

SUMMARY PLAN DESCRIPTION
FOR
SC HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

(Updated September 2020)

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INTRODUCTION

SC Holdings, Inc. Employee Stock Ownership Plan (“Plan”) was adopted by SC Holdings, Inc. (the “Company” or “Employer”), effective April 30, 2013, to provide you with additional income for retirement. This Summary Plan Description (SPD) contains valuable information regarding when you may become eligible to participate in the Plan, your Plan benefits, your distribution options, and many other features of the Plan. You should take the time to read this SPD to get a better understanding of your rights and obligations under the Plan.

We have attempted to answer most of the questions you may have regarding your benefits in the Plan. If this SPD does not answer all of your questions, please contact the Plan Administrator. The name and address of the Plan Administrator can be found in the Article of this SPD entitled “General Information About the Plan.”

This SPD describes the Plan’s benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language. If the non-technical language under this SPD and the technical, legal language of the Plan document conflict, the Plan document always governs. If you wish to receive a copy of the legal Plan document, please contact the Plan Administrator.

This SPD describes the current provisions of the Plan, as designed to comply with applicable legal requirements. The Plan is subject to federal laws, such as the Employee Retirement Income Security Act (ERISA), the Internal Revenue Code and other federal and state laws which may affect your rights. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS) or Department of Labor (DOL). We may also amend or terminate this Plan. If the provisions of the Plan that are described in this SPD change, we will notify you.

This Plan is a type of retirement plan that is called an “employee stock ownership plan,” or “ESOP” for short. The purpose of the Plan is to enable you to participate in the growth and prosperity of the company by making you like a stockholder. A stockholder is an owner of the Company. Your efforts, added to the efforts of all other employees, contribute to the profitability and growth of the company and thereby increase the value of Company Stock and your benefits. Consequently, our contributions made to the Plan will be invested primarily in Company Stock. If we do well, and the value of the Company Stock increases, you will share in its improved performance.

When you retire, you will be entitled to receive the value of the amounts that have accumulated in your account. Distributions may be in cash or in Company Stock, in the Company’s discretion. Because the Company has elected to be taxed as an S corporation, any distributions in the form of Company Stock will be immediately and simultaneously purchased by the Company from you.

ARTICLE I PARTICIPATION IN YOUR PLAN

Am I eligible to participate in the Plan?

If you are classified by the Employer as an Employee and you are not excluded, then you are eligible to participate in the Plan once you satisfy the Plan's eligibility conditions described in the next question. The following employees are excluded and are not eligible to participate in the Plan:

- employees whose employment is governed by a collective bargaining agreement under which retirement benefits were the subject of good faith bargaining, unless such agreement expressly provides for participation in this Plan;
- leased employees;
- employees who are nonresident aliens; and
- certain employees who own, or are treated as owning, at least 10% of the Company's stock (called "disqualified persons").

When am I eligible to participate in the Plan?

If you are an eligible employee, you will participate in the Plan on the day you complete both a six-month period of service and at least 1,000 Hours of Service for the Employer. You will be credited with six months of service on the sixth month anniversary of the day you first complete an Hour of Service. The Plan does not impose any minimum age requirement. Please see Article II of this SPD entitled "Hours of Service" for an explanation of Hour of Service.

Does all my service with the Employer count for purposes of Plan eligibility?

In determining whether you satisfy the minimum service condition required to participate in the Plan, all service you perform for us will be counted.

If you are a leased employee and subsequently are employed by us, your service for us as a leased employee may be counted.

If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with us. If you may be affected by this law, ask your Plan Administrator for further details.

What happens if I terminate employment and then I'm rehired?

If you terminate employment and return to employment within 12 months, service you performed before and after your temporary break in service will be credited to you for purposes of determining your eligibility to rejoin the Plan on the day you first complete an Hour of Service after your rehire date.

ARTICLE II HOURS OF SERVICE

What is an Hour of Service?

You will be credited with an Hour of Service for:

- (a) each hour for which you are directly or indirectly compensated by us for the performance of duties during the Plan Year;
- (b) each hour for which you are directly or indirectly compensated by us for reasons other than performance of duties (such as vacation, holidays, sickness, disability, lay-off, military duty, jury duty or leave of absence during the Plan Year); and
- (c) each hour for back-pay awarded or agreed to be awarded by us.

You will not be credited for the same Hours of Service both under (a) or (b), as the case may be, and under (c). No more than 501 Hours of Service may be credited for a period of time under (b).

ARTICLE III CONTRIBUTIONS

This Article III describes the types of contributions that may be made to the Plan and how these contributions will be allocated to your account to provide for your retirement benefit. You are not taxed on your allocations of employer contributions, or on earnings on the Plan's assets. Only distributions you receive from the Plan will be taxable to you, although you may elect to defer taxation by rolling over certain distributions. (See the question in Article VII entitled "Can I elect a rollover to reduce or defer tax on my distribution?")

How much will the Employer contribute to the Plan?

Each year, we may make a discretionary contribution to the Plan. To share in the discretionary contribution for a Plan Year, you must be employed with the Employer on the last day of the Plan Year. However, if you are employed with the Employer and die while performing military service prior to the last day of the Plan Year, then your beneficiaries will be entitled to the allocation that you would have received under the Plan had you resumed employment on the day prior to death and then terminated employment on account of death.

How will the Employer contributions be allocated to my account?

Our discretionary contribution 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 a stock acquisition loan, the Trustee may use the contributions to make payments due on the 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 which are attributable to employer discretionary contributions will be “allocated” or divided among participants eligible to share in the contribution for the Plan Year. (See the question in this Article “How much will the Employer contribute to the Plan?” to determine if you are eligible.) Your share of the contribution will depend on how much compensation you received and the compensation received by other eligible participants during the Plan Year.

Your share of our discretionary contribution is determined by the following fraction:

$$\text{Employer's Discretionary Contribution} \quad \times \quad \frac{\text{Your Compensation}}{\text{Total Compensation of All Participants Eligible to Share}}$$

Example: Suppose that our discretionary contribution for the Plan Year is \$20,000. Also suppose that your total compensation for the Plan Year is \$25,000, and the total compensation paid to all participants eligible to share, including you, is \$250,000 for the Plan Year. Your share will be:

$$\$20,000 \quad \times \quad \frac{\$25,000}{\$250,000} \quad \text{or} \quad \$2,000$$

No participant may receive an allocation of Company stock in any Plan Year greater than 4% of the value of all Company stock allocated to all Participant Accounts during such Plan Year.

In addition to our contributions made to your account, your account will be credited annually with a share of the investment earnings or losses of the trust fund.

What compensation is used to determine my Plan benefits?

For the purposes of the Plan, “compensation” is generally the amount of income that is subject to Federal income tax as reported on Form W-2 each year, plus your salary reduction contributions to any plan or arrangement maintained by your Employer.

If you terminated your employment with the Employer, your compensation generally will also include compensation for services that would have been paid to you if your employment with the Employer had continued.

Is there a limit on the amount of compensation which can be considered?

The Plan, by law, cannot recognize annual compensation in excess of a certain dollar limit. The limit for 2020 is \$285,000. After 2020, the dollar limit may increase for cost-of-living adjustments.

Is there a limit on how much can be contributed to my account each year?

Generally, the law imposes a maximum limit on the aggregate amount of contributions and forfeitures that may be credited to your accounts under this Plan and the Sargent Corporation 401(k) Retirement Plan (the “401(k) Plan”) each year. This limit does not include earnings. Beginning in 2020, this total cannot exceed the lesser of \$57,000 or 100% of your annual compensation. After 2020, the dollar limit may increase for cost-of-living adjustments.

May I direct the investment of my account balance?

Generally, no, because the Plan is designed to be invested primarily in Company Stock.

Subject to sufficient liquidity as determined by the Company in its sole discretion, you may be permitted to elect to liquidate all or any portion of your vested Company Stock in your account, as advised by the Plan Administrator. In addition to the foregoing permissive diversification, when you have completed 10 years of participation and have attained age 55, you will have the right to direct the investment of a portion of your account attributable to Company Stock. The Plan Administrator will advise you of any such diversification rights. An election to diversify your accounts will be irrevocable after diversification is implemented.

If you elect diversification, the proceeds of your diversification will be transferred to the 401(k) Plan. Once such transfer occurs, you will have the responsibility to direct the investment of the proceeds in the 401(k) Plan.

May I vote Company Stock held in my account?

The Trustee of the Plan will vote all Company Stock held by the Trustee as a part of the Plan assets. However, you will be entitled to direct the Trustee how to vote the shares of Company Stock that are allocated to your account with respect to (i) any corporate matter that involves the voting of such shares with respect to the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all assets of a trade or business, or such similar transaction, and (ii) all corporate matters if, at the time of the vote, the Company Stock is a “registration-type” class of securities. If you do not timely exercise your right to vote Company Stock, the Trustee will vote such Company Stock in proportion to the voting direction received by the Trustee.

What happens if a dividend or distribution is payable on Company Stock allocated to my account?

Any cash dividends or distributions on Company Stock held in your account will be credited to your account when paid to the Plan.

**ARTICLE IV
RETIREMENT BENEFITS**

What benefits will I receive at normal retirement?

You will be entitled to your account balance under the Plan when you reach your Normal Retirement Age. You may elect to receive payment of your benefits as early as the Plan Year following the Plan Year in which you have terminated employment on or after reaching your Normal Retirement Age. If you continue working after your Normal Retirement Age, your benefits will be deferred until you have a separation from service.

You will attain your Normal Retirement Age on the date you reach age 59½.

What happens if I leave the Employer’s workforce before I retire?

The Plan is designed to encourage you to stay with us until retirement. Payment of your account balance under the Plan is available upon your death, disability or retirement.

If your employment terminates for reasons other than those listed above, you will be entitled to receive only the vested percentage (your ownership rights) of your account balance.

What is my vested benefit in my account?

Your “vested percentage” in your account is determined under the following schedule and is based on your “years of vesting service.” This means at the time you stop working, your account balance is multiplied by your vested percentage. The result is your vested benefit, which is what you will actually receive from the Plan. You will always, however, be 100% vested if you are employed on or after your Normal Retirement Age. (See the question in this Article entitled “What benefits will I receive at normal retirement?”)

Your “vested percentage” is determined under the following vesting schedule:

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

How do I determine my years of vesting service?

You earn a “year of vesting service” for each anniversary of your employment commencement date, which is the date you first completed an Hour of Service for the Company, until your employment with the Company terminates.

Does all my service count for vesting purposes?

In calculating your vested percentage, generally all service you perform for us generally will be counted for purposes of determining your vested benefit. However, service prior to the effective date of the Plan will not be counted for purposes of determining your vested benefit if you terminated service prior to the effective date of the Plan and were rehired as an employee on or after August 16, 2018.

As a veteran, will my military service count as service with the Employer?

If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with us. If you may be affected by this law, ask your Plan Administrator for further details.

Can my account be forfeited?

Yes. If your account is less than 100% vested when you terminate employment, then the non-vested portion of your account will be forfeited when you incur five consecutive one-year Breaks in Service. You will have a “one-year Break in Service” if you complete less than 501 Hours of Service during the computation period used to determine whether you have a year of service. However, if you are absent from work for certain leaves of absence such as maternity or paternity leave, you may be credited with 501 Hours of Service to prevent a one-year Break in Service.

What happens to forfeitures?

Forfeitures will be applied first to restore the forfeitures of other participants who are entitled to reinstatement as described in the following question. Any remaining forfeitures will be added to our discretionary contribution and allocated to participants eligible to share in such contribution in the same manner as any discretionary contribution is allocated.

What happens to my non-vested account balance if I’m rehired?

If you are rehired before you have five consecutive one-year Breaks in Service, your forfeited amount generally will be reinstated, although special rules may apply.

ARTICLE V FORM AND TIME OF BENEFIT PAYMENT

In what form will my benefits be paid?

Your benefits will be paid to you or your beneficiary in one of the following forms:

- (a) If your vested benefit is less than \$5,000, the Plan Administrator may direct that your account be distributed to you in a single lump sum payment.

- (b) If your vested benefit is over \$1,000 but does not exceed \$5,000, your account may be automatically rolled over to an individual retirement account (IRA) established on your behalf by the Plan Administrator unless you make an affirmative election to (i) receive payment of your benefit directly or (ii) have your benefit rolled over to another IRA or another employer's qualified retirement plan.
- (c) If your vested benefit is over \$5,000 and less than \$10,000, and the Company has sufficient liquidity, you may elect a lump sum payment if offered by the Company.
- (d) Substantially equal installments (no less frequently than annually) over a period of no more than five years, however, the five-year period may be extended for one additional year (but not more than five additional years) for each \$230,000 by which your account balance exceeds \$1,150,000 (such amounts are subject to cost of living increases).
- (e) You may elect to have any lump sum or installment payment of \$500 or more paid in the form of a direct rollover to another qualified retirement plan or to an individual retirement account or annuity (IRA).

When will my benefits be paid?

Payment of your account balance will begin generally not later than one year after the close of the Plan Year in which you separate from service for any reason, become totally and permanently disabled, or attain age 59½, provided you make a timely election to receive your distribution. If you do not make a timely election to receive or begin your distribution, then your payments will be made or begin in such subsequent Plan Year in which you make a timely election.

May I delay the receipt of benefits?

Yes, you may delay the receipt of benefits unless a distribution is required to be made. Unless you elect otherwise, payment of your benefits is required to begin not later than the 60th day after the last day of the Plan Year in which the latest of the following occurs: you attain age 59½; you reach the 10th anniversary of the date you became a participant in the Plan; or your employment with the Company ends.

There is also a special distribution rule once you attain age 72 (age 70½ if you attained age 70½ before January 1, 2020). The law requires that payment must be made or start no later than April 1 following the calendar year in which you attain age 72 (age 70½ if you attained age 70½ before January 1, 2020) or, if later, actually retire from service provided that you are not a 5% owner of the Company. However, this minimum distribution rule does not apply with respect to any distribution which is otherwise required to be made for calendar year 2020, and with respect to any distribution that is required to be made in calendar year 2020 by reason of (i) a required commencement date occurring in calendar year 2020, and (ii) the distribution not having been made before January 1, 2020.

What will be the medium of payment of my benefits?

The vested portion of your account balance will be paid in cash and/or Company Stock, in the discretion of the Plan Administrator. If your distribution is paid in Company Stock, the distributed Company Stock will be repurchased immediately by the Company. The per share purchase price will equal the per share valuation as of the last day of the Plan Year preceding the Plan Year in which the purchase occurs.

Who is the beneficiary of my vested benefit if I die before I receive all my benefits?

If you are married at the time of your death, your surviving spouse will be your beneficiary, unless an election is made to change the beneficiary. IF YOU WISH TO DESIGNATE A BENEFICIARY OTHER THAN YOUR SPOUSE, YOUR SPOUSE MUST CONSENT TO WAIVE ANY RIGHT TO THE BENEFIT. YOUR SPOUSE'S CONSENT MUST BE IN WRITING, BE WITNESSED BY A NOTARY PUBLIC, ACKNOWLEDGE THE SPECIFIC NON-SPOUSE BENEFICIARY AND THE EFFECT OF SUCH ELECTION, AND MAY NOT BE CHANGED WITHOUT FURTHER SPOUSAL CONSENT, UNLESS THE SPOUSE EXECUTED A GENERAL WRITTEN CONSENT EXPRESSLY PERMITTING CHANGES OF THE BENEFICIARY WITHOUT ANY REQUIREMENT OF FURTHER CONSENT OF THE SPOUSE.

If you are not married, you may designate a beneficiary on a form to be supplied to you by the Plan Administrator.

If no valid designation of beneficiary exists, or if the beneficiary is not alive at the time of your death or dies before complete distribution, your benefit will be paid to your spouse, or if none, then to the estate of the last to die of you and your beneficiary.

When must the last payment be made to my beneficiary?

Your benefits generally must be paid to your beneficiary within ten years after your death. However, if your beneficiary is your surviving spouse, minor child, or other eligible designated beneficiary, then payment of your benefits may be delayed until the year in which you would have attained age 72 had you survived.

What happens if I'm a participant, terminate employment and die before receiving all my benefits?

If you terminate employment with us and subsequently die, your beneficiary—if you have a beneficiary, and if not, your estate or your beneficiary's estate—will be entitled to your remaining account balance at the time of your death. (See the question in this Article entitled “Who is the beneficiary of my vested benefit if I die before I receive all my benefits?”)

ARTICLE VI TAX TREATMENT OF DISTRIBUTIONS

What are my tax consequences when I receive a distribution from the Plan?

Generally, you must include any Plan distribution in your taxable income in the year in which you receive the distribution. The tax treatment may also depend on your age when you receive the distribution. Certain distributions made to you when you are under age 59½ could be subject to an additional 10% tax. If you receive a distribution in Company Stock that is immediately repurchased by the Company, the portion of the sale proceeds representing “net unrealized appreciation” may be taxable as a capital gain instead of ordinary income.

Can I elect a rollover to reduce or defer tax on my distribution?

You may reduce, or defer entirely, the tax due on your distribution through the use of one of the following methods:

(a) The rollover of all or a portion of the distribution to an individual retirement account (IRA) or annuity or another employer retirement plan willing to accept the rollover. This will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, must be made within strict timeframes (normally, within 60 days after you receive your distribution). Under certain circumstances, all or a portion of a distribution may not qualify for this rollover treatment. In addition, most distributions will be subject to mandatory federal income tax withholding at a rate of 20%. This will reduce the amount you actually receive. For this reason, if you wish to roll over all or a portion of your distribution amount, the direct transfer option described in paragraph (b) below would be the better choice.

(b) For most distributions, you may request that a direct rollover of all or a portion of a distribution be made to either an IRA, annuity, or another employer retirement plan willing to accept the transfer. A direct transfer will result in no tax being due until you withdraw funds from the IRA or other employer plan. Like the rollover, under certain circumstances all or a portion of the amount to be distributed may not qualify for this direct transfer. If you elect to actually receive the distribution rather than request a direct transfer, then in most cases 20% of the distribution amount will be withheld for federal income tax purposes.

WHENEVER YOU RECEIVE A DISTRIBUTION, THE PLAN ADMINISTRATOR WILL DELIVER TO YOU A MORE DETAILED EXPLANATION OF THESE OPTIONS. HOWEVER, THE RULES THAT DETERMINE WHETHER YOU QUALIFY FOR FAVORABLE TAX TREATMENT ARE VERY COMPLEX. YOU SHOULD CONSULT A QUALIFIED TAX ADVISOR BEFORE MAKING A CHOICE.

ARTICLE VII YOUR PLAN'S TOP-HEAVY RULES

What is a top heavy plan?

A retirement plan that primarily benefits “key employees” is called a “top heavy plan.” Key employees are certain owners or officers of the Employer. A plan is generally a “top heavy plan” when more than 60% of the Plan assets are held in the accounts of key employees.

What happens if the Plan becomes top heavy?

If the Plan becomes top heavy in any Plan Year, then non-key employees will be entitled to minimum allocations equal to the lesser of 3% of their compensation for the Plan Year, or a percentage of their compensation equal to the highest percentage at which allocations are made for any key employee.

ARTICLE VIII PROTECTED BENEFITS

Is my benefit protected?

As a general rule, your interest in your account, including your vested interest, may not be alienated. This means that your interest may not be sold, used as collateral for a loan, given away or otherwise transferred. In addition, your creditors may not attach, garnish or otherwise interfere with your account.

Are there any exceptions to the general rule?

Yes. First, the Plan Administrator must honor a “qualified domestic relations order.” A “qualified domestic relations order” 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 (an “alternate payee”). If a qualified domestic relations order is received by the Plan Administrator, all or a portion of your benefits may be used to satisfy the obligation. The Plan Administrator will determine the validity of any domestic relations order received. You and your beneficiaries can obtain, without charge, a copy of the QUALIFIED DOMESTIC RELATIONS ORDER PROCEDURES from the Plan Administrator.

Second, if you are convicted of a crime or if a court enters a civil judgment against you involving a violation of ERISA, the Plan Administrator can offset your benefits by the amount you are ordered or required by a court to pay the Plan. All or a portion of your benefits may be used to satisfy any such obligation to the Plan.

Third, the Plan Administrator may recover any overpayment of Plan benefits.

Fourth, a federal tax levy generally is enforceable against an ESOP account.

Can the Plan be amended?

Yes. We have the right to amend the Plan at any time, and any such amendment will apply even with respect to participants who have terminated employment before the adoption of the amendment and to beneficiaries of participants who have terminated employment before the adoption of the amendment. In no event, however, will any amendment authorize or permit any part of the Plan assets to be used for purposes other than the exclusive benefit of participants or their beneficiaries. Additionally, no amendment will cause any reduction in the amount credited to your account.

What happens if the Plan is discontinued or terminated?

Although we intend to maintain the Plan indefinitely, we reserve the right to terminate the Plan at any time. Upon termination, no further contributions will be made to the Plan and all amounts credited to your accounts will become 100% vested. We will direct the distribution of your accounts in a manner permitted by the Plan as soon as practicable. (See the question “How will my benefits be paid?” in Article V of this SPD entitled “Form of Benefit Payment.”) You will be notified of any modification or termination of the Plan.

ARTICLE IX CLAIMS PROCEDURES

How do I submit a claim for Plan benefits?

Benefits will be paid to you and your beneficiaries without the necessity of formal claims. However, if you think an error has been made in determining your benefits, then you or your beneficiaries may make a request for any Plan benefits to which you believe you are entitled. Any such request should be in writing and should be made to the Plan Administrator.

If the Plan Administrator determines the claim is valid, then you will receive a statement describing the amount of benefit, the method or methods of payment, the timing of distributions and other information relevant to the payment of the benefit.

What if my benefits are denied?

Your request for Plan benefits will be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Plan Administrator will provide you with a written or electronic notification of the Plan’s adverse determination. This written or electronic notification must be provided to you within a reasonable period of time, but not later than 90 days after the receipt of your claim by the Plan Administrator, unless the Plan Administrator determines that special circumstances require an extension of time for processing your claim. If the Plan Administrator determines that an extension of time for processing is required, written notice of the extension will be furnished to you prior to the termination of the initial 90-day period. In no event will such extension exceed a period of 90 days from the end of such initial period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the benefit determination.

The Plan Administrator's written or electronic notification of any adverse benefit determination must contain the following information:

- (a) The specific reason or reasons for the adverse determination;
- (b) Reference to the specific Plan provisions on which the determination is based;
- (c) A description of any additional material or information necessary for you to perfect the claim and an explanation of why such material or information is necessary; and
- (d) Appropriate information as to the steps to be taken if you or your beneficiary want(s) to submit your claim for review.

If your claim has been denied and you want to submit your claim for review, you must follow the Claims Review Procedure in the next question.

What is the Claims Review Procedure?

Upon the denial of your claim for benefits, you may file your claim for review, in writing, with the Plan Administrator.

- (a) YOU MUST FILE THE CLAIM FOR REVIEW NO LATER THAN 60 DAYS AFTER YOU HAVE RECEIVED WRITTEN NOTIFICATION OF THE DENIAL OF YOUR CLAIM FOR BENEFITS.
- (b) You may submit written comments, documents, records, and other information relating to your claim for benefits.
- (c) You may review all pertinent documents relating to the denial of your claim and submit any issues and comments, in writing, to the Plan Administrator.
- (d) You will be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits.
- (e) Your claim for review must be given a full and fair review. This review will take into account all comments, documents, records, and other information submitted by you relating to your claim, without regard to whether such information was submitted or considered in the initial benefit determination.

The Plan Administrator will provide you with written or electronic notification of the Plan's benefit determination on review. The Plan Administrator must provide you with notification of this denial within 60 days after the Plan Administrator's receipt of your written claim for review, unless the Plan Administrator determines that special circumstances require an extension of time for processing your claim. If the Plan Administrator determines that an

extension of time for processing is required, written notice of the extension will be furnished to you prior to the termination of the initial 60-day period. In no event will such extension exceed a period of 60 days from the end of the initial period. The extension notice will indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the determination on review. In the case of an adverse benefit determination, the notification will set forth:

- (a) The specific reason or reasons for the adverse determination;
- (b) Reference to the specific Plan provisions on which the benefit determination is based; and
- (c) A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits.

If you have a claim for benefits which is denied, you may bring a legal action with respect to a claim only if (a) all of the Plan's claim and review procedures have been timely pursued and exhausted, and (b) the action is commenced within one year after a decision on review is provided.

What are my rights as a Plan participant?

As a participant in the Plan you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants are entitled to:

- (a) Examine, without charge, at the Plan Administrator's office and at other specified locations, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- (b) Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- (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 benefit, the statement will tell you how many 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 twelve (12) months. The Plan must provide this statement free of charge.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your Employer 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.

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 \$110.00 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. You and your beneficiaries can obtain, without charge, a copy of the qualified domestic relations order procedures from the Plan Administrator.

If it should happen that the Plan’s fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees if, for example, it finds that your claim is frivolous.

What can I do if I have questions or my rights are violated?

If you have any questions about the 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, U.S. Department of Labor, listed in the 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.

**ARTICLE X
GENERAL INFORMATION ABOUT THE PLAN**

There is certain general information which you may need to know about the Plan. This information has been summarized for you in this Article.

General Plan Information

The name of the Plan is SC Holdings, Inc. Employee Stock Ownership Plan.

We have assigned Plan Number 003 to the Plan.

The Plan became effective on April 30, 2013.

The Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year is the calendar year.

Certain valuations and distributions generally are made on the last day of the Plan Year.

The contributions made to the Plan will be held and invested by the Trustee of the Plan.

The Plan and Trust will be governed by the laws of Maine to the extent not governed by federal law.

Benefits provided by the Plan are NOT insured by the Pension Benefit Guaranty Corporation (PBGC) under Title IV of ERISA because the insurance provisions under ERISA are not applicable to this type of plan.

Employer Information

The sponsor of the Plan is SC Holdings, Inc. Its address and identification number are:

P.O. Box 435
378 Bennoch Road
Stillwater, Maine 04489
20-3999217

Plan Administrator Information

The Plan Administrator is responsible for the day-to-day administration and operation of the Plan. For example, the Plan Administrator maintains the Plan records, including your account information, provides you with the forms you need to complete for Plan participation and directs the payment of your account at the appropriate time. The Plan Administrator will also allow you to review the formal Plan document and certain other materials related to the Plan. If you have any questions about the Plan and your participation, you should contact the Plan Administrator. The Plan Administrator may designate another person or persons to perform some duties of the Plan Administrator.

The Plan Administrator has the complete power, in its sole discretion, to determine all questions arising in connection with the administration, interpretation, and application of the Plan (and any related documents and underlying policies). All interpretations, determinations and decisions for which there is a rational basis, and which are not arbitrary and capricious, will be final, conclusive and binding on all parties, including but not limited to participants, their beneficiaries, and any other person having or claiming an interest under the Plan on behalf of the participant, subject only to the claims procedures of Article IX of this SPD. All interpretations of the Plan or other actions of the Plan Administrator made in good faith, in its sole discretion, will be subject to review only if the interpretation or other action is arbitrary and capricious. Any review of a final decision or action of the Plan Administrator will be based only on such evidence presented to or considered by the Plan Administrator at the time it made the decision that is the subject of the review. In consideration of your participation in the Plan and receipt of benefits under the Plan, you hereby consent to actions of the Plan Administrator made in its sole discretion and agree to the narrow standard of review described in this paragraph.

The name, address and telephone number of your Plan Administrator are:

SC Holdings, Inc.
P.O. Box 435
378 Bennoch Road
Stillwater, Maine 04489
(207) 827-4435

Trustee Information

All money that is contributed to the Plan is held in a trust fund. The Trustee is responsible for the safekeeping of the trust fund. The trust fund established by the Trustee will be the funding medium used for the accumulation of assets from which benefits will be distributed.

The name and address of your Plan's Trustee are:

ESOP Trust Committee
P.O. Box 435
378 Bennoch Road
Stillwater, Maine 04489

The members of the ESOP Trust Committee are selected by the Company's Board of Directors.

Service of Legal Process

The Company is your Plan's agent for service of legal process. Service of legal process may also be made upon the Trustee or Plan Administrator.