficiary may choose to have an authorized representative act on his or her behalf in pursuing a benefit claim or an appeal of a benefit denial.

32. How Will I Be Notified If My Claim Is Denied?

If your claim is wholly or partially denied, the Committee will provide you with a notice of denial stating:

- The specific reason(s) for the denial;

- Specific references to the plan provisions on which the denial is based;
- A description of any additional material or information necessary for you to perfect the claim with an explanation of why such material or information is necessary; and
- Appropriate information as to the steps to be taken if you wish to appeal the denial decision, including the time limits under the procedures and a statement regarding your right to bring a civil action under ERISA section 502(a) following the denial of your second level appeal.

The notice of denial will be given no later than 90 days after the claim is filed, unless circumstances require an extension of time for processing the claim. If an extension is required, written notice will be given to you within 90 days of the date the claim was filed. This notice will state the circumstances requiring an extension of time and the date by which a decision on the claim can be expected. This decision date will be no more than 180 days from the date the claim was filed. If no notice of denial is provided, as described above, you may appeal the claim as though the claim had been denied.

33. How Do I Appeal A Denied Claim?

If a claim for benefits has been denied in whole or in part by the Committee, the claimant may file an appeal for a review of the denial. The request for a review must be in writing and submitted to the Committee within 60 days after receipt of the notice of denial. The appealing claimant may:

- Request a review upon written application to the Committee;
- Request copies of all documents, records and other information relevant to the benefit claim free of charge (a document is considered relevant to the claim if it (i) was relied upon in making the benefit decision, (ii) was submitted, considered or generated in the course of making the benefit decision, regardless of whether it was relied upon in making the decision, or (iii) demonstrates compliance in making the benefit decision with the requirement that the benefit decision must follow the terms of the plan and be consistent when applied to all claimants with similar claims); and
- Submit issues and comments in writing, as well as any further documents, records or information.

34. How Will I Be Notified My Appeal Has Been Denied?

If a claims appeal is wholly or partially denied, the Committee will provide you with a notice of denial stating:

- The specific reason(s) for the denial;
- Specific references to the plan provisions on which the denial is based;
- A statement that you are entitled to receive copies of all documents, records and other information relevant to the appeal of benefit denial, upon request and free of charge (a document is considered relevant to the appeal if it (i) was relied upon in making the benefit decision, (ii) was submitted, considered or generated in the course of making the benefit decision, regardless of whether it was relied upon in making the decision, or (iii) demonstrates compliance in making the benefit decision with the requirement that the benefit decision must follow the terms of the plan and be consistent when applied to all claimants with similar claims); and
- A statement regarding your right to bring a civil action under ERISA section 502(a) now that your final appeal was denied.

The notice of denial shall be given no later than 60 days after the request for review of the appeal is filed unless circumstances require an extension of time for processing the appeal. If an extension is required, written notice shall be furnished to you within 60 days of the date the appeal was filed stating the circumstances requiring an extension of time and the date by which a decision on the claim can be expected, which will be no more than 120 days from the date the appeal was filed. The review on appeal will consider all comments, documents, records and other information submitted by you, without regard to whether such information was submitted or considered in the initial benefit denial.

A claimant may not file suit for a denied claim unless and until the claimant has exhausted the administrative procedures summarized above (i.e., file a claim with the Committee, appeal a denied claim, and receive a denial on appeal). A claimant may commence no legal action more than three years after the final decision denying the claim.

YOUR ERISA RIGHTS

As a participant in the ESOP, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974, as amended (ERISA). This portion of the SPD summarizes these rights.

35. How Do I Receive Information About This Plan And Benefits?

ERISA provides that all plan participants shall be entitled to:

- a. Examine, without charge, at the Plan Administrator's office, all documents governing the plan and a copy of the latest annual report (Form 5500 Series) filed by the plan with the United States Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- b. Obtain, upon written request to the Plan Administrator, copies of documents governing the plan, a copy of the latest annual report (Form 5500 Series), and an updated SPD. The Plan Administrator may make a reasonable charge for the copies.
- c. 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.
- d. Obtain a statement telling you whether you have a right to receive a pension at normal retirement age 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 a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The plan must provide the statement free of charge.

36. What Is The Duty Of Plan Fiduciaries?

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

37. How Do I Enforce My Rights?

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the 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 that is denied or ignored, in whole or in part, you may file suit in a State or federal court unless the plan provides for mandatory mediation and arbitration (see Claims Procedures section above). In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a qualified domestic relations order, you may file suit in federal court. If it should happen that plan fiduciaries misuse the plan's assets, or if you are discriminated against for asserting your rights, you may seek assistance from the United States 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.

38. How Do I Obtain Assistance With My Questions?

If you have any questions about your plan, you should contact the Plan Administrator. If you have any questions about this statement, or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, United States Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, United States 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.

GENERAL INFORMATION

Name Of ESOP..... Strategies To Empower People
Employee Stock Ownership Plan

Name Of Employer Strategies To Empower People, Inc.
2330 Glendale Lane
Sacramento, CA 95825
Telephone: (916) 679-1555

Plan Administrator..... Administrative Committee:
Sandra Jones
Claudia Loveless
Patti Dixon
David Wade
Strategies To Empower People
Employee Stock Ownership Plan
2330 Glendale Lane
Sacramento, CA 95825
Telephone: (916) 679-1555

Employer Identification Number 68-0361600

Plan Identification Number 003

Type Of Plan Employee Stock Ownership Plan

Type Of Funding Company contributions and the earnings
on investments made with such
contributions

Trustee(s) Claudia Loveless
Sandra Jones
Strategies To Empower People
Employee Stock Ownership Plan
2330 Glendale Lane
Sacramento, CA 95825
Telephone: (916) 679-1555

Agent For Service Of Legal Process.... Jacquie Dillard-Foss
Strategies To Empower People, Inc.
2330 Glendale Lane
Sacramento, CA 95825
Telephone: (916) 679-1555

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

Plan Effective Date Originally Effective As Of
January 1, 2018

Plan Year January-December

Summary Plan Description As Of..... December 31, 2018

The ESOP and the trust are governed by the laws of the State of California, except as preempted by federal law.

**SUMMARY OF MATERIAL MODIFICATIONS TO THE
STRATEGIES TO EMPOWER PEOPLE
EMPLOYEE STOCK OWNERSHIP PLAN**

DATE: December 19, 2019

TO: Participants And Beneficiaries Of The Strategies To Empower People Employee Stock Ownership Plan

FROM: Strategies To Empower People, Inc.

SUBJECT: Summary Of Changes To The Strategies To Empower People Employee Stock Ownership Plan

The Strategies To Empower People Employee Stock Ownership Plan (ESOP) has been amended. The purpose of this Summary of Material Modifications (SMM) is to notify you of the change to the ESOP as described below. It is important to remember that the summary plan description (SPD) and this SMM are summaries of the provisions in the official plan documents. This SMM supplements the SPD for the ESOP.

Effective July 11, 2019, Claudia Loveless and Sandra Jones resigned as trustees of the ESOP.

Effective July 11, 2019, Daniel M. Reser of Fiduciary Services, Inc. was appointed as the successor trustee of the ESOP. Contact information is as follows:

Daniel M. Reser
Fiduciary Services, Inc.
369-B Third Street, Suite 543
San Rafael, CA 94901
(415) 482-9513

If you have questions regarding this change to the ESOP, please contact Jacquie Dillard-Foss at (916) 679-1555.

**SUMMARY OF MATERIAL MODIFICATIONS TO THE
STRATEGIES TO EMPOWER PEOPLE
EMPLOYEE STOCK OWNERSHIP PLAN**

DATE: 12/30/2025

TO: Participants and Beneficiaries of the Strategies To Empower People Employee Stock Ownership Plan

FROM: Jay Kolvoord

SUBJECT: Summary of Changes to the Strategies To Empower People Employee Stock Ownership Plan

The Strategies To Empower People Employee Stock Ownership Plan (ESOP) has been amended. The purpose of this Summary of Material Modifications (SMM) is to notify you of the change to the ESOP as described below. It is important to remember that the summary plan description (SPD) and this SMM are summaries of the provisions in the official plan documents. This SMM supplements the SPD for the ESOP.

The following change has been made to the ESOP effective for the plan year ending December 31, 2020.

Required Minimum Distributions

You must start taking mandatory distributions no later than the April 1 following the year in which you attain age 72 if you are no longer an employee of the Company at that time or if you are a more than 5% owner of the Company with respect to the plan year ending in the calendar year in which you attain age 72.

The following change has been made to the ESOP effective for the plan year beginning after December, 31, 2022.

Required Minimum Distributions

You must start taking mandatory distributions no later than the April 1 following the year in which you attain age 73 if you are no longer an employee of the Company at that time or if you are a more than 5% owner of the Company with respect to the plan year ending in the calendar year in which you attain age 73.

The following changes have been made to the ESOP effective for the plan year beginning after December, 31, 2024.

Cashout and Consent Threshold

The account balance at which your balance can be distributed without your consent upon termination of employment has been increased from \$5,000 to \$7,000 as allowed by the SECURE Act 2.0.

Account Balance at Which Installment Distributions Begin

The account balance above which installment distributions will be made has increased from \$5,000 to \$7,000 in step with the increase in the involuntary cashout limit in the plan from \$5,000 to \$7,000 as allowed by the SECURE Act 2.0.

If you have any questions regarding this change to the ESOP, please contact Jay Kolvoord at (916) 679-1555.