



B O U L A Y

# ESOP Feasibility Studies



The decision to adopt and implement an employee stock ownership plan (ESOP) requires careful analysis and teamwork. While ESOPs provide numerous benefits to various types of entities, there are many issues to consider when deciding to make the transition. An ESOP feasibility study addresses these matters and helps determine if an ESOP is right for your company and if it will help you accomplish your desired goals—such as creating a business succession plan, offering employees another retirement benefit, or achieving diversification.

## How we help you get there

Our ESOP advisors assess and analyze many factors and take both a technical and logical approach when preparing an ESOP feasibility study. We focus on:

- Assistance with financial projections
- Gaining an understanding of the company's financial history
- Determining the impact of an ESOP on other qualified retirement plans in place (i.e. 401(k) plans)
- Identifying the objectives of the seller
- Assessing the historical financial results
- Reviewing future eligible compensation

After reviewing these components and learning more about the company and its current status, our advisors prepare an ESOP feasibility study that includes an overall recommendation on whether to implement an ESOP through management interviews and detailed financial models and projections. The study also provides ways that an ESOP can be designed to offer the most benefits for your company and the selling shareholder. In addition to the study, we provide:

- A projected 409(p) analysis
- A projected cash flow analysis
- Assistance in developing the structure of the transaction
- Consulting related to the balance of lender financing and seller financing
- Help determining an indication of the value of the company

Because the decision to adopt and implement an ESOP is an important choice, you want a trusted and expert opinion on the matter. Allow us to help you make this significant decision and provide you with the answers you need to accomplish your company's goals.

### Get a Preliminary Review of Your ESOP Feasibility

Contact Dan Markowitz at [dmarkowitz@BoulayGroup.com](mailto:dmarkowitz@BoulayGroup.com) to set up a complimentary meeting to review your company, its financial history and future objectives. We can help you decide whether to move forward with a feasibility study after discussing these matters in a one-hour meeting. You can also visit [www.boulaygroup.com/esop](http://www.boulaygroup.com/esop) to fill out a form to see if an ESOP is right for you.