

## 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.