

# ESOP QUICK FACTS

## HOW DID WE BECOME AN ESOP?



HOW

KPC Health was sold by its sole owner to an ESOP.

WHAT

An Employee Stock Ownership Plan (ESOP) is an **employee benefit plan that provides employees with an ownership interest in the company.**

HOW

An employee becomes an Eligible Employee upon the reaching age 21 and the completion of one year of service (i.e., twelve consecutive months of service with at least 1,000 Hours of Service.)

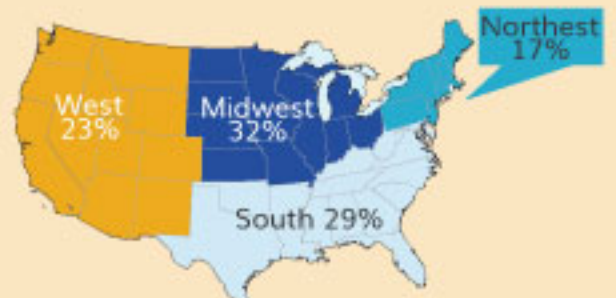
No contributions are made to the Plan by the Employees

HOW

The Plan's vesting schedule is as follows:

Years of Service	Percent Vested
Less than Two Years	0%
Two Years	20%
Three Years	40%
Four Years	60%
Five Years	80%
Six Years	100%

Currently there are 6,717 ESOPs with more than 14 Million participants



Company Performance



Your Actions

Your REWARDS

**KPC Health**



Orange County • Anaheim • Chapman • South Coast  
**Global Medical Centers**

# ESOP QUICK FACTS

BENEFITS  
OF BEING  
AN ESOP



ESOP COMPANIES ARE **25% MORE LIKELY**  
TO STAY IN BUSINESS



Employees at ESOP companies receive  
**5% -- 12% more** in wages



Employee Owned Companies are  
**4x more resilient** than  
other companies in  
an economic downturn

ESOP Employees  
have **2.5x GREATER**  
retirement accounts



Retirement Account



ESOP Company

Value per share



Your ESOP at work

KPC  
Health



Orange County • Ashwin • Chapman • South Coast  
Global Medical Centers

\* Tentative - Subject to Audit

Statistics obtained at National Center for Employee Ownership