HOW TO READ YOUR ESOP STATEMENT

SUNDT

THE SUNDT COMPANIES, INC.

PLAN YEAR 20XX

1 Employee #:	123456
Date of Birth:	01/01/20XX
Most recent Date of Hire:	12/12/20XX
2 Your Vested Percentage:	100%

EMPLOYEE STOCK OWNERSHIP PLAN
ANNUAL PARTICIPANT STATEMENT
OCTOBER 1, 20XX - SEPTEMBER 30, 20XX

PARTICIPANT SUMMARY

Your 10/01/20XX Balance:	$X18,775.12	You have designated your Primary Beneficiary as:
3 What you received this year:	$X8,314.94	
Withdrawals this year:	0.00	Jane Doe
Your 09/30/20XX Balance	$X77,090.06	*To view, change or add your beneficiary information, log in to your account at principal.com. See enclosed instructions*
Your Vested Account Balance	$X77,090.06	

PARTICIPANT SUMMARY

	Total Value
4 Your 10/01/20XX Balance:	$X18,775.12
5 Sub-S Earnings:	$X,847.95
6 Company Contribution	
Basic Safe Harbor Match (maximum of 4%):	$X,737.90
Discretionary Match (maximum of 4%):	$X,737.90
ESOP (8%):	$X,453.60
7 Forfeitures:	$X,152.73
Distributions:	$X.00
Adjustments:	$X.01
Value Increase/(Decrease):	$X4,959.73
Your 09/30/20XX Balance:	$X77,090.06
Your Vested Account Balance:	$X77,090.06

CASH AND STOCK RATIO		HOW HAS OUR STOCK PERFORMED	
Shares in your account:	$X,870.9304	Current Market Value Per Share:	$X58.88
Cash in your account	$X0,956.64	Prior Market Value Per Share:	$X48.28

1 DATE OF HIRE

This is the hire date Sundt has on record for you. If you were rehired, this will show your most recent rehire date only. This date does not change your total years of service with Sundt for vesting, PTO, or other company benefits.

2 YOUR VESTED PERCENT

Your vested percent is the portion of your ESOP account that you own based on your years of service with Sundt. This vesting schedule is for the 8% ESOP Discretionary contribution. All 401(k) matches and any earnings on those matches are always 100% vested. Your vesting schedule is:

Years of Service	Vested Percent
1 year of service	33% vested
2 years of service	66% vested
3 or more years of service	100% vested

You automatically become 100% vested while employed by Sundt if you reach age 59 1/2, become permanently disabled, or pass away. If you pass away, your vested ESOP benefit will go to the beneficiary that you have on file. See #15, Beneficiary Designation, for details. If you are already age 59 1/2 when hired, you are also 100% vested while employed by Sundt. For vesting purposes, a year of service is a plan year in which you are credited with at least 1,000 hours of service.

3 CHANGE IN VALUE THIS YEAR

This shows how much your ESOP account value changed during the year. It is the difference between your beginning balance and your ending balance. This number includes all activity in your account during the plan year, such as contributions, earnings, adjustments, distributions, forfeitures, and changes in stock value.

4 BEGINNING BALANCE

This is the value of your ESOP account at the start of the plan year on 10/1/XX. It comes from your ending balance from the previous plan year and includes the total value of all investments in your ESOP account as of that date.

5 SUB-S EARNINGS DISTRIBUTIONS ("DIVIDENDS")

This is your share of company earnings that is added to your ESOP account in cash. In most years, these cash earnings are used to help your account buy additional Sundt shares, if shares are available. These shares usually come from participants who left the company during the previous plan year. Once those shares are in your account, you may also receive dividends on them in future years.

6 COMPANY CONTRIBUTION

This section shows the money Sundt contributed to your retirement accounts for the plan year.

A. Basic Safe Harbor Match ("Match"): You earn this cash match when you contribute part of your weekly pay to your Sundt 401(k) Plan account. The Basic Safe Harbor Match is calculated as 100% of the first 3% you contribute, plus 50% of the next 2% you contribute. The most you can receive under this formula is 4% of your eligible match wages.

B. Discretionary Match ("Match"): You may also receive an additional cash match when you contribute part of your weekly pay to your Sundt 401(k) Plan account. The amount of this match depends on business performance. It is announced at the end of the Plan Year and may be 100% of the first 0% to 4% of your 401(k) deferrals.

**All matches and any earnings on those matches are always 100% vested.*

C. ESOP ("Discretionary"): This is Sundt's discretionary ESOP contribution. The current cash ESOP contribution is 8% of your eligible ESOP wages. Cash from the match and ESOP contributions is normally used to buy additional Sundt shares for your ESOP account, if shares are available.

7 FORFEITURES

Forfeitures are ESOP dollars or shares that a former employee did not earn the right to keep because they left before becoming fully vested. The portion they were vested in stays theirs. The portion they were not vested in goes back into the ESOP and is shared with eligible active employees.

7 FORFEITURES CONT...

A. Plus Allocated Forfeitures: Allocated forfeitures are amounts from former participants' accounts that they did not become vested in before leaving the company. These amounts are added back into the ESOP and shared among eligible active participants. Your share is based on your eligible wages.

B. Plus Restored Forfeitures: If you previously left Sundt and lost the non-vested portion of your ESOP account, that amount may be restored if you are rehired before you have a five-year break in service. A five-year break in service generally means five Plan Years in a row where you are credited with 500 or fewer Hours of Service.

C. Less Amount Forfeited: If you leave Sundt before you are fully vested, the non-vested portion of your ESOP account may be forfeited. This means it is removed from your account and reallocated to eligible active ESOP participants.

This can happen when you receive a complete payout of your vested balance or when you have a five-year break in service, whichever happens first. For example, if you are 66% vested, you own 66% of your ESOP account balance. The remaining 34% is the portion you would forfeit.

8 LESS DISTRIBUTIONS

This shows any amounts paid out to you from the ESOP during the year. This may include a payout if you previously left the company. It may also include diversification amounts you elected to take if you met the eligibility requirements. Diversification may be available if you are at least 55 years old with at least 10 years of participation in the plan, or at least 65 years old with at least 5 years of participation in the ESOP plan.

9 ADJUSTMENTS

Adjustments are usually corrections from prior years.These may include accounting corrections or allocation corrections that need to be added to or deducted from your account.

10 VALUE INCREASE/DECREASE

This shows how the value of your ESOP account changed because of investment performance. It may include the increase or decrease in the fair market value of Sundt shares you had at the beginning of the year, compared with the prior year's value. It may also include the increase or decrease in value for shares your account purchased from participants who left the plan during the previous plan year, plus your share of gains, losses, or interest earned on cash investments that were in your account at the beginning of the year.

11 ENDING BALANCE

This is the total value of your ESOP account at the end of the plan year. It includes all additions to and deductions from your account during the year.

12 YOUR VESTED ACCOUNT VALUE

This is the portion of your year-end ESOP account balance that you currently own. If you were eligible to receive a distribution today, this is the amount you could receive as a lump-sum payment. Safe Harbor matches, Safe Harbor contributions, Discretionary matches, and any earnings on those amounts are always 100% vested. The rest of your ESOP account balance is vested based on your years of service: 33%, 66%, or 100%.

THE SUNDT COMPANIES, INC.

PLAN YEAR 20XX

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Most recent Date of Hire:	12/12/20XX	OCTOBER 1, 20XX - SEPTEMBER 30, 20XX
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13 SHARES IN YOUR ACCOUNT

This is the total number of Sundt shares held in your ESOP account at the end of the plan year.

14 CASH IN YOUR ACCOUNT

If you are an active participant, your account is invested mainly in Sundt stock. At the end of the year, accounts are rebalanced between Sundt stock and cash. The cash portion may be invested in a stable return fund and a short-term investment fund. It may also include your share of additional cash held in the ESOP after accounts for terminated participants have been converted to cash.

15 BENEFICIARY DESIGNATION

This section shows the person or people you have named to receive your ESOP benefit if you pass away. If you have a beneficiary on file, their information will appear here. If you do not have a beneficiary on file, your statement will say: "NOT ON FILE WITH PRINCIPAL. PLEASE UPDATE." You can view, change, or add your beneficiary information at Principal.com/beneficiary.

16 CURRENT MARKET VALUE PER SHARE

This is the current fair market value of one share of Sundt stock at the end of the prior plan year on September 30. Because Sundt stock is privately held through the ESOP and is not traded on a public stock market, the share value is determined by an independent appraisal firm.

This is a simplified explanation of your ESOP statement. Your individual statement will show only the activity that applies to your account. This example is for educational purposes only and should not be considered financial advice.

SUNDT

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