

What is an ESOP?

➤ An ESOP is a company-funded retirement plan that purchases BB&E, Inc. stock for eligible employees at NO cost to the employees.

What are the benefits of ESOP?

➤ **You Will Earn Shares for Free:** No personal investment is required.

A Long-Term Wealth Builder: Your ESOP account grows over time as the company succeeds.

Vesting Rewards Commitment: The longer you stay, the more ownership you earn.

Retirement & Financial Security: When you leave or retire, you receive the value of your shares.

Ownership Culture: Every employee has a stake in our success, driving collaboration and shared goals.

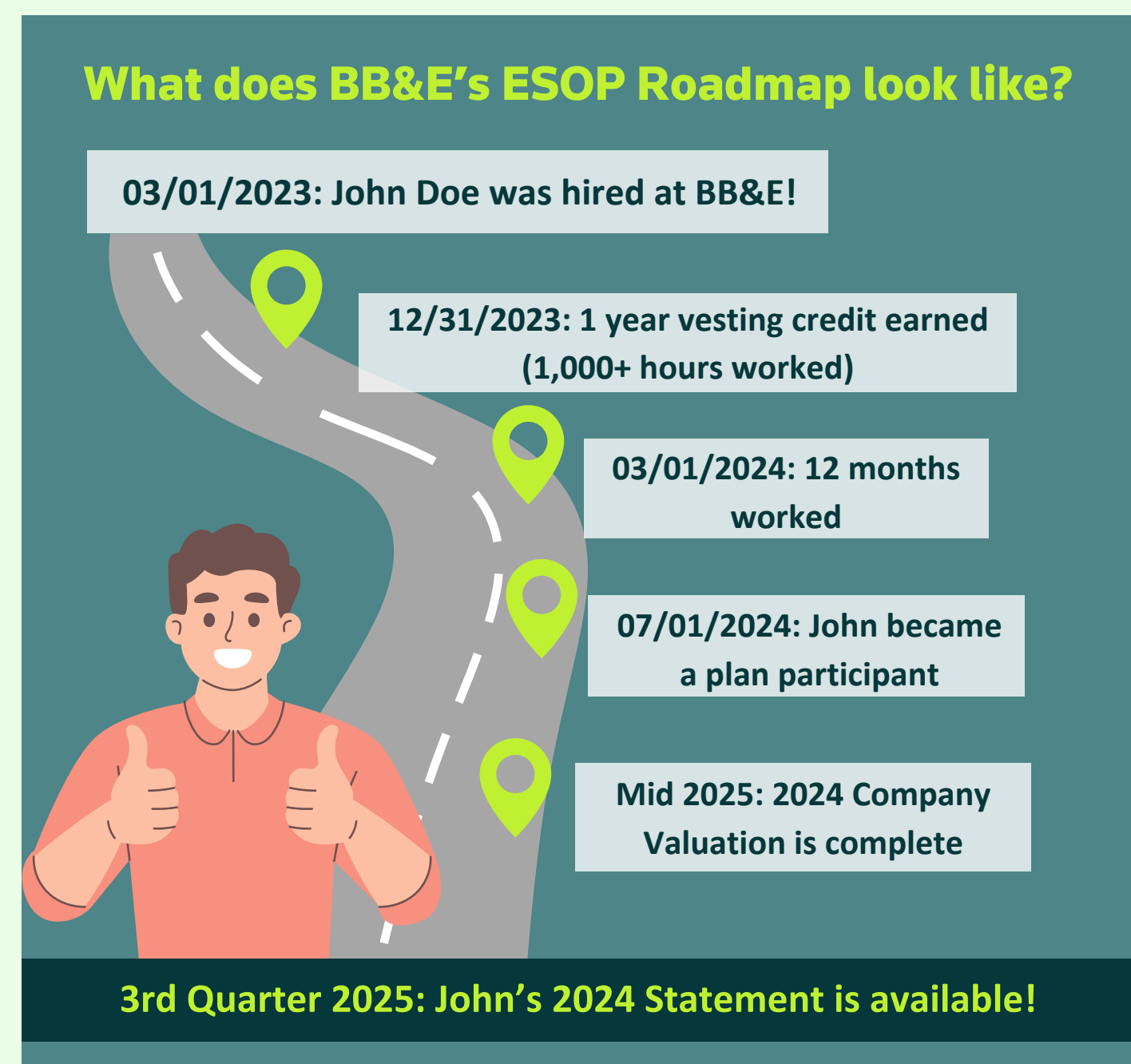
How does it work? When am I eligible?

➤

- ➔ You become eligible after twelve (12) months and enter the plan on the following January 1st or July 1st.
- ➔ You will earn a year of vesting credit for each plan year you work 1,000+ hours.
- ➔ Shares are allocated each year based on company performance. Share value is also determined annually.
- ➔ The more we grow, the more your shares will be worth.

| Years of Service | 1 | 2 | 3 | 4 | 5 | 6 |
|------------------------|----|-----|-----|-----|-----|------|
| Vesting Credit Percent | 0% | 20% | 40% | 60% | 80% | 100% |

What does BB&E's ESOP Roadmap look like?



- 03/01/2023: John Doe was hired at BB&E!
- 12/31/2023: 1 year vesting credit earned (1,000+ hours worked)
- 03/01/2024: 12 months worked
- 07/01/2024: John became a plan participant
- Mid 2025: 2024 Company Valuation is complete
- 3rd Quarter 2025: John's 2024 Statement is available!

How is the value of BB&E stock determined?

➤ The ESOP trustee determines the per share price once a year with the help of an independent valuation firm. There's a valuation process that starts after December 31 (plan year end) and lasts several months. As with any investment, the value of BB&E stock can go up or down over time.

How do I know what my account is worth?

➤ Each year, you'll receive an ESOP statement (generally in summer). This shows the number of shares in your account, the per share price, what your total account is worth, and how much you're vested. You can also see your balance by logging into your account at principal.com.