

Participation Notice & Summary Description

IMPORTANT: Carefully read and consider the information on both sides of this notice before you decide whether to start, continue, or change your Salary Reduction Agreement.

Section A. General Information

Employer Information

Name of Adopting Employer Zen CA LLC

Address 8131 Capwell Dr.

City Oakland State CA Zip 94621

Telephone (626) 664-7790

Trustee/Custodian/Issuer Information (for plans electing to use a Designated Financial Institution)

Name of Trustee, Custodian, or Issuer State Street Bank and Trust C/O American Century Services, LLC

Address P.O. Box 419385

City Kansas City State MO Zip 64141-6385

Telephone (800) 345-3533

Section B. Eligibility Requirements

Opportunity to Participate

This form is intended, in part, to notify you of your right to choose, during the Election Period, to make Elective Deferrals under the savings incentive match plan for employees of small employers (SIMPLE) IRA Plan established by your Employer. The Election Period is generally the 60-day period before the beginning of each Year and the 60-day period before the first day you become eligible to participate. This notice includes a Summary Description of your Employer's SIMPLE IRA Plan.

Eligible Employees

You may become eligible to participate in the Plan unless you are:

- covered by the terms of a collective bargaining agreement where retirement benefits were negotiated
- a nonresident alien with no United States earned income from your Employer
- an Employee on account of an acquisition or similar transaction involving your Employer

Compensation and Service

All Employees are eligible to participate in the Plan, unless otherwise specified below.

You are required to earn at least \$ 5000 (may not exceed \$5,000) during any 1 (may not exceed 2) preceding years to be eligible to participate in the Plan. You must also be reasonably expected to earn at least \$ 5000 (may not exceed \$5,000) during the current Year.

Section C. Plan Contributions

Financial Institution

Your Employer has has not elected to make all contributions to a Designated Financial Institution.

If contributions are not required to be made to a Designated Financial Institution, you must select the financial organization that will serve as trustee, custodian, or issuer of your SIMPLE IRA and notify your Employer by providing a completed Salary Reduction Agreement.

If contributions are required to be made to a Designated Financial Institution, you may transfer the balance in your SIMPLE IRA, without cost or penalty, from the Designated Financial Institution to a SIMPLE IRA at the financial organization of your choice. To do so, you must request a transfer during the Election Period or during any other period as allowed by the Designated Financial Institution. Upon request, the Designated Financial Institution will periodically transfer your balance.

Elective Deferrals

By completing a Salary Reduction Agreement, you agree to make Elective Deferrals to this Plan. Your Compensation will be reduced each pay period by an amount equal to the percentage of your Compensation you specify on the Salary Reduction Agreement. Generally, your Elective Deferrals (excluding Catch-Up Contributions) may not exceed \$14,000 for 2022 and \$15,500 for 2023 (after 2023 this limit is subject to cost-of-living adjustments).

Automatic enrollment (Automatic Contribution Arrangement) provisions will will not apply under the Plan.

If this Plan is designed so that you will automatically be enrolled when you become eligible and you do not complete the Salary Reduction Agreement and return it by the date requested by your plan administrator, _____ (must be at least three) percent of your Compensation will be withheld from each paycheck and contributed to a SIMPLE IRA for you as an Elective Deferral. Should you have questions regarding this automatic enrollment feature please contact your Employer.

NOTE: If this Plan is designed so that you will be automatically enrolled, you have the right to elect not to have any amount deferred from your paycheck. However, should you fail to make an election, the percentage specified above will be deferred from your paycheck and continue to be deferred until you advise your Employer that you do not wish to have amounts deferred or you wish to increase or decrease the amount of your deferral. To elect not to defer, or to increase or decrease the amount of your deferral, you must complete a Salary Reduction Agreement and return the form to your Employer.

Catch-Up Contributions will will not be permitted under the Plan.

If Catch-Up Contributions are available under the Plan and you will attain age 50 on or before the end of the Year, you are eligible to make Catch-Up Contributions. Your Catch-Up Contributions may not exceed \$3,000 for 2022 and \$3,500 for 2023 (after 2023 this amount is subject to cost-of-living adjustments).

If your Employer employs no more than 25 Employees who received at least \$5,000 in Compensation in the previous calendar year, you may defer up to 110 percent of the 2024 Elective Deferral limit.

You may change the amount of your Elective Deferrals by completing and signing a revised Salary Reduction Agreement during the Election Period or any other period specified below.

Anytime

You may discontinue making Elective Deferrals at any time during the Year by completing and signing a revised Salary Reduction Agreement. You are allowed to commence making Elective Deferrals the first day of the Year following the Year you cease deferring unless specified otherwise below.

Anytime

Employer Contributions

For calendar Year 2024, your Employer will make Matching Contributions equal to 100 percent of your Elective Deferrals which do not exceed three percent of your Compensation unless your Employer elects to make either the alternative Matching Contribution or the Nonelective Contribution described in Options 1 and 2 below.

- Option 1:** Matching Contributions in an amount equal to your Elective Deferrals which do not exceed 3 % (must not be less than 1%).
- Option 2:** Nonelective Contributions equal to two percent of Compensation on behalf of each Participant who earns at least \$5,000 during the year unless a different dollar amount is specified below.

You are required to earn at least \$_____ (may not exceed \$5,000) during the year to be eligible to receive Nonelective Contributions.

Section D. Distributions

The following is a summary of the rules applicable to distributions from SIMPLE IRAs. You are advised to refer to your SIMPLE IRA documents and/or seek the assistance of a qualified tax advisor if you have additional questions.

Procedures

SIMPLE IRA assets are fully vested and may be withdrawn at any time subject to taxes and penalties as explained below. The trustee, custodian, or issuer of your SIMPLE IRA, and not your Employer, is responsible for making distributions to you upon your request.

Federal Income Tax

Distributions from SIMPLE IRAs are taxed as ordinary income in the year in which you receive them. In addition, federal income tax withholding will be applied to your distribution at a rate of 10 percent unless you specify a different rate or waive your right to withholding.

Penalties

A 25 percent early distribution penalty tax applies to SIMPLE IRA distributions taken within two years of your initial participation in the Plan, unless you are age 59½ or older or can claim an exemption from the early distribution penalty described in Internal Revenue Code (IRC) Sec. 72(t)(6). If you are under age 59½, have satisfied the two-year requirement and receive a distribution, you will be subject to a 10 percent early distribution penalty tax.

Rollovers

SIMPLE IRA distributions may be rolled over to other SIMPLE IRAs. If a SIMPLE IRA distribution is properly rolled over, your rollover amount will be excluded when determining the amount of your federal income tax or early distribution penalty tax. You may roll over SIMPLE IRA distributions to Traditional IRAs, qualified retirement plans, tax-sheltered annuities, and governmental 457(b) deferred compensation plans. However, you must wait two years from the date you become a participant before doing so.

Required Minimum Distributions

You are required to begin taking minimum distributions from your SIMPLE IRA upon attainment of age 73 (age 72 if you were born on or after July 1, 1949, but before January 1, 1951, or age 70½ if you were born before July 1, 1949) in accordance with IRS regulations.

Procedures For Withdrawals

If you wish to take a distribution from your SIMPLE IRA, you must complete a withdrawal authorization provided by the trustee, custodian, or issuer of your SIMPLE IRA. In addition, the following procedures apply to you upon requesting a distribution.

You may call American Century Investments at 800-345-3533, log in to your account online at americancentury.com or complete the redemption section of the American Century Investments *One-Time and Automatic Transactions* form and mail the completed form to American Century Investments, PO Box 419385, Kansas City, MO 64141-6385.

Procedures Regarding Transfers

The following additional rules and procedures apply to transfers of your balance in your SIMPLE IRA.

You may transfer the proceeds of your American Century IRA to another company in one of two ways:

(1) Rollover: Contact American Century and request a distribution. You must deposit the proceeds with the new custodian within 60 day after you receive the distribution from American Century. **(2) Direct Transfer:** Contact the custodian of your new IRA for instructions.

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