

Employee Stock Purchase Plan (ESPP) Enrollment Guide

The Employee Stock Purchase Plan (ESPP) Enrollment Guide is designed to help answer the most common questions related to enrollment and participation in the ESPP.

Frequently Asked Questions:

1. Who is eligible to participate?

- a. All employees who have completed one year of service with Sinclair or an eligible subsidiary by the beginning of the offering period. The Plan generally has quarterly offering periods which are January 1 to March 31, April 1 to June 30, July 1 to September 30, and October 1 to December 31.

2. When can I enroll?

- a. The Plan has quarterly offering periods with corresponding enrollment windows. Elections must be confirmed 15 days prior to the start of the next offering period. For example, the enrollment window to participate for the 3rd quarter of 2021 is May 15th to June 15th for deductions beginning July 1st.

3. How much can I contribute?

- a. Employees can designate from 1% to 20% of their eligible post-tax compensation to be withheld from their pay.
- b. At the end of the quarter a discounted purchase price is determined by comparing the stock price at the beginning of the quarter and the end of the quarter. The lower of these two prices is then discounted by 15% and used for the purchase price.
- c. The maximum amount of stock that may be purchased during any offering period or calendar year is \$25,000 at Fair Market Value, which is the price of the share on the first day of the quarter.

4. When can I change my election?

- a. You can enroll or make changes online during the quarterly enrollment window. Changes to contributions cannot be made after the enrollment window is closed. You can however withdraw with a refund up to thirty days prior to the end of the offering period.

5. How can I stop participating?

- a. You may opt out of participation during the quarterly enrollment window or withdraw with refund 30 days prior to the end of the offering period. Once you withdraw, you may not resume participation until the next enrollment window.

6. When can I create or access my account with Morgan Stanley?

- a. An account is automatically established for all eligible employees. You will receive an automated email directly from Morgan Stanley at Work with registration instructions. If you are unable to find the registration email, you can request another registration email to be sent on the Morgan Stanley at Work website under "Activate your account" or contact the Morgan Stanley Service Center at 1-866-722-7310.

7. When will I see stock in my account?

- a. Shares will be in your account after the purchase has been completed, this generally takes place a week after the quarter ends.

8. When can I sell my shares?

- a. Shares purchased through the ESPP have a minimum hold period of one year from the purchase date, regardless of your employment status.
- b. If you sell the shares after year one but before the completion of year two there are additional tax requirements known as disqualifying dispositions that must be reported on your W-2.

9. What happens if I terminate employment?

- a. If you leave Sinclair in the middle of the quarter, you are no longer eligible to purchase shares at a discounted price and will receive a refund through your paycheck for quarterly contributions. You may continue to maintain your account with Morgan Stanley for shares previously purchased.

For assistance accessing your account contact Morgan Stanley at 1-866-722-7310

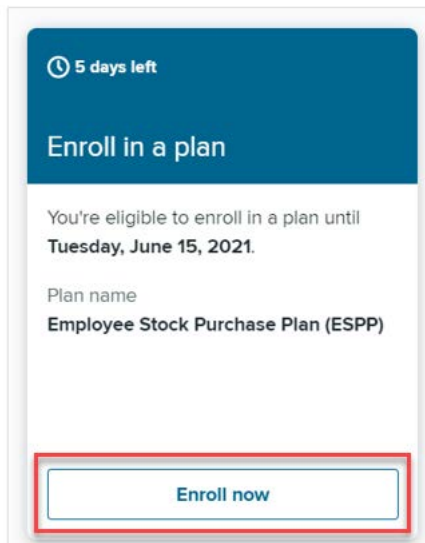
Access atwork.morganstanley.com to manage your account, enroll for the first time, change your election for the next offering period, or withdraw with refund.

How to Enroll on Morgan Stanley at Work

1 Log into your [Morgan Stanley at Work](#) account. (If you've forgotten your username or password, follow instructions on that screen or refer to the Log-in Assistance Guide to recover or reset your credentials.)

Tasks

2 On your **Dashboard**, under **Tasks**, look for your **Employee Stock Purchase Plan** tile and click **Enroll Now**.



3 Enter your **Contribution Level** (whole percentages only), then click **Next**.

Your contributions

How much do you want to contribute to **Employee Stock Purchase Plan (ESPP)**?

Contribution (1 - 20%)
 % of your eligible pay

Your contributions will be deducted each pay period during the next offering.

Next **Cancel**

4 Review your enrollment elections, and select **Enroll**. Congratulations! You are now enrolled in your ESPP.

Review your enrollment

By continuing, you agree to the following:

✓ You will be enrolled in **Employee Stock Purchase Plan (ESPP)**.

✓ You authorize the following contributions:

Current offering: **2%** of your eligible pay

⚠ If you are eligible for future offerings in this plan, you'll be automatically enrolled with the same contributions.

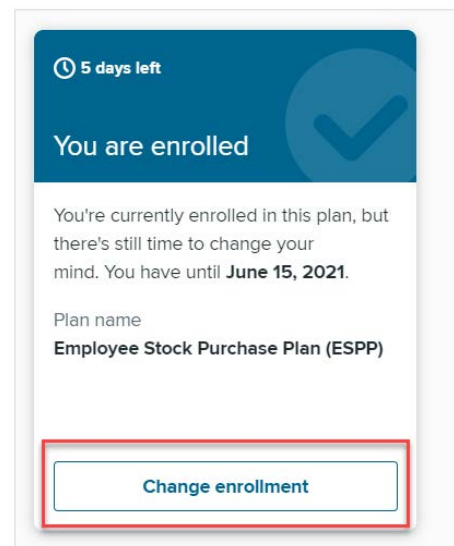
Enroll **Back**

How to Change Your Enrollment Contributions

1 Log into your [Morgan Stanley at Work](#) account. (If you've forgotten your username or password, follow instructions on that screen or refer to the Log-in Assistance Guide to recover or reset your credentials.)

2 On your **Dashboard**, under Tasks, look for your **Employee Stock Purchase Plan** tile and click [Change Enrollment](#).

Tasks



5 days left

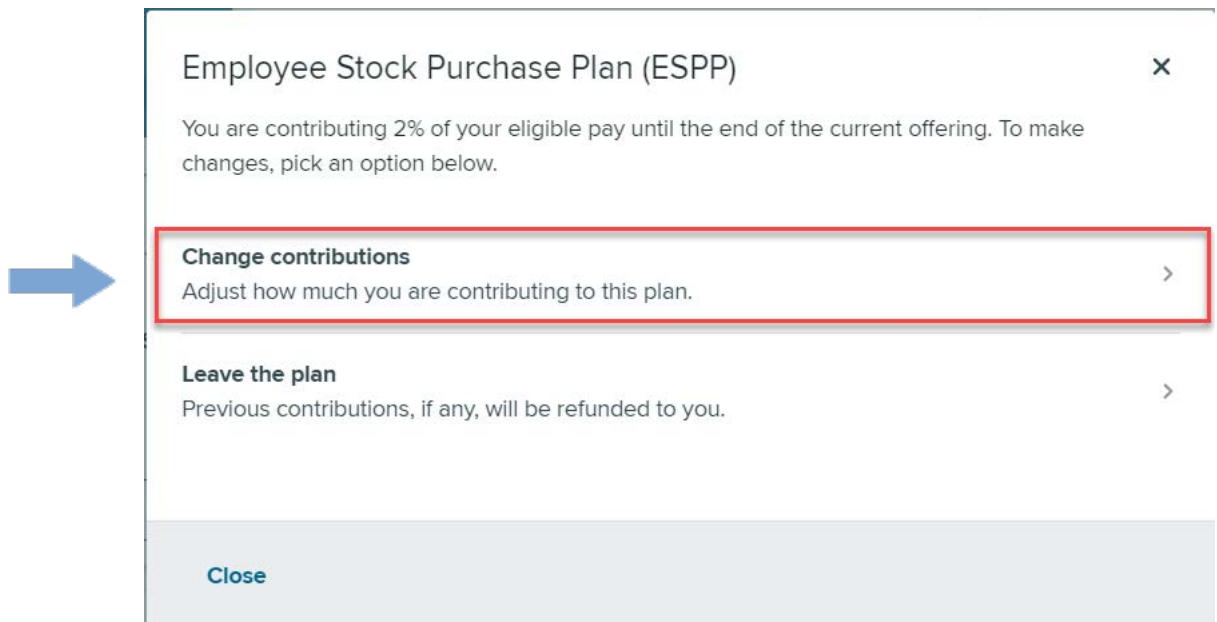
You are enrolled

You're currently enrolled in this plan, but there's still time to change your mind. You have until **June 15, 2021**.

Plan name
Employee Stock Purchase Plan (ESPP)

[Change enrollment](#)

3 Select [Change Contributions](#).



Employee Stock Purchase Plan (ESPP) ×

You are contributing 2% of your eligible pay until the end of the current offering. To make changes, pick an option below.

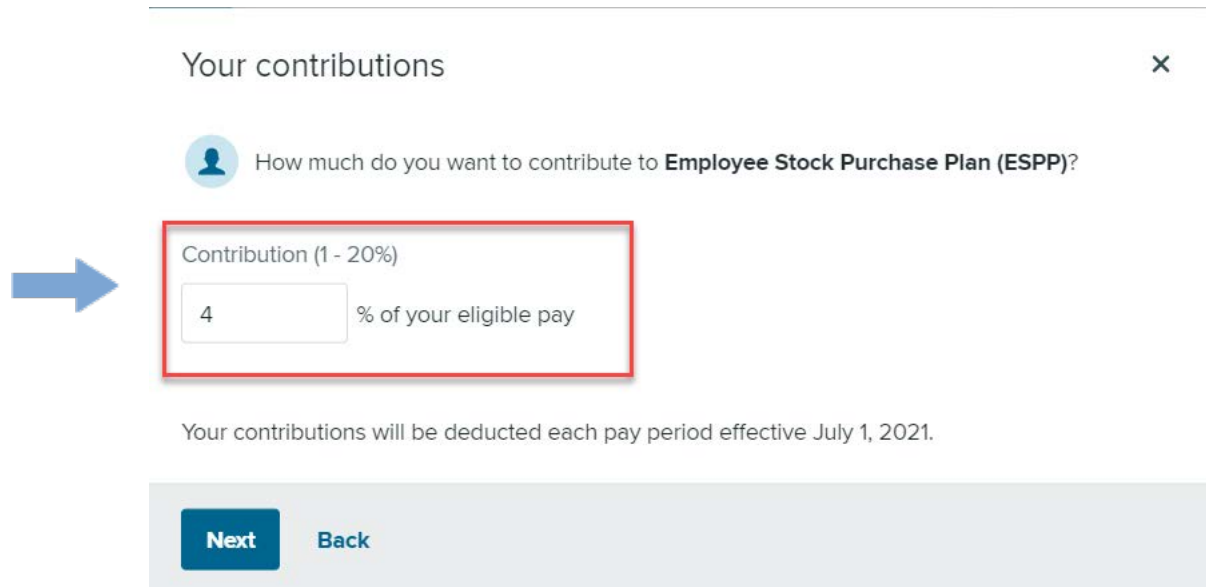
[Change contributions](#) >
Adjust how much you are contributing to this plan.

[Leave the plan](#) >
Previous contributions, if any, will be refunded to you.


[Close](#)

4

Enter your new **Contribution** (whole numbers only), then click **Next**.



Your contributions ×

 How much do you want to contribute to **Employee Stock Purchase Plan (ESPP)**?

Contribution (1 - 20%)

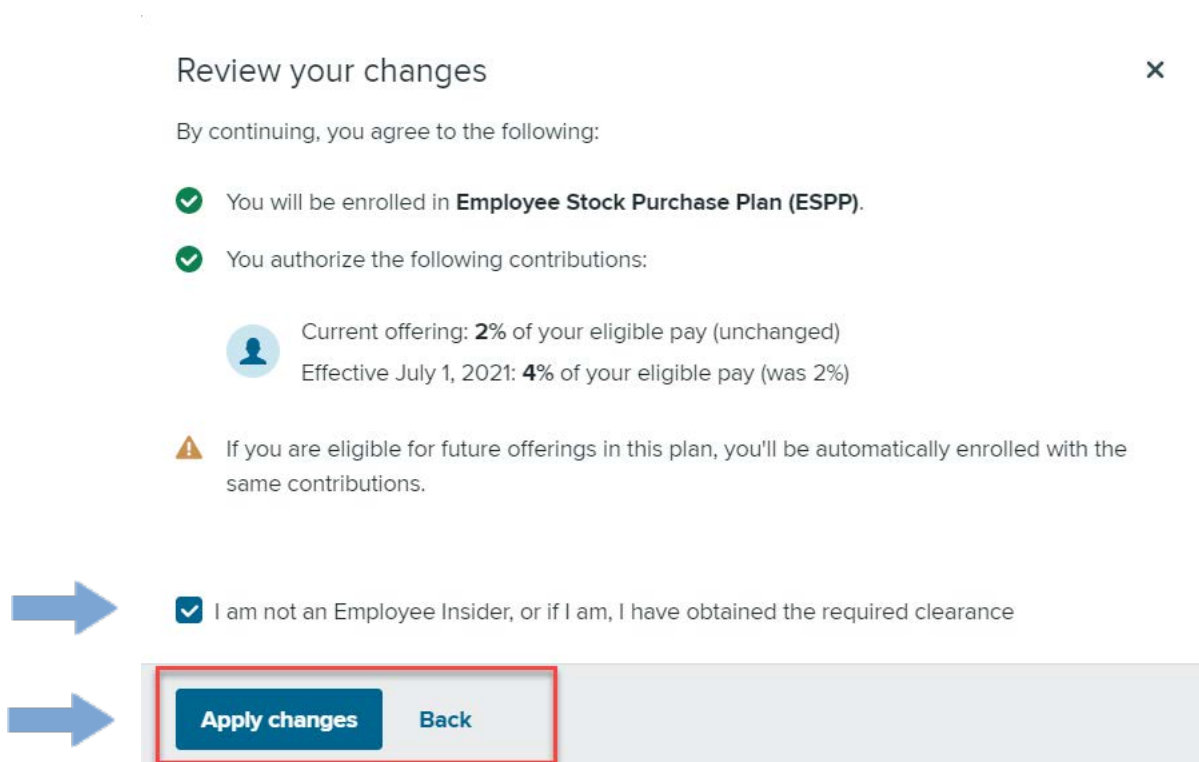
% of your eligible pay

Your contributions will be deducted each pay period effective July 1, 2021.

Next **Back**


5


Verify your changes, certify you are not an Employee Insider and then select **Apply changes**. Your changes are entered and will take effect in the next offering period.



Review your changes ×

By continuing, you agree to the following:

- You will be enrolled in **Employee Stock Purchase Plan (ESPP)**.
- You authorize the following contributions:
 -  Current offering: **2%** of your eligible pay (unchanged)
 - Effective July 1, 2021: **4%** of your eligible pay (was 2%)

 If you are eligible for future offerings in this plan, you'll be automatically enrolled with the same contributions.

I am not an Employee Insider, or if I am, I have obtained the required clearance

Apply changes **Back**

How to Withdraw From Your ESPP

1 Login to your [Morgan Stanley at Work](#) account. (If you've forgotten your username or password, follow instructions on that screen or refer to the Log-in Assistance Guide to recover or reset your credentials.)

2 On your **Dashboard**, under **Tasks**, look for your **Employee Stock Purchase Plan** tile and click [Change Enrollment](#).

Tasks

5 days left

You are enrolled

You're currently enrolled in this plan, but there's still time to change your mind. You have until **June 15, 2021**.

Plan name
Employee Stock Purchase Plan (ESPP)

[Change enrollment](#)

3 Select [Leave the plan](#).

Employee Stock Purchase Plan (ESPP) ×

You are contributing 4% of your eligible pay until the end of the current offering. To make changes, pick an option below.

Change contributions >
Adjust how much you are contributing to this plan.

Leave the plan >
Previous contributions, if any, will be refunded to you.

Close

- 5 Review your changes, confirm you are not an Employee Insider or have obtained required clearance and then select **Leave The Plan** to stop contributing and receive your refund. Refunds are not immediately processed and will be issued on a future paycheck.

Review your changes ×

By continuing, you agree to the following:

- ✓ You are leaving the plan. Your contributions will stop in an upcoming pay period.
- ✓ Any previous contributions or cash left over will be refunded to you in an upcoming pay period.
- ⚠ If you change your mind, you can re-enroll until **June 15, 2021**.

I am not an Employee Insider, or if I am, I have obtained the required clearance

Leave the plan Back

Need Help or Have Questions?
Contact Morgan Stanley at **1-866-722-7310**

All screenshots for illustrative purposes only.