

# EMPLOYEE STOCK OWNERSHIP PLAN (ESOP)

WE OWN IT.

When we say “employee-owners,” we mean it. Our Employee Stock Ownership Plan (ESOP) means our Company is owned by the people who work here.

Being an employee-owned firm is integral to our Company identity. It's the foundation of our values, our culture, and the way we serve our clients. It also establishes a direct link between the Company's performance and our personal wealth.

## WHAT IS AN ESOP?

WE SUGGEST YOU WATCH THE MOVIE

WATCH ESOP VIDEO 1 >

An ESOP is a qualified retirement plan. It gives all eligible employee-owners an option to own stock in the Company.

If you are eligible, ESS contributes shares of stock to your ESOP account each year. The longer you work for the Company, the more stock you accumulate.

When the Company does well, the value of the Company stock rises. Over time, the wealth of your ESOP account may grow through volume of shares and appreciation.

When eligible vested employee-owners reach retirement or decide to leave the Company, they receive payments for the value of their account.

### ITS KINDA A BIG DEAL

EMPLOYEE-OWNERS AT ESOP COMPANIES HAVE 2.5 TIMES GREATER RETIREMENT ACCOUNTS THAN THOSE WHO WORK FOR NON-EMPLOYEE-OWNED COMPANIES.

NATIONAL CENTER FOR EMPLOYEE-OWNERSHIP

## HOW IT WORKS

BREAK OUT THE POPCORN

WATCH ESOP VIDEO 2 >

### HOW YOU CAN ACCUMULATE WEALTH

Generally speaking, you earn shares of Company stock simply by working for the Company 1,000 or more hours each year. If people leave before they are vested, their shares are forfeited and split up between those in the ESOP.

Shares of the stock can gain or lose money, depending on the Company's performance. When you put in the hard work, the Company is profitable. When the Company is profitable, the stock value goes up.

## ELIGIBILITY & VESTING

To be eligible for the plan, you must be 18 years old and have 1,000 hours worked for the Company. Once you are eligible, you will begin to earn shares.

You will be vested after three years of service as defined by the plan. **A year of service is defined as 1,000 or more hours of work in a plan year.** Our plan year is January 1 through December 31.

If you have been in the plan for less than three years of service, you will not be vested. However, you will have stock in a non-vested account, and that stock will appreciate if the stock price goes up.

YEARS OF SERVICE	VESTING %
<b>LESS THAN 3 YEARS</b>	<b>0%</b>
<b>3 YEARS OR MORE</b>	<b>100%</b>

Remember, a year of service = 1000+ hrs of work in a plan year.

### SIGNIFICANT PROVISIONS

<b>55 YEARS OLD &amp; 10 YEARS OF SERVICE</b>	<b>DIVERSIFICATION AVAILABLE</b>
<b>59.5 YEARS OLD &amp; 13 YEARS OF SERVICE</b>	<b>LEAVE YOUR MONEY VESTED IN THE ESOP AND RETIRE OR WITHDRAW YOUR MONEY AND KEEP WORKING</b>

## PAYOUTS

### IF YOU LEAVE:

Up to \$25,000 in the year following separation. For example, if you leave March 2021, the earliest the payout would be available is March 2022.

### DISABLED, DEATH OR RETIREMENT:

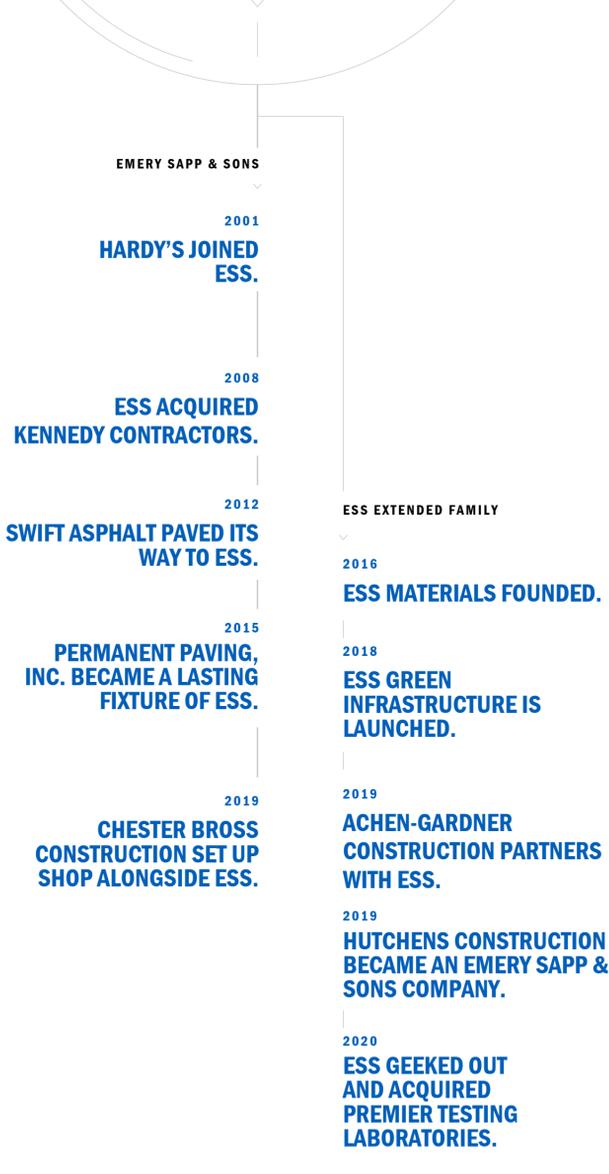
100% paid out the following plan year

## WHAT YOU OWN

MOVIE TIME AGAIN

WATCH ESOP VIDEO 3 >

Being 100% employee-owned means everyone who works for ESS is a part-owner of our company. We're proud to say that the profits of our company stay right where they should – with the people that work hard to build it.



Stock valuation is determined by the profitability and performance of each member Company. Shares of the ESOP are divided among employee-owners across the entire Company.

The value of the stock, the number of eligible participants and the number of shares outstanding will all change each year. Together, these values will determine the share price. ESS has experienced tremendous growth since establishing the ESOP in 1998. In recent years, ESS' stock value has risen on average by more than 25% per year.\*

YEAR	GROWTH
<b>2015</b>	<b>21.95%</b>
<b>2016</b>	<b>34.17%</b>
<b>2017</b>	<b>29.12%</b>
<b>2018</b>	<b>14.50%</b>
<b>2019</b>	<b>18.60%</b>

\*Year-over-year incremental increases.

## BALANCES

### HOW HIGH CAN YOU HELP US BUILD IT?

Using the latest data available, here are the average balances for employee-owners who have been in the plan for a certain number of years.

YEARS OF SERVICE	AVERAGE BALANCE
<b>1 YEAR</b>	<b>\$2,362</b>
<b>3 YEARS</b>	<b>\$14,068</b>
<b>5 YEARS</b>	<b>\$33,631</b>
<b>10 YEARS</b>	<b>\$138,574</b>
<b>15 YEARS</b>	<b>\$266,505</b>

THE VALUE OF YOUR PLAN IS DETERMINED BY THE NUMBER OF SHARES YOU OWN.

### YOUR ESOP COULD EVEN HIT THE JACKPOT

USING THE LATEST DATA AVAILABLE, 27 COMPANY EMPLOYEE-OWNERS HAVE BALANCES OF \$500,000 OR GREATER—INCLUDING 17 FIELD EMPLOYEE-OWNERS. WHAT A GREAT NEST EGG FOR RETIREMENT!

## WANT PROOF THAT EMPLOYEE-OWNERSHIP DRIVES OUR RESULTS?

Look no further than other companies you have worked for in the past. The spirit of employee-ownership definitely makes a difference in the way our business operates, and the success it achieves.

Because we all have an ownership at stake, we're safer, more diligent, more conscious of the bottom line. And, the very people who help build this company are the ones who will share in the rewards of its success. As an employee-owner, we do have an expectation of you. We want you to really understand your ESOP and the benefits of employee-ownership.

# SUMMARY PLAN DESCRIPTION

## EMERY SAPP CONSTRUCTION, INC.

### EMPLOYEE STOCK OWNERSHIP PLAN

(PLAN LAST UPDATED JUNE, 2016)

#### HISTORY AND PURPOSE OF PLAN

Emery Sapp Construction, Inc. (the “Company”) sponsors and maintains the Emery Sapp Construction, Inc. Employee-owner Stock Ownership Plan (the “Plan”) for the purpose of allowing eligible employee-owners of the Company and its affiliated employers to share in the ownership of the Company and to assist in saving for retirement. This document provides a summary of the Plan and highlights the Plan’s more important provisions. However, the terms of the official Plan will control in case of a conflict with this summary.

The official Plan document may be reviewed during regular business hours at the Company’s office. A copy of the Plan is also available from the Plan Administrator. A small fee may be charged to cover copying costs.

You should read this summary carefully as it gives you a description of your Plan, how it works, what benefits are provided, and how those benefits may be obtained. If the summary does not answer your questions or if you need further information, please contact your human resource representative.

#### WHEN WAS THE PLAN ESTABLISHED?

The Plan was adopted by the Company effective as of January 1, 1998. The Plan year is from January 1 to December 31 of each year.

#### WHAT’S THE PURPOSE OF THE PLAN?

One purpose of the Plan is to permit eligible employee-owners to share in the ownership of the Company. This is achieved by investing employer contributions to the Plan in common stock of the Company. Another purpose of the Plan is to enhance the ability of the participating employers to attract and retain capable employee-owners by providing a means to increase retirement income. However, the Plan is not intended to, nor will it provide you with retirement income which alone is adequate to maintain a comfortable living standard after retirement. Consequently, if you participate in this Plan, you should recognize its limited nature and consider additional methods to save money for retirement.

#### ELIGIBILITY

##### Who is eligible to participate in the Plan?

Generally, all employee-owners of the participating employers are eligible for the Plan. However, the following individuals are not eligible: leased employee-owners; independent contractors or contract workers; and certain union employee-owners.

##### When does participation commence?

An eligible employee-owner will join the Plan as of January 1 of the year during which the eligible employee-owner completes 1,000 hours of service and has attained age 21.

**Example:** If an employee-owner (who is age 21) is hired on May 1, 2002, and works at least 1,000 hours of service prior to December 31, 2002, the employee-owner will be eligible to participate in the Plan for the 2002 Plan year. If instead the employee-owner does not complete 1,000 hours of service until after December 31, 2002, but during 2003, he or she would enter the Plan for the 2003 Plan year.

**If you terminate employment after having become a participant in the Plan and are subsequently re-employed,** you will be eligible to rejoin the Plan as of your re-employment date (unless you were 0% vested in your accounts at the time of your termination of employment and you incur a five year break in service). If you terminate employment before working 1,000 hours and are then re-employed, you will be treated as a new employee-owner. However, if you are re-employed during your original anniversary year of employment, your pre-break hours of service will be combined with your post-break hours to determine whether you have satisfied the 1,000 hour requirement.

#### LOAN TO THE PLAN

##### What is the funding status of the Plan?

The Trustee of the Plan is authorized to borrow funds from the Company or from another lender for the purpose of acquiring Company stock. Any such loan is referred to in this summary as an “ESOP Loan.” The Plan may purchase Company stock directly from the Company or from an existing shareholder.

##### How is the stock purchased with the proceeds of an ESOP Loan accounted for?

Any Company stock purchased with the proceeds of an ESOP Loan will be credited to an “unallocated suspense account” which is maintained as part of the Trust established for the Plan. As the loan balance is repaid, a proportionate number of shares of stock credited to the unallocated suspense account will be released or withdrawn from the account and allocated among participants. See “What happens to the employer contributions?” below.

#### CONTRIBUTIONS

##### Do I have to contribute money to the Plan in order to participate?

No, you are neither required nor permitted to make any contributions to the Plan.

##### How much does my employer contribute?

The Company determines the annual contribution to the Plan for each Plan year. The Company can make a contribution in cash and/or shares of Company stock in its discretion.

##### What happens to the employer contributions?

Employer contributions will be paid over to the Trustee of the Plan and Trust by the time required by applicable law. If the Plan has entered into an ESOP Loan, the Trustee may use the contributions to make payments due on the ESOP Loan. Such payments will result in shares of Company stock being released from the unallocated suspense account and allocated among eligible participants as of the last day of each Plan year.

The portion of any shares released (or any contribution which is not used to repay an ESOP Loan) will be allocated among the employer contribution accounts of participants in the proportion that each participant’s compensation for the Plan year bears to the total compensation of all participants.

**Example:** During a Plan year assume the total compensation paid to all participants in the Plan was \$1,000,000. For that year the Company contributes \$100,000 to the Plan which is used to repay an ESOP Loan, resulting in 1,000 shares being available for allocation among participants. Assume you received pay of \$20,000 for that year. Since your pay was 2% of the total paid to all participants ( $\$20,000/\$1,000,000 = 2\%$ ), the number of shares credited to your account in the Plan for that year would be 20 ( $2\% \times 1,000 = 20$ ).

In addition to the employer contributions being allocated to your account, the income and any gains, losses and expenses allocable to your account will be added or subtracted, as the case may be.

**Note:** Even though you receive an allocation for any Plan year, you may lose your right to receive all or part of the amounts credited to your account if you terminate employment prior to the time you become vested (see “What if I stop working before I retire?” below).

#### INVESTMENTS

##### How are the Plan’s assets invested?

The Plan is designed to be invested primarily in common stock of the Company. However, a portion of the Plan’s assets may be invested in assets other than Company stock in order to maintain liquidity for Plan distributions or other Plan purposes.

##### How will I know how much my accounts are worth?

You will receive an annual statement which shows the number of shares of Company stock allocated to your account, and the value of those shares, as of the end of each Plan year. The annual statement will also indicate the value of any other assets allocated to your account.

##### Do I have any control over the investment of my accounts in this Plan?

Generally, no. However, once you have completed 10 years of participation under the Plan (not just 10 years of service with the Company) and have reached age 55, you will become a “qualified participant” and will be permitted to direct the investment of up to 25% of Company.

Stock credited to your account either by electing to receive that portion of your balance as a distribution, or by directing the investment of the diversified proceeds as described below. If you elect a distribution, you may rollover such distribution to any qualified retirement plan that will accept your rollover, including the Emery Sapp & Sons, Inc. 401(k) Plan (if you are actively employed), or an IRA. You may elect to diversify within 90 days following the date you are provided the valuation as of the last day of the applicable Plan year (i.e., the valuation as of the last day of the Plan year in which you became a qualified participant or the next 5 Plan years). During the last of those 6 Plan years, however, you may elect to diversify up to 50% (less the portion of your account diversified by a prior election) of your account and receive that portion of your balance as a distribution. If you elect to diversify a portion of the Company stock credited to your account, the diversification will be made no later than 180 days following the end of the Plan year for which the diversification election applies. Once implemented, an election to diversify your accounts will be irrevocable.

Certain individuals’ Company stock accounts are subject to “mandatory diversification.” If mandatory diversification applies, the Company stock in such accounts will be diversified according to the schedule below and invested in assets other than Company stock. A “diversification event” means a separation from service or qualification of a QDRO as applicable.

##### Plan Year Following the Plan Year In Which Diversification Event Occurs

- First
- Second
- Third
- Fourth
- Fifth or greater

##### Diversification Percentage Applied to Stock Balance as of Immediately Preceding Valuation Date

- 20%
- 25%
- 33 1/3%
- 50%
- 100%

If you terminated before 2012, the diversification percentage is determined using this schedule as if you terminated in 2012, with one exception: 100% of the shares will be diversified in the fifth Plan year following the Plan year in which your actual date of termination occurred.

Mandatory diversification applies to the Company stock accounts of the following individuals: (A) highly compensated employee-owners; (B) non-highly compensated employee-owners whose separation from service occurs before attaining age 59½ and completing 13 years of vesting service; (C) non-highly compensated employee-owners who separate from service on or after attaining age 59½ and 13 years of vesting service who elect to opt-in to mandatory diversification; and (D) alternate payees under a QDRO.

If mandatory diversification pursuant to the schedule above would result in diversification of Company stock credited to an account of less than \$5,000, diversification will apply to the lesser of \$5,000 of Company stock, or all of the Company stock, in the account.

##### You may choose how to invest the diversified proceeds of Company stock from your account among investment funds made available under the Plan.

If you do not direct the investment of your diversification proceeds, you will be deemed to have elected to invest such assets in the default fund designated by the Administrative Committee. The diversified portion of the Plan is intended to constitute a plan described in section 404(c) of ERISA, and the fiduciaries of the Plan may be relieved of liability for any losses which are the direct and necessary result of your investment instructions.

The Plan Administrator must receive written notice from you within 30 days from the date of the first written statement confirming your investment directions if your investment direction was not properly implemented. If the Plan Administrator does not timely receive such written notice, you will be deemed to have selected the investments that were implemented until another election is received and a reasonable period of time has been allowed to implement the new election.

## WITHDRAWALS, LOANS AND ASSIGNMENTS

### May I withdraw any part of my account while I am employed?

Yes, you may withdraw any portion of your vested account while you are actively employed once you have attained age 59½ and completed 13 years of vesting service.

### May I borrow against my accounts in the Plan?

No, the Plan does not permit participant loans.

### May I assign or pledge my interest in the Plan?

No, as required by law, the Plan contains a "spendthrift clause," which prevents you from assigning, borrowing, pledging or otherwise encumbering your interest in the Plan. In addition, your creditors cannot reach your interest in the Plan to satisfy your debts. An exception to this rule is that the Plan Administrator must honor a "qualified domestic relations order," which is a decree or order issued by a court that obligates you to pay child support or alimony or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, child or other dependent. Any such qualified order may specify that up to \$5,000 of the awarded amount be distributed to your former spouse or child even though you have not separated from service. Participants and beneficiaries can obtain, without charge, a copy of the Plan's qualified domestic relations procedures.

## BENEFITS UNDER YOUR PLAN

### How much will I be entitled to if I retire or separate from service due to death or disability?

If you terminate employment on or after your attainment of normal retirement age, death, or permanent and total disability, you will be 100% vested in your accounts under the Plan.

Your "normal retirement age" is defined as the later of the date you attain age 59½ or your 5th year of active participation in the Plan as an employee-owner.

You will be considered permanently and totally disabled for purposes of the Plan if you qualify for disability benefits under your employer's long term disability plan; or if no such plan exists and you are not eligible to participate in such plan, then if you are incapable of performing the duties of your employment for a period of time that is expected to last for at least twelve months.

### What portion of my account will I be entitled to if I terminate employment?

If you stop working for any reason other than death, disability or attainment of your normal retirement age, the payments you receive from the Plan will be determined by the Plan's rules on vesting. Your "vested benefit" is the non-forfeitable portion of your account that you actually receive from the Plan. To calculate your vested benefit, the balance of your employer contribution account at the time you stop working is multiplied by your vesting percentage. Your "vesting percentage" is based upon your years of service for vesting as of your date of termination. For the portion of your account balance attributable to employer contributions for Plan years after 2010, the vesting schedule is as follows:

#### If years of service for vesting are:

Less than 3 years = 0%

3 or more years = 100%

For the portion of your account balance attributable to employer contributions for 2010 or earlier Plan years, the vesting schedule is as follows:

#### If years of service for vesting are:

Less than 5 years = 0%

5 or more years = 100%

#### What is a year of service for vesting purposes?

A year of service for vesting is any calendar year during which you work 1,000 or more hours of service. However years of service prior to January 1, 1994 will not be counted as years of vesting service.

#### How are hours of service earned?

You are generally credited with an hour of service for each hour you are paid, including pay both for time actually worked and for time not worked for which you are paid, such as vacations, holidays, sickness or paid leaves of absence. No more than 501 hours of service will, however, be credited for any period during which you are not actually working. In the case of unpaid layoffs or leaves of absence, no hours will be credited. If you are not paid based on the hours you actually work because no records are kept of the actual hours you work, you will be credited with 45 hours of service for each week in which you work in addition to the time not worked for which you are paid.

#### What happens to any non-vested portion of my accounts?

If your account is 0% vested, your account will be forfeited upon your termination of employment. If your account is partially vested, the non-vested portion will be forfeited when you receive a distribution of your entire vested account balance, or after 5 consecutive Plan years in which you have no more than 500 hours of service, whichever occurs first. Such forfeitures would be applied to restore the forfeitures of other participants who are entitled to reinstatement as described in the following question. Any remaining forfeitures will be allocated among other participants in proportion to each person's compensation for the Plan year.

#### Are forfeited amounts permanently lost?

Generally, yes. However, if you are re-employed prior to incurring 5 consecutive one-year breaks in service (generally any year in which you are not credited with more than 500 hours of service), the portion of your employer contribution account that had been forfeited will be reinstated and recredited to your account. Any reinstated forfeitures will not be adjusted for interest or earnings.

#### When will my distribution begin?

##### Vested Account \$1,000 or Less

If your vested account balance is \$1,000 or less, it will be paid to you (or your beneficiary) following the end of the Plan year in which you terminate employment. If your vested account balance is \$200 or less, the amount will be paid directly to you (or your beneficiary). Otherwise, you may elect to roll your balance into another qualified plan, and if you do not elect a rollover then payment of your account balance may be made directly to you (or your beneficiary).

##### Vested Account More than \$1,000, but \$5,000 or Less

If your vested account balance is more than \$1,000, but \$5,000 or less, and you (or your beneficiary) fail to elect to roll your balance into another qualified plan, your account balance will be paid to you (or your beneficiary) following the Plan year in which you terminate employment in the form of a direct rollover to an individual retirement plan determined by the Plan Administrator.

##### Vested Account Over \$5,000

If your vested account balance is more than \$5,000, the time you may elect to begin distribution depends on the reason your employment was terminated.

##### Termination due to Death, Disability or Retirement

The following outlines when you may elect to begin distribution if your normal retirement age due to death, disability or attainment of your normal retirement age (later of age 59½ or 5th anniversary of participation in the Plan):

- The general rule is that you may elect to commence distribution of your benefit following the close of the Plan year in which you terminate employment.
- If you terminated prior to 2013 and had attained age 59½ prior to your termination, your vested balance is distributable in any year you elect after 2012.
- Your account will be distributed without your consent not later than the Plan year following the latest of (1) the Plan year in which you terminated, or (2) the Plan year in which you attain age 65 if you are either a "highly compensated employee-owner" or a "non-highly compensated employee-owner" whose termination occurred before you attained age 59½ and completed 13 years of vesting service.

- If you attain age 70½, you must commence distribution by April 1 following the Plan year in which you have terminated and attained age 70½.

##### Other Termination

The following outlines when you may elect to commence distribution if you terminate employment for any reason other than due to death, disability or attainment of your normal retirement age (later of age 59½ or 5th anniversary of participation in the Plan):

- The general rule is that, if you terminate employment for any reason other than due to death, disability or attainment of your normal retirement age, you may elect to commence distribution of your benefit one year after the close of the 5th or any later Plan year following the Plan year in which you terminate employment.
- Your account will be distributed without your consent not later than the Plan year following the latest of (1) the Plan year in which you terminated, or (2) the Plan year in which you attain age 65 if you are either a "highly compensated employee-owner" or a "non-highly compensated employee-owner" whose termination occurred before you attained age 59½ and completed 13 years of vesting service.

- If you attain age 70½, you must commence distribution by April 1 following the Plan year in which you have terminated and attained age 70½.

#### Are there any special rules that allow me to elect to receive part of my vested account sooner?

Yes. The Plan allows you to elect to receive up to \$5,000 of your vested account as soon as reasonably practicable following the valuation date coinciding with or immediately following your termination of employment. The remainder of your vested account will be distributed at the time described under the preceding question and answer.

#### When are my accounts valued for purposes of distribution?

For distribution purposes, your benefits will be valued as of the immediately preceding valuation date, which is generally December 31 of each year (although special valuation dates may be declared).

#### How will payments be made?

A distribution with respect to Company stock credited to your account will be distributed in Company stock, subject to the right of the Company or a related company to purchase such shares of Company stock at the same time or following the distribution. Unless the Company informs you otherwise, its intention is to purchase the Company stock at the same time as distribution is made. If the Company or a related company does not exercise such purchase right, the Trustee may exercise such purchase right. A distribution with respect to assets other than Company stock credited to your account will be distributed in cash.

Payment generally will be made in a single lump sum. However, if you have attained age 59½ and have completed 13 years of service, you may elect to receive payment in annual installments over a period not exceeding 5 years.

#### How am I taxed on distributions made to me from the Plan?

At the time of your distribution, you will be provided with a summary of the tax rules that apply to your benefits including a description of your right to roll over your benefits to an IRA or another qualified plan.

In general, any payment from the Plan that is eligible for "rollover" can be taken in two ways. You can have all or any portion of your distribution either (i) paid in a "direct rollover" or (ii) paid directly to you. A rollover is a payment of your account balance to your individual retirement arrangement (IRA) or to another qualified retirement plan. This choice may affect the tax you owe. Generally, any distribution from the Plan other than minimum distributions following attainment of age 70½ will be eligible for rollover.

If you choose a direct rollover to an IRA or other qualified plan, then the following will apply:

- Your payment will not be taxed in the current year and no income tax will be withheld.
- Your payment will be made directly to your IRA, or to another employer plan that accepts your rollover.
- Your payment will be taxed later when you take it out of the IRA or the employer plan.

If you choose to have your account balance paid directly to you, then the following will generally apply:

- Your payment will be taxed in the current year unless you roll it over, and will be reduced by 20% withholding out of any cash that is included in your distribution. For example, if 100% of your distribution consists of Company stock, then no amount will be withheld. If instead you receive a distribution consisting of both Company stock and cash totaling \$1,000, and the value of the distributed Company stock is \$800, the entire amount of the \$200 cash portion of the distribution will be withheld. The withholding amount may not equal the amount of taxes you owe on a distribution, so you should plan to have sufficient cash to pay the taxes. If you receive the payment before age 59½, you may also be subject to an additional 10% tax.
- You can roll over the payment by paying it to your IRA or to another employer plan that accepts your rollover within 60 days of receiving the payment. The amount rolled over will not be taxed until you take it out of the IRA or employer plan.
- You will receive a special tax notice along with your distribution election forms explaining these rules and advising you to contact a tax advisor before electing distribution. This summary outlines only some of the federal (not state or local) tax rules that might apply to your payment. The rules described above are complex and contain many conditions and exceptions that are not included in this summary. Therefore, you are encouraged to consult with a professional tax advisor before you take a distribution of your accounts from the Plan.

#### Can I designate my beneficiary and change such designation?

Yes. The Plan permits you to designate a beneficiary to receive your vested account balance in the event of your death. However, if you are married, your spouse will automatically be deemed your beneficiary unless your spouse consents, in writing witnessed before a notary public, to the designation of a non-spouse beneficiary. You may change your beneficiary designation (subject to your spouse's consent) at any time by completing a change of beneficiary form available from your human resources representative.

## VALUATION OF ACCOUNTS

### How is my account value determined?

At the end of each Plan year (and possibly other times), your interest in the Company stock held under the Plan will be determined by multiplying the number of shares of Company stock credited to your account by the appraised value of the stock determined by an independent appraiser. The value of any non-stock investments credited to your account also will be determined.

**Note:** The shares of Company stock and other non-stock investments credited to your account are not purchased in your name, but are instead purchased in the name of the Trustee. However, records will be kept by the Plan's record keeper so that your interest in the Plan is readily determinable. From time to time, your account will be adjusted to reflect any dividends on Company stock or other investment gains, accretions or losses.

## VOTING COMPANY STOCK

### May I vote the Company stock allocated to my account?

As a participant in the Plan, you will have the right to direct the Trustee as to how to vote the stock credited to your account with respect to any corporate matter involving the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution or sale of substantially all assets of the Company. All other matters will be voted by the Trustee either in its discretion or as directed by the Company's board of directors. If you fail to direct the Trustee with respect to any matter on which you are entitled to vote, the Trustee will vote those shares as directed by the Company's board of directors, unless the board does not provide such direction, in which case the Trustee will vote those shares in its own discretion.

## TOP-HEAVY PROVISIONS

### What does it mean if the Plan is top-heavy?

Special provisions will apply if the Plan is considered "top-heavy." This generally would occur if the account balances of the "key employee-owners" (e.g., certain owners and officers of the Employer) represent 60% or more of the account balances of all participants in the Plan as of the end of the preceding Plan year. If the Plan is top-heavy, then the Employer must make a minimum contribution on behalf of non-key employee-owners and a special top-heavy vesting schedule will apply. The Plan is not expected to become top-heavy. However, if that were to occur, you will be notified of the special provisions that apply.

## CLAIMS FOR BENEFITS

### What must I do to claim my benefits?

If at any time you (or your beneficiary, in the event of your death) or your duly authorized representative desire, or believe you are entitled, to receive a distribution from the Plan, contact the Plan Administrator for the appropriate information, which must be filed with the claims representative.

If a claim for benefits is denied in whole or in part, notice of the denial will be given to the person making the claim within 90 days (or 45 days in the case of a disability claim) after receipt of the claim. If special circumstances warrant, the 90 days may be extended an additional 90 days from the end of the initial 90 day period (or in the case of a disability claim an additional 30 days from the end of the initial 45 day period). The notice will state the reasons for the denial, will contain a reference to Plan provisions on which the denial is based, will state if any additional material or information is necessary to have the claim allowed, and will describe the procedure under the Plan for appealing the denial. If an adverse decision involves a disability claim, the notice of the decision shall also inform you that if a Plan guideline was relied on in making the adverse decision, a copy of the guideline will be provided to you, without charge, upon request.

In the unlikely event there is a problem with your claim, you may request a review of the denied claim by submitting a written request within 60 days (180 days in the case of a disability claim) after the denial to the Plan Administrator, which will forward such request to the claims review committee. You also have the right (after requesting the review of your claim) to see the related documents and to submit issues and comments in writing. A hearing may also be held if the claims review committee believes a hearing is necessary.

The claims review committee's decision on your claim review will be sent to you in writing within 60 days (or 45 days in the case of a disability claim) which, in the case of a denial, will explain the specific reasons for the decision and point out the sections of the Plan, which are pertinent to your claim. The 60 days (or 45 days) may be extended but not beyond 120 days (or 90 days) after the receipt of a request for a review. If any decision is not furnished to you within the time limitations described above, your claim shall be deemed denied.

If the determination involves a claim of disability, the following additional rules apply to an appeal. First, the review will not afford any deference to the initial adverse benefit determination and will be conducted by a Plan fiduciary who did not make the original determination on your claim and is not the subordinate of that person. Second, you will be provided the identity of any medical or vocational experts whose advice was obtained in connection with the determination, whether or not the advice was relied on by such Plan fiduciary. Third, any health care professional who is engaged for a consultation on appeal will be a different person from and not subordinate to any health care professional who the Administrative Committee consulted for the initial determination.

If you wish to pursue your claim to a benefit still further, you may do so only if (a) you exhaust all of the claims procedures and (b) the legal action is commenced within 90 days after a decision on review is furnished or is deemed furnished, as applicable.

## PLAN AMENDMENT OR TERMINATION

### Can changes be made to the Plan after I become a participant?

The Company, by action of its Board of Directors, can amend, suspend or terminate the Plan at any time. However, any such changes are not permitted to decrease your vested rights in the Plan and, if the Plan is terminated, you will be fully vested in the value of all of your accounts.

## YOUR RIGHTS UNDER THE PLAN

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

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work sites and union halls, all documents governing the Plan 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, 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 Administrator is required to furnish each participant with a copy of this summary annual report.
- Obtain a statement showing your account balance. This statement will be provided once a year, and will be furnished without charge.

In addition to creating rights for Plan participants, ERISA imposes duties upon the persons who are responsible for the operation of the Plan. The persons who operate the Plan are called "fiduciaries" and have a duty to operate the Plan prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA. If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to any 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 the Plan documents with 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 provided because of reasons beyond the control of the Administrator.

If your claim for benefits is denied or ignored, either 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, you may file suit in Federal Court. In the event that Plan fiduciaries misuse the Plan's funds, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or 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. But if you lose, the court may order you to pay these costs and fees if, for example, it finds your claim is frivolous.

## QUESTIONS ABOUT OUR PLAN?

Any questions concerning the Plan should be directed to the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, 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.

<b>PLAN NAME AND NUMBER</b>	Emery Sapp Construction, Inc. Employee Stock Ownership Plan (002)
<b>TYPE OF PLAN</b>	Defined Contribution Plan. For this reason the benefits of the Plan are not insured by the Pension Benefit Guaranty Corporation under Title I of ERISA.
<b>SPONSOR &amp; FEDERAL EMPLOYEE IDENTIFICATION NUMBER</b>	Emery Sapp Construction, Inc. (EIN: 52-2144296) 2301 I-70 Drive NW Columbia, Missouri 65202
<b>PLAN ADMINISTRATOR</b>	Administrative Committee of the Emery Sapp Construction, Inc. Employee Stock Ownership Plan
<b>TRUSTEE</b>	Benefit Trust Company 10740 Nail Avenue Suite 100 Overland Park, KS 66211
<b>NAME AND ADDRESS OF PERSON FOR SERVICE OF LEGAL PROCESS</b>	Administrative Committee of the Emery Sapp Construction, Inc. Employee Stock Ownership Plan 2301 I-70 Drive NW Columbia, Missouri 65202  Service may also be made upon the Trustee.
<b>PLAN YEAR</b>	January 1 to December 31