

## SimVentions, Inc. Benefits Employees with Stock Ownership Plan

Fredericksburg, Va., 08-14-2020: Larry Root, CEO of SimVentions, proudly informed employees on 6 August 2020 that the company completed the transfer of the company's ownership from existing shareholders to an Employee Stock Ownership Plan (ESOP) and, in doing so, has joined the growing list of companies whose employees are also its owners. "The plan has several objectives," Mr. Root indicated. "First, to provide ownership of the company to those that build and execute the work of the company; second, to provide a significant retirement benefit and a reason to want to make the company more successful; third, to provide a tool to motivate, retain, and attract employees; and finally, to create a market for the transition of equity from the current shareholders without a sale to outside interests. The plan should result in increased employee incentives and provide them with additional long-term retirement benefits. Our corporate motto is *Your Success Is Our Honor™* and we strive to not only live this out regarding our customers, but also regarding how SimVentions leadership cares for its employees; we see no better way to convey that to our employees than through the establishment of an ESOP."

A supplement to the company's already impressive retirement benefits, including a 401(k) plan, the ESOP represents a powerful avenue by which employees become beneficial owners of stock in SimVentions. Completion of the ESOP transaction was accompanied by a re-purchase of stock from minority shareholders and purchase by the ESOP of the remaining stock from the existing majority shareholders, a transaction that resulted in the SimVentions ESOP owning 100% of the company. These ESOP shares will be allocated over time to employee ESOP participant accounts in accordance with the SimVentions ESOP Plan and related IRS and Department of Labor regulations.

Mr. Root indicated that establishment of the SimVentions ESOP fulfills the dream of its Board of Directors and current shareholders which was to place the company in a position that allows it to be carried forward by its employees. SimVentions celebrated its 20<sup>th</sup> year in business on 01 March 2020 and during that time has watched the company grow from a team of three (operating out of a virtual office) in 2000 to over 300 employees today (with four offices). Mr. Root added, "it is exciting to think about what blessings lay ahead for SimVentions over the next 20 years! the best is yet to come."

Mr. Root thanked God's providential hand in guiding the company these past 20 years; the rest of the SimVentions Board of Directors (*Steve Goss, Paul Gustavson, George Hughes, Joe Caliri, Herb Kaler, and Matt Wilson*) for their support and unity in driving this forward; and the members of SimVentions' ESOP Transition Team (*Hirschler Law, The McLean Group, Atlantic Union Bank, and Blue Ridge ESOP Associates*) for their respective roles in making the SimVentions ESOP a reality.

**About SimVentions, Inc.:** SimVentions' corporate office is located at 100 Riverside Pkwy, Suite 123, in Fredericksburg, Virginia, 22406 and offers engineering and technology solutions to the Department of Defense, including the Navy, Army, Air Force, and Marine Corps. For additional information about SimVentions, please visit <https://www.simventions.com/>.

SimVentions is always looking for qualified candidates across all disciplines to work in the Fredericksburg, VA; Dahlgren, VA; Washington, D.C.; Charleston, SC; and Virginia Beach, VA areas. Apply online at <https://www.simventions.com/careers>.