ESOP's in an Alternate Universe

1. Verb - Past Tense _____

2. Verb - Past Tense _____

3. Noun _____

4. Noun _____

5. Noun _____

6. Noun _____

7. Noun _____

8. Noun - Plural _____

9. Noun _____

10. Verb - Past Tense _____

11. Proper Noun - Plural _____

12. Noun _____

13. Noun _____

14. Noun _____

15. Noun _____

16. Verb - Base Form _____

17. Noun - Plural _____

18. Noun _____

19. Verb - Past Tense _____

20. Noun - Plural _____

21. Noun - Plural _____

ESOP's in an Alternate Universe

WHAT IS AN ESOP

An ESOP is an acronym that stands for Employee Stock Ownership Plan.

Technically, the Plan is _____Verb - Past Tense_____ or _____Verb - Past Tense_____ pursuant to a tax-exempt _____Noun_____

, referred to as ESOT, Employee Stock Ownership Trust. Accordingly, the Plan is alternatively referred to as the

_____Noun_____.

The purpose of the ESOP is to enable you, as an _____Noun_____, to acquire beneficial _____Noun_____ in your

Company without having to invest your own _____Noun_____.

The ESOP also provides the current _____Noun - Plural_____ with a powerful financial tool to strengthen the

_____Noun_____.

The term "Employee Stock Ownership Plan was first _____Verb - Past Tense_____ by Federal legislation in the

Employee Retirement Income Security Act of 1974.

From 1974 to date, it has been estimated that 20, 000 companies have installed Employee Stock Ownership

_____Proper Noun - Plural_____.

The Plan is a tax-exempt _____Noun_____ for Federal and state corporate income tax purposes.

This enables the Company to make _____Noun_____ and or Company stock contributions to the _____Noun_____, which are used to acquire _____Noun_____ of the Company on your behalf.

The advantage of the ESOP to you is that you are able to _____Verb - Base Form_____ this stock without paying current income tax on the stock and without any diminution of your take-home _____Noun - Plural_____.

Again, this results from the fact that the _____Noun_____ is made entirely by the Company and is not _____Verb - Past Tense_____ to you personally as it is allocated.

The advantage to the Company and the current owners is that the ESOP makes pre-tax dollars available to finance Company _____Noun - Plural_____ and or to create ownership _____Noun - Plural_____ at the time of retirement.