

# ESOP ADMINISTRATION

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Watkins Ross is a **100% employee-owned** actuarial, consulting and retirement plan administration firm providing services for employer or union sponsored retirement benefit plans. The diversity of our client base gives us a unique and broad-based perspective on the challenges and opportunities faced by our clients.

## WR Advantage

### WE LIVE ESOP

As a 100% ESOP owned company, the employees of Watkins Ross live and breathe ESOP every day. Consequently, we bring a uniquely qualified perspective to the issues ESOP participants and decision makers face on a daily basis.

### ALLOCATE RESOURCES

Watkins Ross allocates resources specifically to ESOP administration and makes it a primary focus of our business. Allocated resources include personnel, technology, and education resources.

## ESOP Services Provided

### CONSULT & COLLABORATE

Our staff collaborates with a company's other ESOP service providers (attorney, lender, valuation specialist, financial advisor) to review and monitor a company's options to design and maintain a plan that best meets the company's needs.

### MAINTAIN ACCURATE RECORDS

Watkins Ross maintains accurate and complete records including census data, vesting, diversification and distribution histories; separate account data on each stock transaction for 1042, cost basis, dividend and voting rights for tax reporting purposes; and data on other qualified retirement plans of the client for coverage, nondiscrimination, deduction and top heavy purposes.

## Our Service Principles

- Every client is unique and deserves thoughtful solutions to its specific objectives.
- Every client warrants the personal attention of our experienced staff members who are thoroughly familiar with its plan.
- Full compliance with all legal, regulatory and reporting requirements will never be compromised or ignored.

### EXPERTISE

Watkins Ross understands that comprehensive administration of an ESOP is required if a company intends to take full advantage of the various financial opportunities that sponsoring an ESOP can offer.

### ADD VALUE

Value is a function of both cost and benefit. Our services and fees are clearly defined and address those services that are unique to an ESOP.

*The level of TPA service required by an ESOP company is as unique as the company itself.*

### MONITOR IRS/DOL REGULATIONS

Our staff monitors Internal Revenue Service and Department of Labor Regulations to determine the effect on existing and newly created ESOP plans and companies; including:

- Share Release Methods and Alternatives
- Individual and Corporate Contribution Limitations
- Diversification
- Distribution Requirements Unique to ESOPs
- Section 1042 Transactions and Disqualified Persons
- C-Corp. vs. S-Corp. Issues
- S-Corp. Anti-Abuse Regulations
- Repurchase Liability Forecasting

## Why Choose WR?

Proper administration of an employee stock ownership plan (ESOP) is critical to ensuring that plan participants perceive the ESOP as a valuable employee benefit.

## Questions?

### CONTACT WATKINS ROSS

We can answer your questions and help you determine if an ESOP is the right choice for you and your firm.

