

**Preliminary Agenda**  
(Times and topics subject to change)  
**2017 Las Vegas Conference and Trade Show**  
**November 9 & 10, 2017**  
Conference Co-Chairs

**Lynn H. DuBois, ESOP Law Group, LLP**  
Chair, The ESOP Association's Advisory Committee on Administration  
And  
**Debra Williams, GreatBanc Trust Company**  
Chair – The ESOP Association's Advisory Committee on Ownership Culture

Sessions in **Red** are part of "Trustee Track"

**Wednesday, November 8, 2017**

**5:00PM – 8:00PM**      **Early Registration**

**5:00PM – 8:00PM**      **Trade Show Open**

**Thursday, November 9, 2017**

**6:30AM – 5:00PM**      **Registration**

**6:30AM – 8:00AM**      **Trade Show Open/Continental Breakfast**

**8:05AM-8:30AM**      **Orientation/General Session**

**8:40AM – 9:55AM**

**ESOP Administration: Part 1 (Basic)**

The purpose of this session is to provide the basic knowledge necessary to review your ESOP's allocation reports, participant statements, and plan related disclosures. This solid foundation will help you administer your plan in-house or oversee your third party administrator. Speakers will cover eligibility, allocations, vesting, basic compliance testing, disclosure requirements, and the gathering of data for your record keeper. Diversification and distribution rules will not be covered in this session. See separate sessions later in the program for those and more advanced topics.

*Scott J. Freund, Blue Ridge ESOP Associates (Moderator)*

*Aaron Geibel, Crowe Horwath LLP*

**Duties and Responsibilities of Trustees**

An overview of the duties and responsibilities of ESOP Trustees, including successor Trustees. This session is perfect for new trustees.

*Brian Ippensen, First Bankers Trust Services, Inc. (Moderator)*

*David N. Levine, Groom Law Group, Chartered*

*Lynn Archer, Lathrop & Gage LLP*

### **Highly-Leveraged ESOP Transactions**

Many companies wish to become 100% ESOP-owned S Corporations as quickly as possible in order to become essentially "tax exempt." As a result, highly-leveraged ESOP transactions are very common. This session will address complications that arise in highly leveraged ESOP transactions, including bridge loans or "note swaps," managing long-term ESOP Loans, dealing with extreme ratios of value to compensation, redemption/subscriptions vs. direct purchase, testing and compliance issues, etc.

*Cecilia A. Loftus, Wells Fargo ESOP Advisory Practice (Moderator)*

*James G. Steiker, SES Advisors, Inc.*

*David A. Whaley, Thompson Hine LLP*

### **Designing Executive Benefits in ESOP Companies**

Senior executives' performance in non-ESOP companies is often motivated by the executives' ownership of the company. How do employee owned companies motivate senior executives to maximize shareholder value? This session will address design of equity and cash incentive plans for ESOP-owned companies, as well as governance, valuation and compliance considerations related to those plans.

*Mark D. Welker, Husch Blackwell LLP (Moderator)*

*Cara Benningfield, BKD, LLP*

*Isaiah Aguilar, Stout Risius Ross, Inc.*

### **Who Wants to be an ESOP Millionaire?**

This fun and interactive session, presented in a game show format, will supply the questions for your nagging ESOP answers including exploring some of those lesser-known aspects of ESOP ownership. Come join the fun!

*Kellee C. Kroll, Principal Financial Group (Moderator)*

*Randy Shrake, Blue Ridge ESOP Associates*

*Julie A. Govreau, GreatBanc Trust Company*

### **The Future is Now: Building Succession Systems for Long-Term Sustainability**

An ESOP company's sustainability hinges on developing leadership capacity deeply within the company. If people are prepared to step into leadership positions whenever opening occur, companies have less risk and therefore more stability. This session will focus on how companies can develop succession processes for all key positions from the board, to the CEO, to other leadership position, to the ESOP committee.

*Mickey Michael (Mickey) Maier, Professional Fiduciary Services LLC (Moderator)*

*Mike Frommelt, KeyStone Search*

*Michelle Osman, IEWC Corp.*

### **New and Notable ESOP Valuation Issues**

Valuation methodology and theory continue to evolve. Judicial opinions, the DOL Process Agreement, academic studies, and thoughtful debate all contribute to a constantly evolving body of knowledge and portfolio of "best practices." This advanced valuation session will present and discuss recent valuation-related developments in the courts and other "hot topics" relevant to ESOP valuation.

*David M. Diehl, Prairie Capital Advisors, Inc. (Moderator)*

*Bucky Wright, GreatBanc Trust Company*

*Steven B. Greenapple, Steiker, Greenapple & Fusco P.C.*

### **Acquisition Considerations for ESOP Companies**

Many ESOP companies are beginning to assess the feasibility of making acquisitions as part of their growth strategy. However, oftentimes the company has no prior acquisition experience. This session will address the financial and fiduciary issues to consider when ESOP companies are exploring potential acquisitions. More specifically, the panel will address several aspects of the acquisition process such as (1) ways to identify potential acquisition candidates, (2) how to value target companies, (3) how to assess financial fairness and fiduciary issues, and (4) how to assess available financing mechanisms.

*Sharyl David, Moss Adams LLP (Moderator)*

*Scott E. Adamson, Vedder Price*

*John L. Miscione, Duff & Phelps, LLC*

**9:55AM – 10:10AM**

**Break**

**10:15AM – 11:30AM**

**ESOP Administration: Part 2 (Advanced)**

This session assumes a solid foundation in the Basic ESOP Administration topics that were covered in an earlier session. The session will cover advanced testing issues, such as general nondiscrimination testing, Section 415 (maximum annual additions) and Section 404 (maximum deductible contribution) rules; the tracking and annual adjustment of cost basis; handling rehires correctly; USERRA military service issues; and required minimum distributions. The session also will cover topics specific to leveraged ESOPs, including sources available for debt service, share release calculations, and testing requirements when dividends are used to repay the loan. Note: diversification, distributions, Section 409(p) testing, and segregation will be covered in separate sessions.

*A. Lori Stuart, Crowe Horwath LLP (Moderator)*

*Michael A. Pasahow, Menke & Associates, Inc.*

**Glossary: Annual Cycle of ESOP Administration and Trustee Recordkeeping**

A definition and explanation of ESOP terms and an overview of requirements for properly administering an ESOP. Trustee recordkeeping responsibilities, and the annual stock valuation process.

*Merri E. Ash, First Bankers Trust Services, Inc. (Moderator)*

*Carla Neal Klingler, Swerdlin & Company*

**Evaluating Offers and Selling an ESOP Company**

Our panel of experts will share their views and experiences in how ESOP-owned businesses might evaluate unsolicited offers received, including the financial and fiduciary issues involved. We will also discuss the issues, considerations and process involved in selling an ESOP-owned company.

*Elizabeth S. Perdue, Holland & Knight LLP (Moderator)*

*Robert F. Schatz, ESOP Plus: Schatz Brown Glassman LLP*

*John P. Murphy, Atlantic Management Company, Inc.*

**Legal and Regulatory Update: To be Repeated**

This session will provide an overview of judicial decisions and agency guidance over the past year. Both L&R Update sessions, although presented by different speakers, will cover the same material.

*Laurence A. Goldberg, ESOP Law Group, LLP (Moderator)*

*Gregory K. Brown, Holland & Knight LLP*

**Boards of Directors' and Trustees' Roles in ESOP Companies: Part 1 (Basic)**

This session will discuss the respective duties and responsibilities of board members and ESOP trustees. It will also explore the legal standards to which each are held, special considerations for those who serve as both an ESOP trustee and a director, how many directors a board should have, the pros and cons of adding independent directors and the various board committees and their function.

*Sharon B. Hearn, Krieg DeVault LLP (Moderator)*

*Alexander L. Mounts, Krieg DeVault LLP*

*C. Grant McCorkhill, Holland & Knight LLP*

### **Introduction to Business Literacy for Employee Owners**

ESOP companies often ask their employees to "think like owners". That can be difficult for employees who may not have a basic understanding of business concepts and terminology. This session will explore how to effectively educate your employees in the fundamental areas of business and accounting to help them understand how those concepts influence the value in the ESOP account. This will be an interactive session and an opportunity to share your experiences and learn from others.

*Matt Hancock, Praxis Consulting Group, Inc. (Moderator)*

*Arlene L. Ashcraft, Columbia Financial Advisors, Inc.*

*Clifford G. Canavera, Canavera Financial Group, LLC*

### **Tips for New ESOPs: Getting off to a Good Start**

The ESOP Communication Committee is an important element to getting the word out about your ESOP. Come hear about best practices to ensure they get started on the right foot. Has your committee been around for a while? This session will help provide a fresh look with new ideas.

*Jon M. Sweigart, Praxis Consulting Group, Inc. (Moderator)*

*Connie Woodmansee, Swerdlin & Company*

*Sue Butler, Butler Till Media Services, Inc.*

### **Current ESOP Transaction Structuring Alternatives**

ESOP transaction structures have evolved over time to satisfy a variety of stakeholder interests. Expanded financing alternatives, ownership structures, and benefit profiles have created some additional complexities. This session will include professionals from a variety of disciplines to discuss various issues to consider with current ESOP transaction structures based on recent experiences, and if there are any new potential structures which should be considered.

*Michael J. McGinley, Prairie Capital Advisors, Inc. (Moderator)*

*Renee P. Lewis, Holland & Knight LLP*

*Brian D. Hector, Morgan, Lewis & Bockius LLP*

**11:40AM – 1:10PM**

**Lunch**

**1:15PM – 2:30PM**

### **Mature ESOP Administration Issues**

This session will focus on topics faced by many mature ESOPs, including strategies to make sure new employees receive shares in the ESOP, the difference between recycling and redeeming shares and the impact of each on participants' balances and company value. Rebalancing, early diversification, re leveraging, and plan termination will be discussed.

*William W. Merten, Winston & Strawn LLP (Moderator)*

*Kevin P. Rettler, Principal Financial Group*

*Paul D. Trost, JP Morgan*

### **A Year in the Life of a Trustee**

A month by month breakdown of the responsibilities of a trustee within a calendar year. Perfect session to help trustees with their list of things to do.

*Cindy Turcot, Gardener's Supply Company (Moderator)*

*Arlene Westbrook, GreatBanc Trust Company*

### **Strategic Alternatives for Partially ESOP-Owned ESOP Companies**

Grow, stay, or fold the ESOP? Companies with partial ESOP ownership periodically evaluate the optimal level of ESOP ownership, appropriate retirement benefit levels, repurchase obligations, acquisitions, ownership succession plans, and corporate finance alternatives in determining whether to maintain or increase/decrease ESOP ownership over time. Learn about various ways to analyze which potential solutions might be appropriate for different situations.

*Kreg J. Jackson, Houlihan Lokey (Moderator)*

*Michael J. Harden, AmbroseAdvisors*

*Steven J. Nelson, Chartwell Financial Advisory, Inc.*

## **ESOP Insurance - Current trends with Fiduciary Liability, Directors & Officers, and Representations & Warranties Insurance**

In today's litigious and burdensome regulatory environment, how can insurance be used to protect selling shareholders, outside & inside directors, officers, and trustees? Not all insurance products are equivalent, and the details of coverage are hugely important. We will address insurance coverage for both mature ESOPs and companies that are planning an ESOP transaction.

*John A. Kober, Morgan, Lewis & Bockius LLP (Moderator)*

*Marc R. Baluda, Greenberg Traurig, LLP*

*Christopher T. Horner, II, AmbroseAdvisors, LLC*

## **Boards of Directors' and Trustees' Roles in ESOP Companies: Part 2 (Advanced)**

The session will discuss the roles of the directors and the ESOP trustee in connection with major corporate events like responding to offers to purchase the company, making acquisitions, redeeming or issuing stock or warrants, incurring debt and awarding equity-based compensation. The session will also explore whether the conclusions are different if board members have a personal stake in the decisions and whether the ESOP trustee should consider how the proposed actions may affect the plan's investment in employer stock. The session will also discuss the fiduciary implications of major business decisions and when corporate assets may be viewed as plan assets in an employee owned company.

*Christopher L. McLean, Kaufman & Canoles, P.C. (Moderator)*

*Jared Kaplan, Delaware Place Advisory Services, LLC*

*Alan F. Harrington, Web Industries, Inc.*

## **Social Media Strategy for Employee Communications**

Are you struggling with how to get the word out about your ESOP? Tired of using the same old methods? Come hear some new and fresh ideas on internal uses for social/collaborative technology; social media for external purposes such as recruiting, advocacy and ownership advantage; best practices for promoting company culture and ESOPs in general and how the ESOP Association can help you get the word out.

*Maureen Clayton, Nest Egg Communications (Moderator)*

*Aaron Moberger, Harpoon Brewery*

## **Interdisciplinary Panel on Current ESOP Events**

Join our panel of experienced practitioners from The ESOP Association's Advisory Committees as they answer audience questions on topics of ESOP administration, finance, legal issues, fiduciary concerns, valuation, and ownership culture. This session will be an open dialog on current issues facing ESOP companies.

*Jeffrey S. Buettner, ButcherJoseph & Co. (Moderator)*

*Peter J. Shuler, Crowe Horwath LLP*

*Robert Ruskowski, Verit Advisors, LLC*

*Danielle Montesano, First Bankers Trust Services, Inc.*

*Mickey Michael (Mickey) Maier, Professional Fiduciary Services LLC*

*John Williams, Central States Manufacturing, Inc.*

## **The Basics of Valuation**

How is my company valued? This session will explore the basics of ESOP valuation, including the fundamentals of financial statement analysis, and an overview with examples of commonly-used valuation methods. This session is designed for the attendee who seeks to gain a basic understanding of valuation principals.

*Adrian R. Loud, Censeo Advisors, LLC (Moderator)*

*Donny Springer, Columbia Financial Advisors, Inc.*

*Fred Kaseff, GreatBanc Trust Company*

**2:30PM – 2:45PM**

**Break**

**2:50PM – 3:40PM**

**ESOP Distributions: Part 1 (Basic)**

This session will cover the rules governing ESOP benefit distributions including who is entitled to a distribution, the form (cash or stock), the method (lump sum or installments), and the timing options and requirements for benefit payments. We will also discuss the factors to consider when drafting your benefit distribution policy as well as how and when that policy can be changed.

*Kevin T. Rusch, Blue Ridge ESOP Associates (Moderator)*

*Tom Mills, Olson Mills Law Firm, LLC*

**Releveraging: The Great Debate**

Please join us for a lively debate on re-leveraging. Two experienced practitioners will debate the pros and cons of re-leveraging in a true debate format. You will hear how re-leveraging can be used as part of your overall repurchase obligation strategy and the long-term impact of employing a re-leveraging strategy. Our other expert will discuss alternatives to re-leveraging (and present arguments on why these alternatives result in better overall results that re-leveraging).

*Lynn H. DuBois, ESOP Law Group, LLP (Moderator)*

*Peter J. Prodoehl, Principal Financial Group*

*Elyse S. Bluth, Duff & Phelps, LLC*

**An Interactive Discussion of the Relative Roles of ESOP Trustees and Corporate Directors**

A discussion of the relationships among the Board of Directors, Trustee, and ESOP committee or plan administrator; the responsibilities of the Board of Directors in appointing and monitoring the actions of the ESOP Trustee, and vice versa.

*Scot Storjohann, GreatBanc Trust Company (Moderator)*

*Susan Peters Schaefer, Winston & Strawn LLP*

**Avoiding and Being Prepared for a DOL Investigation**

This session will take you through the things you can do as a trustee to avoid a DOL Investigation.

*Patrick J. DeCraene, GreatBanc Trust Company (Moderator)*

*Victor N. Aspengren, Prairie Capital Advisors, Inc.*

**Outside Equity in S Corp ESOP Companies**

We all understand the tax advantages of 100% ESOP ownership of an S Corporation. But how can an S-ESOP seek outside equity capital? We'll consider everything from joint venture partners to publicly-traded equity in an S-ESOP context.

*Matthew Hricko, Stout Risius Ross, Inc. (Moderator)*

*Eric S. Zaiman, JP Morgan*

*Ted Margarit, Chartwell Financial Advisory, Inc.*

**Valuation Peer Reviews: The Who, What, Why and When Uncovered**

Peer reviews of valuations have become more prevalent as a means for trustees to document their diligence with respect to annual valuations, and to assist the trustee with ensuring best practices are being followed. This session will explain the "who, what, why and when" of peer reviews, including details from engagement of the peer review firm to appropriate implementation of the findings.

*Tabitha M. Croscut, Devine Millimet and Branch, P.A. (Moderator)*

*Kathryn A. Daly*

**How to be Recognized for your ESOP Success**

You have a great employees, great management and a great ESOP. You've even been recognized by your Chapter. How can you leverage this recognition to further grow your competitive advantage in the market place. Come hear of some of the ways to gain this recognition and how to further use it to your companies advantage.

*Dan Marcue The ESOP Association (Moderator)*

*Maureen Clayton Nest Egg Communications*

### **Control Issues in ESOP Purchase Transactions**

Many ESOP purchase transactions are made on a controlling interest valuation basis. However, as has been highlighted in DOL investigations and ESOP litigation, whether an ESOP has “control” is not always a crystal clear issue. This advanced session will explore several issues around the topic of control, including what “paying for control” really means, appropriate post transaction corporate governance and how control rights are reflected in an ESOP appraisal.

*Nickolas N. Sypniewski, ComStock Advisors (Moderator)*

*Jeffrey S. Tarbell, Houlihan Lokey*

*Victor N. Alam, Menke & Associates, Inc.*

**3:40PM – 3:55PM**

**Break – No refreshments**

**4:00PM – 4:50PM**

### **ESOP Administration Issues that Arise When ESOP Companies Combine**

This session will cover some of the tricky administration issues that arise when an ESOP company acquires (or merges with) another ESOP company. Can you simply run the plans side by side? For how long? Can you combine the two plans? Terminate one? If so, when? How is annual testing run for the two plans? Our experts will walk through these and other administration issues that confound plan sponsors who are dealing with two ESOPs.

*Nancy K. Dittmer, Newport Group (Moderator)*

*Lisa A. Durham, Krieg DeVault LLP*

### **ESOP Distributions: Part 2 (Advanced)**

This practical session will cover the entire process of paying out distributions, including the required content of distribution forms; the timing of notification, consent, and payout; tax rules, including submission of withholding to the IRS; and preparation of required forms for reporting the distribution. The session will include stock distributions, installment payments, and special situations, including floor price policies, and plan terminations.

*Tina M. Fisher, SES Advisors, Inc. (Moderator)*

*Renee M. Stadtmueller, Blue Ridge ESOP Associates*

### **An Insider's Perspective: Hearing From a Prior DOL Officer**

One of our moderators will be asking ESOP questions to an ex DOL officer. This session is designed to provide some insight into the DOL and what trustees can do to avoid any issues.

*Erin K. Turley, McDermott, Will & Emery (Moderator)*

*Miguel Paredes, Prudent Fiduciary Services LLC, West Covina, CA*

*Stanley E. Bulua, Robinson Brog Leinwand Greene Genovese & Gluck P.C.*

### **Current Issues with Warrants**

Everything you wanted to know about warrants but were afraid to ask. This session will cover both seller debt warrants and purchase warrants. How do you determine the optimal amount of warrants to provide with a seller note? When are purchase warrants used? What are specific features (e.g., call rights, put rights, etc.) that are negotiated in a transaction? How are the warrants valued and how do they impact the value of the company over time?

*Mark R. Fournier, Stout Risius Ross, Inc. (Moderator)*

*Peter Abrahamson, ESOP Structuring Specialists, Inc.*

### **International Employees and Employee Ownership: Does It Work?**

This session will discuss the various techniques used to include foreign employees in an ESOP. The session will also discuss mirror or alternative arrangement for foreign employees. A case study will be presented to explore real solutions to this difficult issue. A must attend for companies with international operations.

*Ronald J. Gilbert, ESOP Services, Inc. (Moderator)*

*Eli Scarborough-Weiss, Chemonics International Inc.*

*William Keller, Chemonics International Inc.*

### **The ABCs of ESOPs**

The ABCs of ESOP's is available exclusively to members of The ESOP Association as an interactive learning tool for ESOP participants. It includes lessons, quizzes, a glossary of ESOP terms, frequently asked questions and games. This session will feature an overview of the module, how members can utilize this ESOP education tool, and how you could adapt it for your organization's use.

*Lisa Betts, The ESOP Association (Moderator)*

*Tony Marchena, The ESOP Association*

### **Improving Culture Through Employee Surveys**

How do you know what your ESOP participants want, what they like or don't like, how much do they know about your ESOP. Come learn how to effectively use employee surveys to answer many of these questions.

*Joseph D. Verri, Morgan Stanley (Moderator)*

*Dallan Guzinski, National Center for Employee Ownership*

### **Valuation Issues for Mature ESOP Companies**

We are not so young any more. As ESOP companies mature a host of new issues can impact the company and its valuation. ESOP policy decisions, repurchase obligation, management succession, reduced leverage, and share allocations all have an impact on business valuation. In this session, valuation professionals will review how the maturation of an ESOP owned company often impacts business valuation.

*Neil M. Brozen, Ventura ESOP Fiduciary Services (Moderator)*

*John C. Korschot, Stern Brothers Valuation Advisors*

### **5:00PM – 6:00PM**

#### **Advisory Committee Meetings**

Administration Committee – *Chair, Lynn H. DuBois, ESOP Law Group, LLP*

Finance Committee – *Chair, Marcus R. Piquet, Ambrose Advisors*

Legislative & Regulatory Committee – *Chair, Danielle Montesano, First Bankers Trust Services, Inc.*

Ownership Culture Committee – *Chair, Debra Williams, GreatBanc Trust Company*

Valuation Committee – *Chair, Andrew S. Ward, Stout Risius Ross, Inc.*

### **6:00PM – 7:30PM**

#### **Reception & Trade Show**

## **Friday, November 10, 2017**

**7:30AM – 4:00PM**

**Registration**

**7:30AM – 9:00AM**

**Continental Breakfast/Trade Show**

**7:30AM – 8:45AM**

**Interdisciplinary Advisory Committee on Fiduciary Issues – Chair, Roseline H. Bougher, A.D. Marble & Co., Inc.**

**9:00AM – 10:15AM**

### **409(p) - What the Company Needs to Know**

This session will provide a brief overview of the S-corporation anti-abuse rules, a summary of the testing rules, consequences of failure, and tips for keeping your ESOP in compliance. Please note: This session assumes the attendee has been exposed to the terminology and definitions, and minimal time will be spent reviewing these. The presenters will provide sample case studies, along with results and calculation details.

*Barbara M. Clough, , Newport Group (Moderator)*

*Lisa J. Tilley, Corporate Capital Resources, LLC*

*Philip J. Carstens, Jr., Foster Pepper PLLC*

### **Growing ESOP Companies Through Acquisitions**

Is your ESOP-owned company considering making acquisitions as part of its growth strategy? There are many complex financial and legal issues involved when ESOP companies make acquisitions. Our panel of experts will address: (1) various acquisition structures (including the asset vs. stock purchase decision as well as other structuring alternatives), and (2) important legal considerations the acquirer needs to be cognizant of when making acquisitions.

*Nicholas J. Francia, The Capital ESOP Group/UBS Financial Services, Inc. (Moderator)*

*Robert E. Massengill, Pilot Hill Advisors, LLC*

*Jeffrey S. Kahn, Greenberg Traurig, LLP*

### **Leveraged ESOP Accounting under GAAP**

A review of basic leveraged ESOP accounting under GAAP as well as some key book/tax differences. We'll review a case study of a simple 100% leveraged ESOP transaction and review booking the transaction itself as well as the accounting for standard ongoing plan operations.

*Rebecca J. Miller, RSM US LLP (Moderator)*

*Michael Zermeño, Roorda, Piquet & Bessee, Inc. CPAs*

*Seth Webber, BerryDunn*

### **Legal and Regulatory Update: Repeat**

This session will provide an overview of judicial decisions and agency guidance over the past year. Both L&R Update sessions, although presented by different speakers, will cover the same material.

*Alton L. Gwaltney, III, Moore & Van Allen PLLC (Moderator)*

*Robert D. Grossman, Lathrop & Gage LLP*

### **The Evolving Fiduciary Process: Practical Lessons From Recent Cases**

This session will provide a high level review of recent case law addressing the fiduciary processes in ESOP transactions, focusing on the courts' concern over a lack of evidence documenting a fiduciary's analysis of a transaction. The session will also discuss methods that a fiduciary may utilize to ensure proper review and negotiation of a transaction and discuss practical processes for demonstrating compliance with existing DOL and case law guidance. The purpose of this discussion is to offer tools that may be used to protect a fiduciary facing "hindsight" analysis of its actions.

*Allison T. Wilkerson, McDermott, Will & Emery (Moderator)*

*Wayne Isaacks, Isaacks & Associates, Ltd., LLP*

*Fenton Strickland, Krieg DeVault LLP*

### **Communication Issues and Solutions of Companies with Multiple Locations**

Do you have multiple locations? Do you struggle getting the word out to everyone? Come hear how companies are tackling these problems even those with employees in the field or off site most of the time.

*Jim Winterscheid, Travel and Transport, Inc. (Moderator)*

*Paul Dougherty, Recology*

### **Evaluating Financial Projections as part of the Diligence Process**

Management's financial projections are a key input into the analyses underlying ESOP fairness opinions and annual appraisal reports. Furthermore, the DOL Process Agreement highlighted the importance of thoroughly evaluating management's financial projections. This session will review methods and procedures that fiduciaries and valuation professionals can use to evaluate the reasonableness of projections as part of the valuation process. Furthermore, the panel will address the importance of obtaining sufficient industry-related information and/or employing outside experts when dealing with industry-specific nuances. Finally, panel will address the feasibility of a quality of earning (Q of E) report, and what alternatives may be available in connection with the financial due diligence process.

*Timothy R. Lee, Mercer Capital (Moderator)*

*Phillip Chou, AmbroseAdvisors*

*Erin Hollis, Marshall & Stevens, Inc.*

### **Creating a Sustainable ESOP**

How can a company foster an environment and establish policies that enable long-term, sustained employee ownership? Join a panel of experienced practitioners from The ESOP Association's Advisory Committees for a brief presentation followed by an open forum where various ESOP sustainability elements, including governance; finance, including repurchase obligation; managerial commitment; and culture will be discussed.

*Scott D. Miller, Enterprise Services Inc. (Moderator)*

*Victor N. Aspengren, Prairie Capital Advisors, Inc.*

*Ryan Graham, Chartwell Financial Advisory, Inc.*

*Kim S. Abello, Wells Fargo ESOP Advisory Practice / Specialty Finance Group*

**10:15AM – 10:30AM**

**Break**

**10:30AM – 11:45AM**

### **Diversification and Current Trends**

ESOPs are required to provide participants who have met certain requirements the opportunity to diversify a portion of their stock balance. This session will review the statutory diversification requirements and the practical implementation of those provisions, and will walk through example diversification calculations. The session also will discuss current trends for more liberal ESOP diversification provisions beyond what is statutorily required (also known as "extra" or "super" diversification).

*Karen D. Ng, Nixon Peabody, LLP (Moderator)*

*Rebecca L. Hoffman, Principal Financial Group*

### **Roles and Responsibilities of the Trustee and Advisors in the Valuation Process**

A discussion of the role and responsibilities of Trustees in the valuation process; how to review and understand a valuation report; and when to consider a second opinion/peer review. This session will include role playing some typical scenarios you might encounter during the valuation process.

*Jeffrey S. Gelburd, Murray Securus (Moderator)*

*Chuck Coyne, Empire Valuation Consultants, LLC*

### **Advanced Accounting Issues for ESOP-Owned Companies**

This session addresses advanced ESOP accounting issues, including financial reporting of SARs and warrants, the use of dividends in an ESOP context, and the pros and cons of applying “push-down” accounting.

*Sandy Shoemaker, EKS&H LLLP (Moderator)*

*Sandra Pappajohn, BerryDunn*

*Brian Sweeney, Redpath and Company, Ltd.*

### **Deeper Dive on ESOP Re-leveraging Transactions**

Did you come to our re-leveraging debate yesterday and you're hungry for more? We'll continue the discussion and dig a little deeper on fiduciary, valuation, and sustainability issues.

*Joseph E. Marx, Principal Financial Group (Moderator)*

*Lee S. Bloom, Aldine Advisors, LLC*

*Jared Kaplan, Delaware Place Advisory Services, LLC*

### **Is a Benefit Corporation Designation Right for My Company?**

This session will provide an overview of the different types of benefit corporations, how to obtain those designations and ways in which benefit corporation status can reinforce an ESOP's sustainability and ownership culture. In addition, the session will discuss fiduciary considerations of a benefit corporation.

*Loren Rodgers, National Center for Employee Ownership (Moderator)*

*Harvey Katz, Fox Rothschild, LLP*

*Alexander P. Moss, Praxis Consulting Group, Inc.*

*Glenn Ripley, Mission Bell Mfg.*

### **Current DOL Issues and Investigations**

The letter says “The Department of Labor has commenced an investigation of your ESOP.” This session will discuss next steps to properly navigate a smooth and orderly investigation, including steps that can be taken prior to the investigation to ensure that you are ready. This session will address the investigation process from commencement through closing, and provide insight into the DOL's goals and priorities, as revealed by recent positions the DOL has taken.

*Lars C. Golumbic, Groom Law Group, Chartered (Moderator)*

*Ted M. Becker, Drinker Biddle & Reath LLP*

*Greg Kniesel, Value Management Inc.*

### **What Does Being an Owner Mean? Roles & Responsibilities in an ESOP Company**

Several employees have perceived ideas about what being an owner means and what authority it gives them. The best way to clarify these ideas is to identify and create what the roles and responsibilities are for non-management employee owners and a separate list for management. In this session you will learn why this is important, how to create it, and examples will be provided.

*James Bado, Workplace Development, Inc.*

*Peter E. Jones, ESOP Plus: Schatz Brown Glassman LLP*

*Chris Cooper, Ohio Employee Ownership Center*

### **Negotiating Protections for the ESOP (or Seller) Related to Subsequent Events**

How can the Trustee protect against the company's potential financial underperformance post-ESOP transaction? What post-transaction seller protections are typically negotiated in an ESOP transaction? How can the Trustee protect against the ESOP receiving minimal sales proceeds if the company is sold while the internal ESOP loan and synthetic equity are still outstanding.

*Barry Goodman, Advanced Valuation Analytics, Ltd. (Moderator)*

*Mary S. Josephs, Verit Advisors, LLC*

*Jamie Zveitel Kwiatek, Polsinelli, PC*

**12:15PM – 1:45PM**

**Lunch**

## **2:00PM – 2:50PM**

### **The Three “Rs”: Recycling, Redeeming and Releveraging**

This session will explain the mechanics and implications of all three “Rs” and will include case studies to show how these three methods can be applied, often in combination, to achieve long-term sustainability for the ESOP. The session will discuss recycling and redeeming stock in connection with annual benefit distributions, including options for handling distributions using a combination of recycling and redemption together a single year. We will also cover re-leveraging and how it can be used in connection with redeeming and recycling for distributions.

*Ashleigh Newlin, ESOP Economics, Inc. (Moderator)*

*Wendy L. Lankes, SES Advisors Inc.*

### **Segregation of Terminated Participant Accounts**

The session will cover the reasons for and mechanics of account segregation – the conversion of terminated participants’ accounts from employer stock to other investments. The presenters will address common concerns relative to segregation such as the effect on repurchase obligation; cessation of terminated participants sharing in stock value increases or dividend allocations; and investment options for segregated funds, including investment by trustee, participant-directed investments within the ESOP, and the transfer of segregated funds to the company’s 401(k) plan.

*Dolores Lawrence, Blue Ridge ESOP Associates (Moderator)*

*Kjersti Cory, GreatBanc Trust Company*

### **Repurchase Obligation 101**

Our experts will provide you with the basics of repurchase obligation - what is it and why do I need to plan for it now?

*Judith L. Kornfeld, ESOP Economics, Inc. (Moderator)*

*Peter H. Briggs, Shareholder Strategies, Inc.*

### **Current Financing Conditions**

Our experts will update you on the financing markets, current structures, pricing, trends, leveraged loan markets, and M&A activity.

*Alan S. Carlyle, Fifth Third Bank, ESOP Finance Group (Moderator)*

*Regina Carls, JP Morgan*

### **Administration and Communication Committees: How to Create and Use Them Effectively**

This session will discuss establishing and maintaining an effective Administrative and Communications Committee, provide an overview of the differences between the committees, discuss effective governance techniques for maintaining the committees and provide best practices and practical tips to ensure that you are maximizing the effectiveness of your Administration and Communication Committees.

*Bradley E. Henschen, Principal Financial Group (Moderator)*

*Dion Reihls, NCM Associates, Inc.*

### **Hiring and Training Managers to Foster Ownership Culture**

Let's give this a little HR focus! Learn about using Performance Management to build ownership culture, performance review, identifying your rock stars, develop your rock stars. But first, you must train managers to foster ownership culture, train them to be coaches, develop SMART goals and tie individual performance to company success.

*Virginia J. Vanderslice, Praxis Consulting Group, Inc. (Moderator)*

*John Williams, Central States Manufacturing, Inc.*

### **Repurchase Obligation: Valuation and Financing Issues**

Should repurchase obligation affect your ESOP valuation? The panelists will discuss the factors that should be considered when determining if and how repurchase obligation may affect your ESOP valuation based on existing ESOP Association white papers. In addition, the panelists will discuss how lenders assess repurchase obligation and what alternatives are available for companies looking to fund repurchase obligations through sources other than the annual cash flows and cash on hand.

*Aaron Pryor, Acclaro Valuation Advisors, LLC (Moderator)*

*Tina M. DiCroce, ESOP Economics, Inc.*

**2:50PM – 3:00PM**

**Break – No refreshments**

**3:00 – 3:50pm**

### **How Plan Design Affects Allocations**

This session will cover the mechanics of allocating contributions and expenses to participant accounts with a focus on how plan design decisions affect these allocations. Are plan expenses allocated based on total account balances or only on cash account balances? What happens when terminated participant accounts are converted out of employer stock and active participants are invested only in employer stock? How are S distributions allocated? How are earnings allocated? And, what is the order for all of the allocations?

*Susan M. Ledingham, SES Advisors, Inc. (Moderator)*

*Deborah Karlsrud, Newport Group*

### **Section 1042 Capital Gains Tax Deferral Strategies**

Low capital gains under the Bush Tax Cuts are now ancient history, so sellers' interest in tax-deferred sales to ESOPs is robust. Our experts will discuss the different ways to structure a §1042 portfolio including monetization loans as well as "alternative" qualified replacement property. We'll discuss effective estate planning strategies to minimize future tax obligations, and the importance of personal financial planning post ESOP transaction.

*Keith Apton, The Capital ESOP Group/UBS Financial Services, Inc. (Moderator)*

*Brian G. Jenkins, J.P. Morgan Chase*

### **Oops, We Made a Mistake**

You found a mistake in your plan document, plan administration, or an action taken by an ERISA fiduciary. The session will discuss what voluntary IRS and DOL correction programs are available to correct mistakes and when you should use them. Specific programs include EPCRS, VCP, SCP, Audit CAP, VFPCP, DFVCP, and EPVCA. The session will cover what each program covers and which one is right for your plan.

*Vicki Graft, Swerdlin & Company*

*Lian Gravelle, ESOP Plus: Schatz Brown Glassman LLP*

### **Communicating Ownership to Different Generations: With a Focus on Millennials**

A multigenerational workforce is fantastic, but with it comes some challenges especially on how to get the ownership advantages out in a way that gets buy in from everyone. Come here how best to communicate with everyone with a focus on millennials.

*Jason Wellman, ESOP Partners LLC (Moderator)*

*Cathy J. Ivancic, Workplace Development, Inc.*

### **Communicating Valuation Issues to Plan Participants**

Communicating to your ESOP participants "What factors impact your ESOP valuation" can benefit the company as a whole once the participants understand they can make a difference as employees. Many successful ESOP companies have

had internal and external parties present to ESOP participants which aspects of the valuation are impacted by the employees and the company's performance vs. the aspects impacting the valuation which are out of the company's control.

*Robert C. Hilton, Jr., Katz, Sapper & Miller (Moderator)*

*Debra Williams, GreatBanc Trust Company*

### **What Can The Trustees and Management do to Enhance Company Culture?**

A discussion of the relative roles of ESOP Trustees and company management in developing Ownership Culture. You will learn about the different roles and responsibilities of the trustees and the Communications Team.

*Barbie L. Spear, Alliance Holdings, Inc. (Moderator)*

*Linshuang Lu, Praxis Consulting Group, Inc.*

*Matthew D. Goedert, Nixon Peabody, LLP*

**3:50PM**

**Meeting Adjourned**

## **NASBA Information**

### ***Program Level***

Intermediate & Advanced

### ***Pre-Requisite***

All participants attending accounting programs should have at least a basic knowledge of how ESOPs work. Participants should also have an intermediate knowledge of accounting in the administration and maintenance of ESOP information.

### ***Learning Objectives***

To heighten skills related to overall ESOP administration, reporting and maintenance. **Anyone wishing to receive continuing professional education credit will need to sign-up for each session attended on the sign-up sheet in your portfolio for that day. The sheets will need to be stamped prior to entering the meeting room and upon leaving the meeting room at the end of each session.**

The delivery method for this course is live/group, and this program qualifies for 12 hours of CPE Credit.

You may register on-line, or by downloading the registration form and faxing it to The ESOP Association at 202-293-7568, or by calling The ESOP Association at 202-293-2971 and requesting a form be sent to you. **Please note the cancellation policy on your registration information.**

For more information regarding administrative policies such as complaints and refunds, please contact our offices at 202-293-2971.

The ESOP Association is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: [www.learningmarket.org](http://www.learningmarket.org).