

# **The Milestone Group**

## **Succession Planning: A Case Study**

### **One Owner – Three Exit Strategies**

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# **“Sonny” Clark**



## **I Got You Babe, Inc.**



# Assumptions



**Sonny is 60 (wants to exit @ 65)**

**Oilfield equipment manufacturer**

**S Corporation**

**Annual revenue \$25M** (5.0% growth rate)

**Adjusted EBITDA \$6M**

*For illustrative purposes only. The Milestone Group does not provide tax planning advice.  
Assumed tax brackets and calculations are based on the Tax Cuts and Jobs Act (TCJA) approved December 22, 2017.*



## ASSUMPTIONS – I GOT YOU BABE, INC. (2 of 2)

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**Payroll \$13M** (excluding Sonny)

**Fair market value \$30 M** (5.0 x AEBITDA)

**Strategic value \$39 M** (6.5 x AEBITDA)

**Company has no debt**

**Sonny's tax brackets: 37% ordinary and  
23.8% capital gains**

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# Possible Exit Strategies

ESOP 3<sup>rd</sup> Party Sale

Management  
Buyout



# ESOP 101

**It's a qualified plan!**

So it must comply with ERISA and Section 401(a).



# ESOP 101

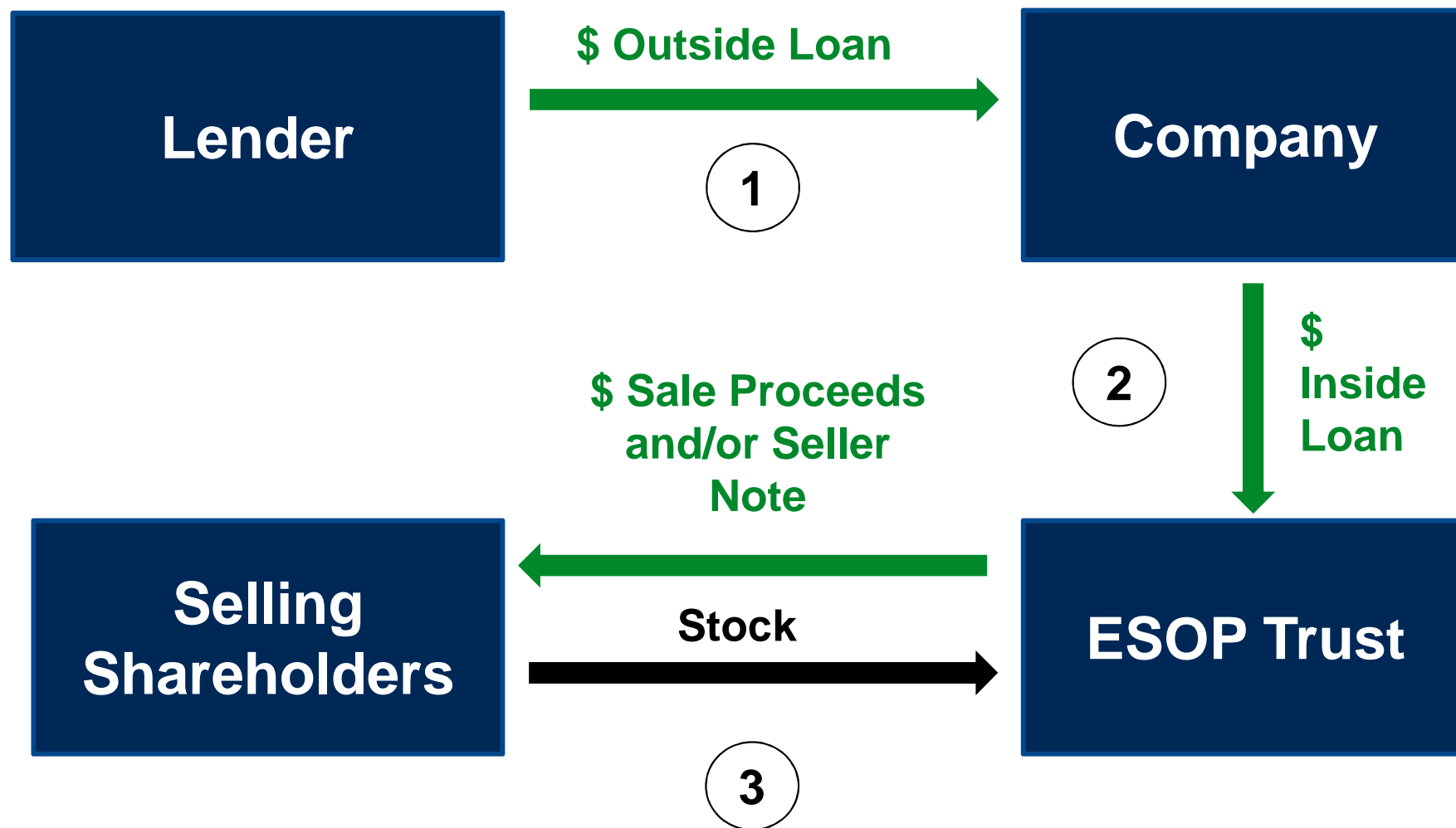
Important differences with a typical qualified retirement plan:

- (1) An ESOP must “invest primarily in” the stock of the sponsoring employer.**<sup>1</sup>
- (2) An ESOP is permitted to borrow money.**<sup>2</sup>
- (3) An ESOP can engage in transactions with a party-in-interest** (allowing it to purchase stock from the sponsoring company’s shareholders).<sup>3</sup>





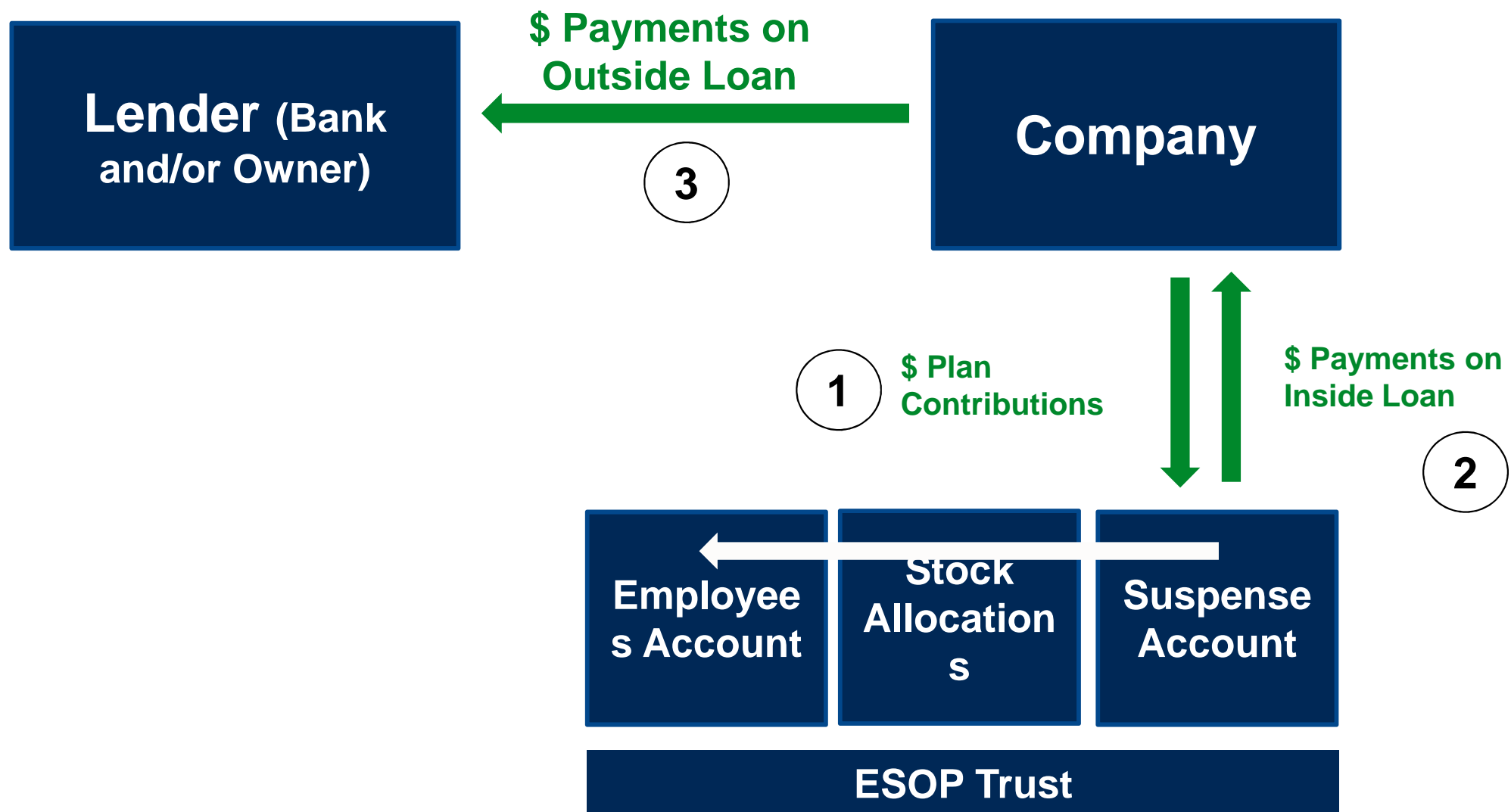
## Typical ESOP Structure (Leveraged) <sup>4</sup>



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## ESOP Annual Activities (Leveraged) <sup>5</sup>



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- Enacted by Congressional legislation in 1984
- Allows owners of closely held C Corporation stock to sell their stock to an ESOP without having to pay tax on the gain if the proceeds are reinvested in **“qualified replacement securities”**

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## ESOP Candidate Company Profile

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- ✓ Low debt
- ✓ Steady cash flow
- ✓ High owner tax brackets
- ✓ 5 years of success
- ✓ Payroll > \$1 M (excluding seller)
- ✓ Revenue > \$10 M or EBITDA > \$1 M
- ✓ Strong management team

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# Sonny's ESOP Strategy



## ESOP STRATEGY ASSUMPTIONS (1 of 2)

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- Convert to C Corporation (take advantage of IRC 1042)
- Sell 40% to ESOP trust now (@ minority discount)
- Sell 60% to ESOP trust in 5 years (@ retirement)
- ESOP implementation fees = \$300,000

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## ESOP STRATEGY ASSUMPTIONS (2 of 2)

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### FINANCING

- Interest rate = 5.75%
- Term = 5 years
- Balance = \$8.4M (\$30M x 40% x 70%)
- Annual payment = \$1,980,587
- Debt payment as % of eligible payroll = 15%
- Debt service ratio = 2.98

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## RESULTS - ESOP

Year	Sonny's After Tax Dividends*	ESOP Fees	Sonny's After Tax Sale Proceeds	Total After Tax Cash Flow
2019	\$ 1,296,642	\$ (300,000)	\$ 8,400,000	\$ 9,396,642
2020	\$ 1,399,026	\$ -	\$ -	\$ 1,399,026
2021	\$ 1,506,529	\$ -	\$ -	\$ 1,506,529
2022	\$ 1,619,407	\$ -	\$ -	\$ 1,619,407
2023	\$ 1,737,929	\$ -	\$ -	\$ 1,737,929
2024	\$ -	\$ (300,000)	\$ 22,973,068	\$ 22,673,068
2025	\$ -	\$ -	\$ -	\$ -
2026	\$ -	\$ -	\$ -	\$ -
2027	\$ -	\$ -	\$ -	\$ -
2028	\$ -	\$ -	\$ -	\$ -
2029	\$ -	\$ -	\$ -	\$ -
2030	\$ -	\$ -	\$ -	\$ -
2031	\$ -	\$ -	\$ -	\$ -

<b>Total</b>	<b>\$ 7,559,532</b>	<b>\$ (600,000)</b>	<b>\$ 31,373,068</b>	<b>\$ 38,332,600</b>
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\* Qualified Dividends

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# What are “At Risk” Cash Flows?

*“Owner sale proceeds that are dependent on the continued success of the company after the owner has relinquished **CONTROL**”*



## RESULTS - ESOP

**No “at risk” cash flows**

	Sonny's After Tax Dividends*	ESOP Fees	Sonny's After Tax Sale Proceeds	Total After Tax Cash Flow
2019	\$ 1,296,642	\$ (300,000)	\$ 8,400,000	\$ 9,396,642
2020	\$ 1,399,026	\$ -	\$ -	\$ 1,399,026
2021	\$ 1,506,529	\$ -	\$ -	\$ 1,506,529
2022	\$ 1,619,407	\$ -	\$ -	\$ 1,619,407
2023	\$ 1,737,929	\$ -	\$ -	\$ 1,737,929
2024	\$ -	\$ (300,000)	\$ 22,973,068	\$ 22,673,068
2025	\$ -	\$ -	\$ -	\$ -
2026	\$ -	\$ -	\$ -	\$ -
2027	\$ -	\$ -	\$ -	\$ -
2028	\$ -	\$ -	\$ -	\$ -
2029	\$ -	\$ -	\$ -	\$ -
2030	\$ -	\$ -	\$ -	\$ -
2031	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 7,559,532</b>	<b>\$ (600,000)</b>	<b>\$ 31,373,068</b>	<b>\$ 38,332,600</b>

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\* Qualified Dividends

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# Sonny's Management Buyout Strategy





**“Van” Smith**

**Age 45**

**Salary \$175,000**



# What are the potential resources for a management buyout?



## Potential Source of Management Buyout Funds

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(1) Employee  
cash

(2) Employee  
effort

(3) Company  
cash flow

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## MANAGEMENT BUYOUT ASSUMPTIONS

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- Sell 10% of stock (with 30% non-controlling discount) annually to Van via **seller notes** for 5 years (50% total)
- Sell remaining 50% to Van in year 5 funded with **bank financing** at full FMV

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# SELLER NOTES

**Interest Rate = 8.0%**

**Warrants priced to add  
4.0% return (see  
Appendix C for warrant  
details)**

**Annual note payment  
= 100% of after tax  
distribution**

**Total note return  
target is 12.0%**

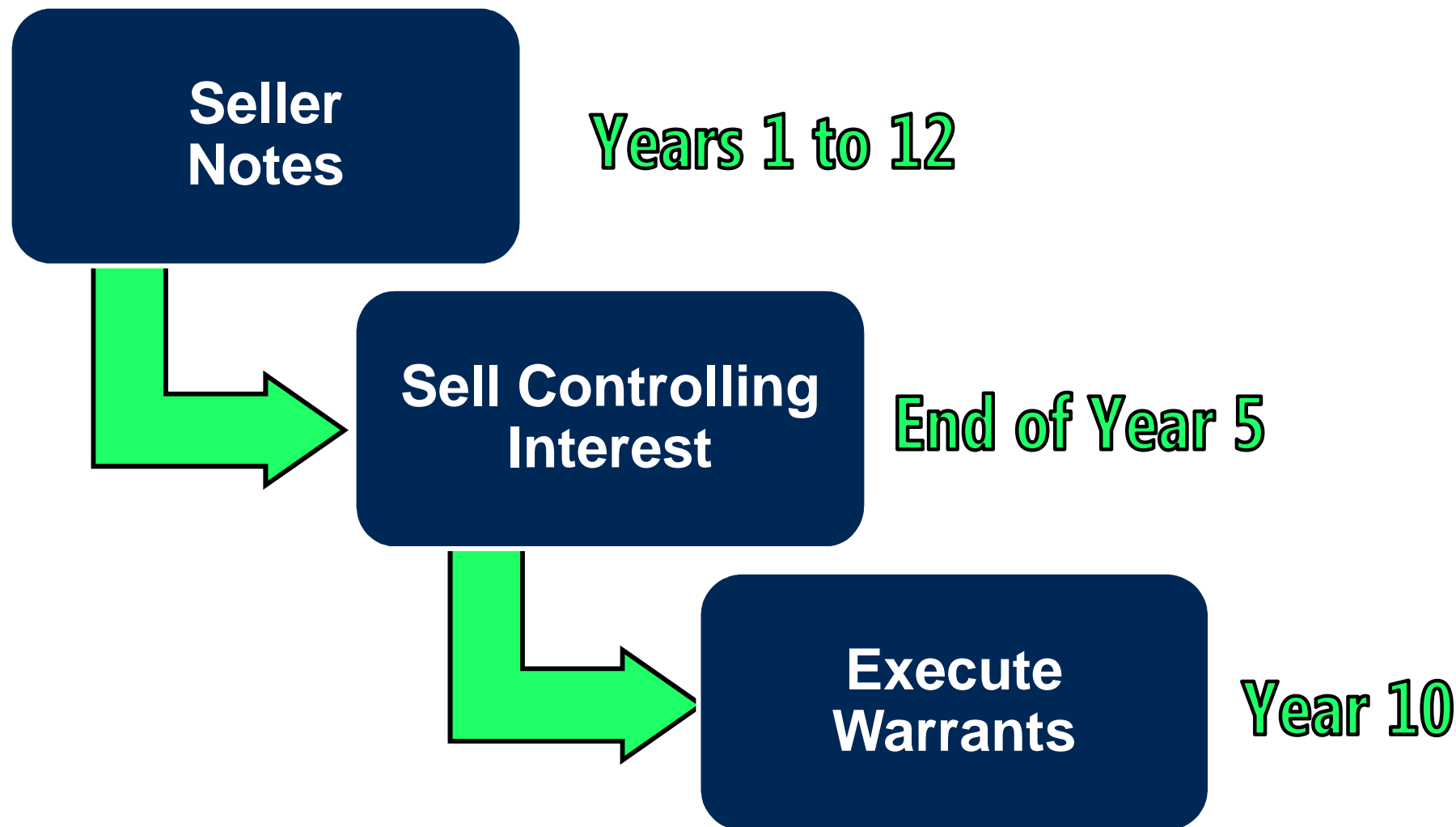
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# PHASES OF MANAGEMENT BUYOUT

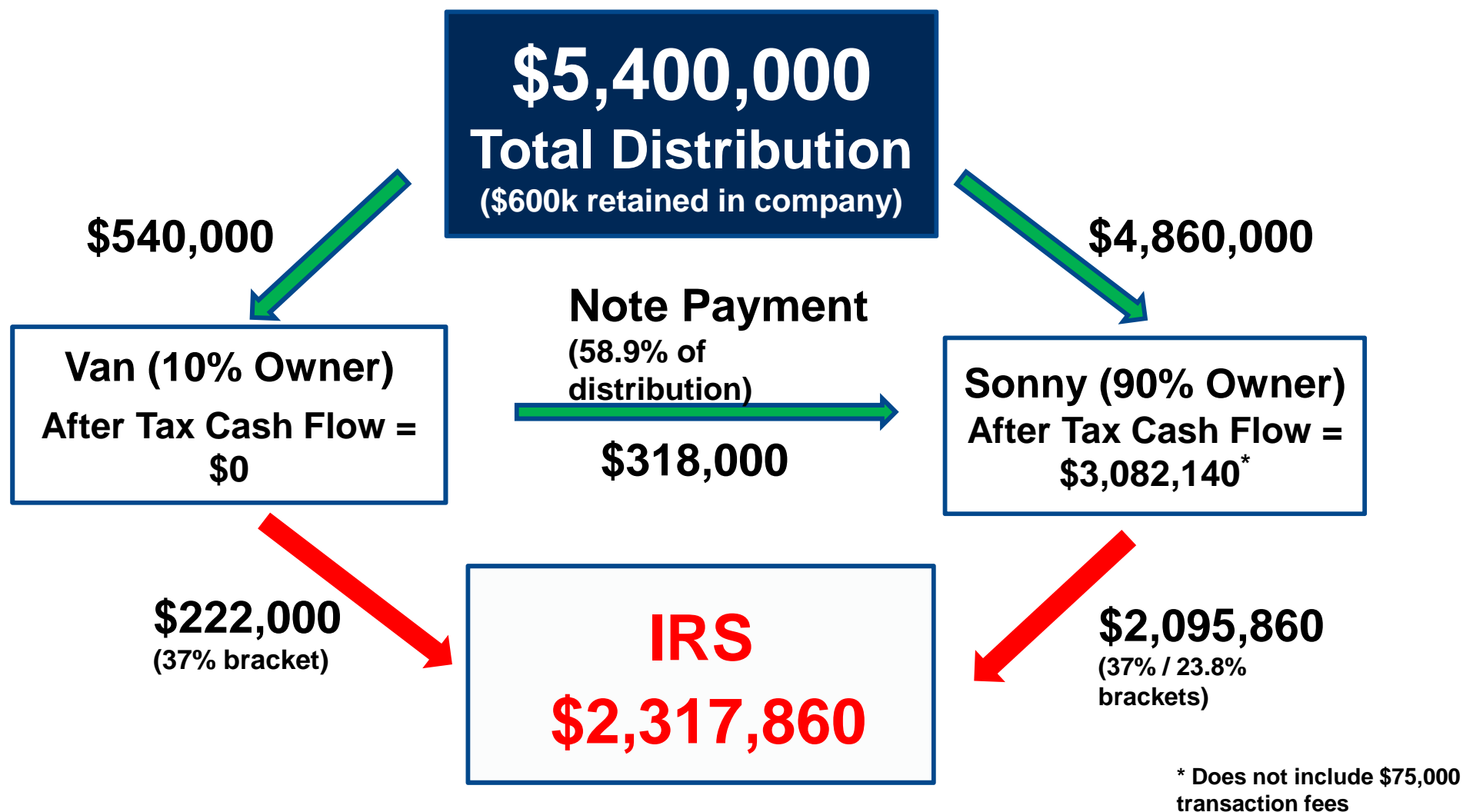
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## Phase 1: Year 1 (See Appendix C for Sonny's Tax Calculation)



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## RESULTS – MANAGEMENT BUYOUT

Year	Sonny's After Tax Warrant Proceeds	Sonny's After Tax Profit Distribution	Sonny's After Tax Proceeds from Seller Notes	Accounting and Legal Fees	Sonny's After Tax Proceeds from Sale of Ownership Via Outside Financing	Total After Tax Cash Flow
2019	\$0	\$2,862,000	\$220,140	(\$75,000)	\$0	\$3,007,140
2020	\$0	\$2,671,200	\$464,987	\$0	\$0	\$3,136,187
2021	\$0	\$2,454,165	\$736,676	\$0	\$0	\$3,190,841
2022	\$0	\$2,208,749	\$1,037,513	\$0	\$0	\$3,246,261
2023	\$0	\$1,932,655	\$1,369,984	\$0	\$0	\$3,302,639
2024	\$0	\$0	\$926,725	\$0	\$14,587,898	\$15,514,623
2025	\$0	\$0	\$1,050,414	\$0	\$0	\$1,050,414
2026	\$0	\$0	\$1,181,262	\$0	\$0	\$1,181,262
2027	\$0	\$0	\$1,319,699	\$0	\$0	\$1,319,699
2028	\$934,631	\$0	\$877,365	\$0	\$0	\$1,811,997
2029	\$0	\$0	\$1,613,040	\$0	\$0	\$1,613,040
2030	\$0	\$0	\$1,575,017	\$0	\$0	\$1,575,017
2031	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$934,631</b>	<b>\$12,128,768</b>	<b>\$12,372,822</b>	<b>(\$75,000)</b>	<b>\$14,587,898</b>	<b>\$39,949,120</b>

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## RESULTS – MANAGEMENT BUYOUT

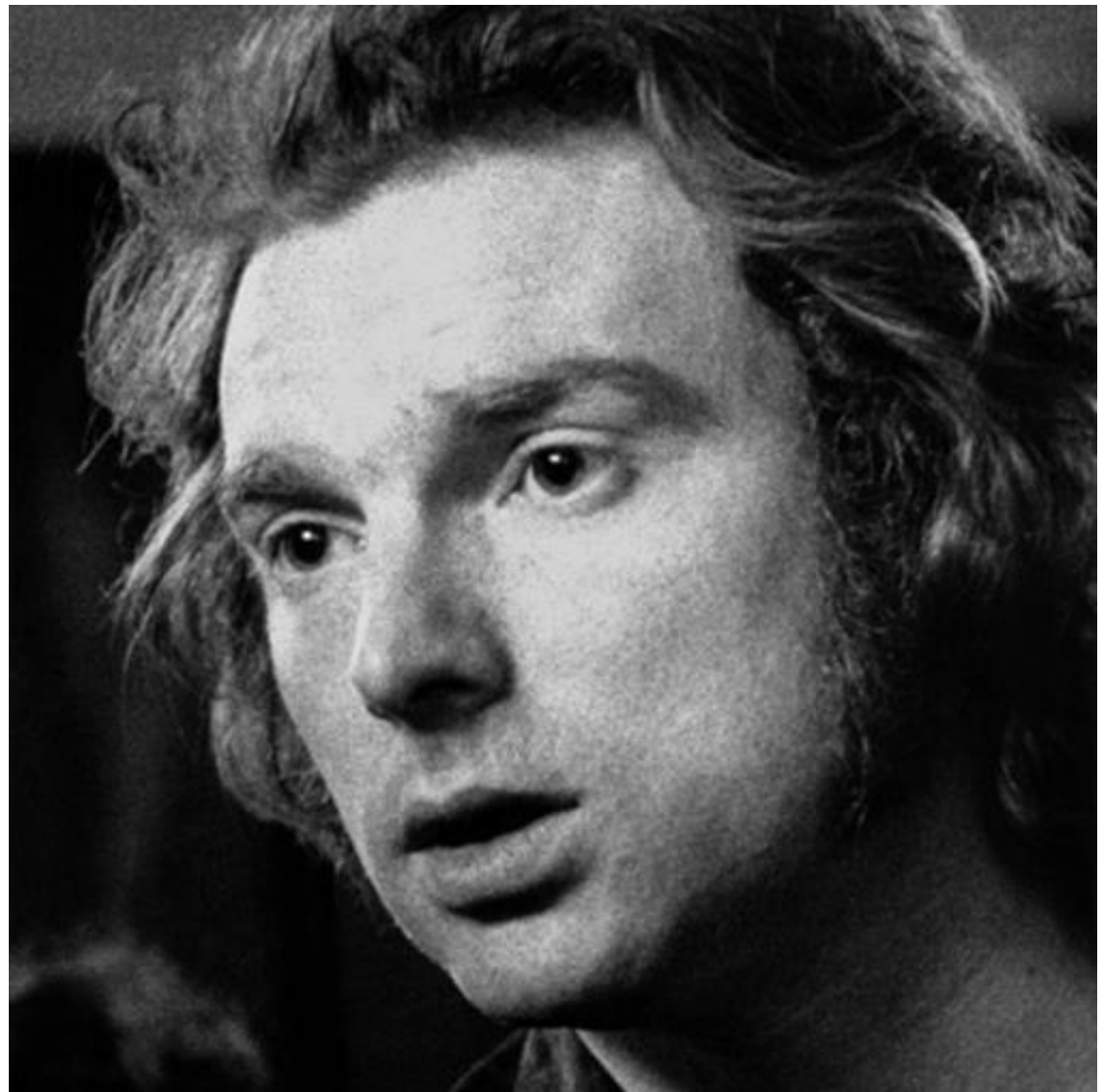
### “At risk” cash flows

Year	Sonny's After Tax Warrant Proceeds	Sonny's After Tax Profit Distribution	Sonny's After Tax Proceeds from Seller Notes	Accounting and Legal Fees	Sonny's After Tax Proceeds from Sale of Ownership Via Outside Financing	Total After Tax Cash Flow
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2022	\$0	\$2,208,749	\$1,037,513	\$0	\$0	\$3,246,261
2023	\$0	\$1,932,655	\$1,260,984	\$0	\$0	\$3,302,639
2024	\$0	\$0	\$926,725	\$0	\$14,587,898	\$15,514,623
2025	\$0	\$0	\$1,050,414	\$0	\$0	\$1,050,414
2026	\$0	\$0	\$1,181,262	\$0	\$0	\$1,181,262
2027	\$0	\$0	\$1,319,699	\$0	\$0	\$1,319,699
2028	\$934,631	\$0	\$877,365	\$0	\$0	\$1,811,997
2029	\$0	\$0	\$1,613,040	\$0	\$0	\$1,613,040
2030	\$0	\$0	\$1,575,017	\$0	\$0	\$1,575,017
2031	\$0	\$0	\$0	\$0	\$0	\$0

<b>Total</b>	<b>\$934,631</b>	<b>\$12,128,768</b>	<b>\$12,372,822</b>	<b>(\$75,000)</b>	<b>\$14,587,898</b>	<b>\$39,949,120</b>
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# How does this work out for “Van”?



**“Neutral”  
cash flows**

## KEY EMPLOYEE RESULTS – MANAGEMENT BUYOUT

Year	Van's Pre-Tax Profit Distribution	Seller Notes Paid by Van	Taxes Paid by Van	Van's Net Cash Flow
2019	\$540,000	(\$318,000)	(\$222,000)	\$0
2020	\$1,134,000	(\$667,800)	(\$466,200)	\$0
2021	\$1,786,050	(\$1,051,785)	(\$734,265)	\$0
2022	\$2,500,470	(\$1,472,499)	(\$1,027,971)	\$0
2023	\$3,281,867	(\$1,932,655)	(\$1,349,212)	\$0
2024	\$3,654,751	(\$1,334,949)	(\$2,319,801)	\$0
2025	\$3,999,347	(\$1,488,273)	(\$2,511,074)	\$0
2026	\$4,361,173	(\$1,648,147)	(\$2,713,026)	\$0
2027	\$4,741,090	(\$1,814,817)	(\$2,926,273)	\$0
2028	\$3,913,453	(\$1,215,811)	(\$2,697,642)	\$0
2029	\$5,558,861	(\$2,169,566)	(\$3,389,295)	\$0
2030	\$5,998,663	(\$2,093,819)	(\$3,640,493)	\$264,351
2031	\$6,460,454	\$0	(\$3,905,834)	\$2,554,620
<b>Total</b>	<b>\$47,930,178</b>	<b>(\$17,208,121)</b>	<b>(\$27,903,085)</b>	<b>\$2,818,971</b>

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# Sale to a Third Party



## THIRD PARTY SALE ASSUMPTIONS

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- Sell to a strategic buyer in **5 years**
- Sales price multiplier is **6.5x** AEBITDA
- Gross sales price = **\$49.8 M**
- Tax Basis = **\$0**
- No “earn outs” or employment contract
- Total fees = **\$1.6 M** (3% m&a fee plus \$150,000 legal and accounting fees)

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What could  
Sonny do in the  
next 5 years to  
enhance his sales  
outcome?



## Improving the Sale Process – Possible Strategies (1 of 2)

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**Business  
valuation**

**Diversify the  
client base**

**Pre-sale due  
diligence**

**Clean financial  
statements**

**Upgrade  
accounting  
and ERP  
system**

**Develop the  
management  
team**

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## Improving the Sale Process – Possible Strategies (2 of 2)

---

Sale  
bonuses

Review HR process

Acquire a  
business?

Separate real  
estate

Scrub cost  
structure

Keep debt level  
low

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## RESULTS – THIRD PARTY SALE

Year	Sonny's After Tax Profit Distribution	Fees	Sonny's After Tax Sale Proceeds	Total After Tax Cash Flow
2019	\$3,180,000	\$0	\$0	\$3,180,000
2020	\$3,339,000	\$0	\$0	\$3,339,000
2021	\$3,505,950	\$0	\$0	\$3,505,950
2022	\$3,681,248	\$0	\$0	\$3,681,248
2023	\$3,865,310	\$0	\$0	\$3,865,310
2024	\$0	(\$1,643,249)	\$37,928,535	\$36,285,286
2025	\$0	\$0	\$0	\$0
2026	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0
2029	\$0	\$0	\$0	\$0
2030	\$0	\$0	\$0	\$0
2031	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$17,571,507</b>	<b>(\$1,643,249)</b>	<b>\$37,928,535</b>	<b>\$53,856,793</b>

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## RESULTS – THIRD PARTY SALE

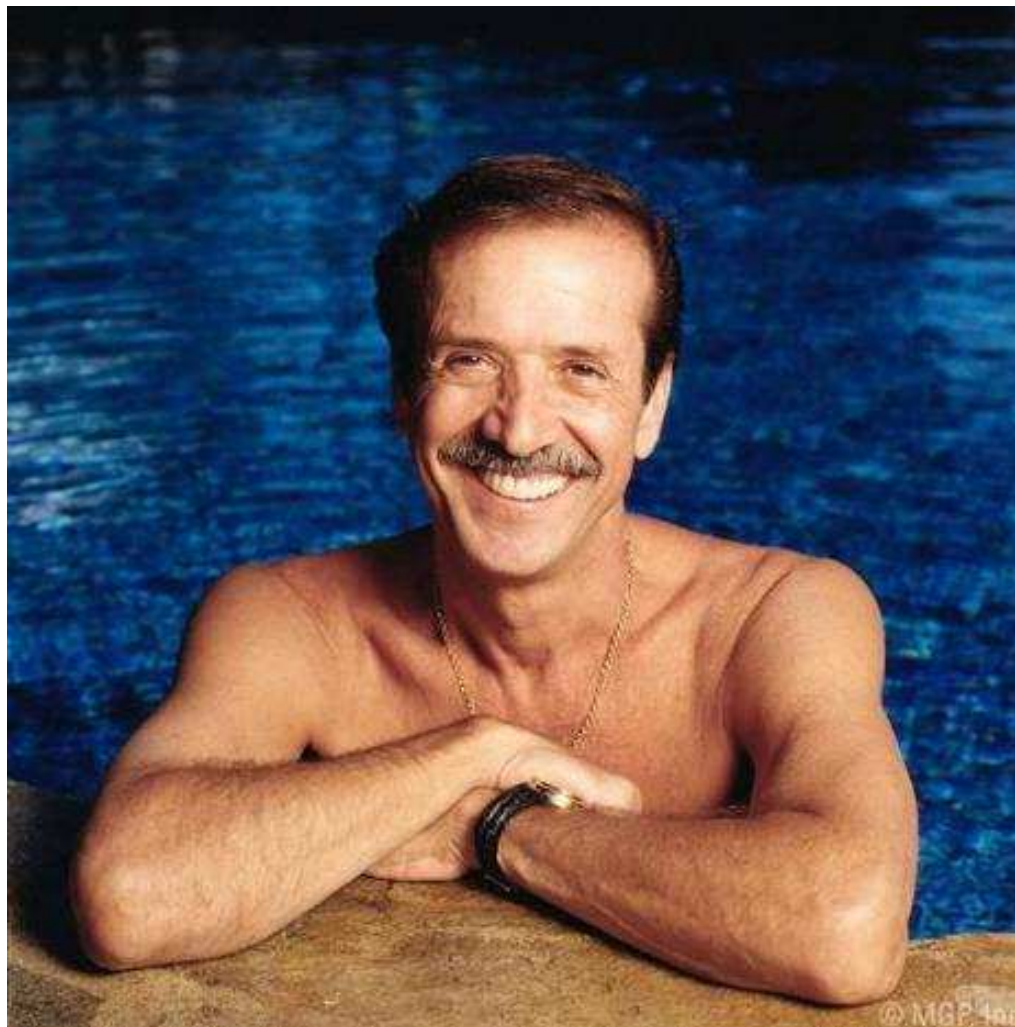
**No “at risk” cash flows**

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2025	\$0	\$0	\$0	\$0
2026	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0
2029	\$0	\$0	\$0	\$0
2030	\$0	\$0	\$0	\$0
2031	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$17,571,507</b>	<b>(\$1,643,249)</b>	<b>\$37,928,535</b>	<b>\$53,856,793</b>

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# Summary



# SUMMARY OF RESULTS

Category	ESOP	Mgt Buyout	3rd Party Sale
After Tax Cash Flow	\$ 38.3 M	\$ 39.9 M	\$ 53.9 M
"At Risk"	\$ 0	\$ 9.5 M	\$ 0
% "At Risk"	0%	24%	0%

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# What if Sonny had to sell now?





# SUMMARY OF RESULTS (Selling Now)\*

Category	ESOP	Mgt Buyout	3rd Party Sale
After Tax Cash Flow	\$ 38.5 M	\$ 36.7 M	\$ 28.3 M
"At Risk"	\$ 18.8 M	\$ 25.3 M	\$ 0
% "At Risk"	49%	69%	0%

\*See Appendix E for detailed results

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Which comes first?  
Estate planning or  
exit planning?



A successful business exit plan achieves 3 important goals:

*(1) Financial Security (for the owner)*

*(2) Chooses the Right Person (children, key employees, co-owners, or a 3<sup>rd</sup> party)*

*(3) Minimizes Income Taxes*



A successful estate plan achieves 3  
important goals:

*(1) Financial Security (for the heirs)*

*(2) Chooses the Right Person (decedent chooses  
who receives the estate)*

*(3) Minimizes Estate Taxes*



## Complementary Estate Planning Strategies

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**GRATs**

**Charitable  
Trusts**

**678 Trusts**

**Take advantage  
of temporary  
ESOP value  
deflation!**

**Section 1042  
and estate  
equalization**

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# Questions?



# Appendix A

## S Corporation vs C Corporation ESOPs



## S and C Corporation ESOPs Comparison (1 of 2) <sup>6</sup>

<b>Tax Issue</b>	<b>S Corporation ESOP</b>	<b>C Corporation ESOP</b>
<b>Deferral of capital gains tax for sale to ESOP under Section 1042</b>	<b>NO</b>	<b>YES (if Section 1042 rules are met)</b>
<b>Company does not pay federal or, usually, state income tax on share of profits attributable to the ESOP</b>	<b>YES</b>	<b>Company pays taxes on all its profits regardless of how much the ESOP owns</b>
<b>Dividends paid on ESOP shares are deductible</b>	<b>NO (S corporations do not pay dividends, and distributions are not deductible)</b>	<b>YES, if used to repay an ESOP loan, passed through to employees, or voluntarily reinvested by employees in company stock</b>
<b>Contributions to the ESOP, either directly or to repay the ESOP debt, are deductible up to 25% of covered payroll</b>	<b>Both interest and principal payments count toward the 25% limit</b>	<b>Only payments toward principal must be counted toward 25% of covered payroll</b>





## S and C Corporation ESOPs Comparison (2 of 2) <sup>6</sup>

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<b>Tax Issue</b>	<b>S Corporation ESOP</b>	<b>C Corporation ESOP</b>
<b>Forfeitures of unvested account balances from departed employees count toward limit on maximum annual additions to employee accounts (100% of pay or \$55,000; includes all employer and employee contributions to retirement plans)</b>	<b>YES</b>	<b>NO</b>
<b>Distributions of account balances for departed participants can be delayed until after ESOP loan is repaid</b>	<b>NO</b>	<b>YES</b>
<b>In calculating the maximum amount that can go into a leveraged ESOP, employer contributions to other qualified retirement plans do not count</b>	<b>NO</b>	<b>YES</b>



# Appendix B

## Some Additional IRC Section 1042 Requirements



## IRC Section 1042 Partial Requirement List <sup>8</sup>

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- ✓ Owners of stock in closely held C Corporations
- ✓ The ESOP must own 30% of the total value of shares in the company after the sale
- ✓ Available for individuals, partnerships, estates, and taxable trusts but not corporations
- ✓ Owners have held the stock for at least 3 years

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## IRC Section 1042 Partial Requirement List (continued) <sup>8</sup>

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- ✓ Qualified Replacement Property (QRP) partial requirements:
  - stocks, bonds, debentures, warrants or other debt or equity instruments issued by U.S. corporations
  - QRP securities must not receive more than 25% of their income from passive investment
  - Must be U.S. controlled companies, not simply operating in the U.S.
- ✓ The seller must acquire the QRP within 12 months after the sale or 3 months prior to it

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# Appendix C

## Sonny's Warrant Details



# WARRANTS

- Total outstanding shares = 1,000,000
- Strike price (current NAV) = \$30.00
- Execution price (10 years @ 5.0% growth) = \$48.87
- # Warrants issued = 65,000
- Warrants pre-tax value in year 10 = \$1,226,550
- Taxes owed at warrant execution = \$291,919  $(65,000 \times (48.87 - 30.00) \times 23.8\%)$

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# Appendix D

## Sonny's Year 1 Income Tax Calculations



## Phase 1: Sonny's Year 1 Tax Calculation

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<b><u>Source</u></b>	<b><u>Amount</u></b>	<b><u>Tax Rate</u></b>	<b><u>Tax</u></b>
<b>Sonny's Share of Profits (90% of \$6MM)</b>	<b>\$ 5,400,000</b>	<b>37.0%</b>	<b>\$ 1,998,000</b>
<b>Note Payment - Interest</b>	<b>\$ 168,000</b>	<b>37.0%</b>	<b>\$ 62,160</b>
<b>Note Payment - Capital Gain</b>	<b>\$ 150,000</b>	<b>23.8%</b>	<b>\$ 35,700</b>
<b>Total</b>	<b>\$ 5,718,000</b>		<b>\$ 2,095,860</b>

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# Appendix E

## "Sell Now" Results



## RESULTS – ESOP (Sell Now)

Year	Seller's After Tax Warrant Proceeds	Sonny's After Tax Dividends	Sonny's After Tax Proceeds from Seller Notes	Fees	Sonny's After Tax Sale Proceeds (via bank financing)	Total After Tax Cash Flow
2019	\$0	\$0	\$503,999	(\$300,000)	\$20,000,000	\$20,204,000
2020	\$0	\$0	\$503,999	\$0	\$0	\$504,000
2021	\$0	\$0	\$503,999	\$0	\$0	\$504,000
2022	\$0	\$0	\$503,999	\$0	\$0	\$504,000
2023	\$0	\$0	\$503,999	\$0	\$0	\$504,000
2024	\$0	\$0	\$2,208,562	\$0	\$0	\$2,208,562
2025	\$0	\$0	\$2,259,017	\$0	\$0	\$2,259,017
2026	\$0	\$0	\$2,313,509	\$0	\$0	\$2,313,509
2027	\$0	\$0	\$2,372,360	\$0	\$0	\$2,372,360
2028	\$4,724,832	\$0	\$2,435,918	\$0	\$0	\$7,160,751
2029	\$0	\$0	\$0	\$0	\$0	\$0
2030	\$0	\$0	\$0	\$0	\$0	\$0
2031	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$4,724,832</b>	<b>\$0</b>	<b>\$14,109,364</b>	<b>(\$300,000)</b>	<b>\$20,000,000</b>	<b>\$38,534,199</b>

*For illustrative purposes only. The Milestone Group does not provide tax advice.*



## RESULTS – MANAGEMENT BUYOUT (Sell Now)

Year	Sonny's After Tax Warrant Proceeds	Sonny's After Tax Profit Distribution	Sonny's After Tax Proceeds from Seller Notes	Fees	Sonny's After Tax Proceeds from Sale of Ownership Via Outside Financing	Total After Tax Cash Flow
2019	\$0	\$0	\$756,000	(\$75,000)	\$11,430,000	\$12,111,000
2020	\$0	\$0	\$756,000	\$0	\$0	\$756,000
2021	\$0	\$0	\$756,000	\$0	\$0	\$756,000
2022	\$0	\$0	\$756,000	\$0	\$0	\$756,000
2023	\$0	\$0	\$756,000	\$0	\$0	\$756,000
2024	\$0	\$0	\$2,036,988	\$0	\$0	\$2,036,988
2025	\$0	\$0	\$2,054,740	\$0	\$0	\$2,054,740
2026	\$0	\$0	\$2,073,912	\$0	\$0	\$2,073,912
2027	\$0	\$0	\$2,094,619	\$0	\$0	\$2,094,619
2028	\$0	\$0	\$2,116,981	\$0	\$0	\$2,116,981
2029	\$0	\$0	\$2,141,133	\$0	\$0	\$2,141,133
2030	\$6,888,758	\$0	\$2,167,217	\$0	\$0	\$9,055,975
2031	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$6,888,758</b>	<b>\$0</b>	<b>\$18,465,589</b>	<b>(\$75,000)</b>	<b>\$11,430,000</b>	<b>\$36,709,347</b>

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# RESULTS – 3<sup>rd</sup> Party Sale (Sell Now)

Year	Sonny's After Tax Profit Distribution	Fees	Sonny's After Tax Sale Proceeds	Sonny's Total After Tax Cash Flow
2019	\$0	(\$1,320,000)	\$29,718,000	\$28,398,000
2020	\$0	\$0	\$0	\$0
2021	\$0	\$0	\$0	\$0
2022	\$0	\$0	\$0	\$0
2023	\$0	\$0	\$0	\$0
2024	\$0	\$0	\$0	\$0
2025	\$0	\$0	\$0	\$0
2026	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0
2029	\$0	\$0	\$0	\$0
2030	\$0	\$0	\$0	\$0
2031	\$0	\$0	\$0	\$0

<b>Total</b>	<b>\$0</b>	<b>(\$1,320,000)</b>	<b>\$29,718,000</b>	<b>\$28,398,000</b>
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# Footnotes

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<sup>1</sup> IRC Section 4975(e)(7)(A)

<sup>2</sup> IRC Section 4975(d)(3)

<sup>3</sup> IRC Section 4975(c)(1)(A)

<sup>4</sup> Kelly O. Finnell, J.D., CLU, AIF®, *The ESOP Coach: Using ESOPs in Ownership Succession Planning* (Memphis: Executive Financial Services, 2010), 2.

<sup>5</sup> *Ibid.*, 3.

<sup>6</sup> Kathryn F. Aschwald, CFA, ASA; Donna J. Walker, CFA, FASA; Barbara M. Clough, QPA, QKA; Brian D. Hector; Matthew G. Keene; Thomas Roback, Jr, CEP, QKA; Core Rosen, Carolyn Zimmerman; *S Corporation ESOPs: A Handbook on Legal, Administrative, Compliance, Valuation, Compensation, Sustainability, and Corporate Culture Issues* (The National Center for Employee Ownership, 2014), 3.

<sup>7</sup> A full discussion of Section 1042 and its requirements is beyond the scope of this presentation. For a more in-depth discussion of Section 1042 of the Code, see Kaplan, Brown, and Granados, *Basic Requirements of an ESOP*, (BNA, 2010).

<sup>8</sup> Kelly O. Finnell, J.D., CLU, AIF®, *The ESOP Coach: Using ESOPs in Ownership Succession Planning* (Memphis: Executive Financial Services, 2010), 90-92.



## Disclosures/Endnotes

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*Milestone investment advisory fees range from 0.25% to 1.00% per year depending on account size. For further details of fees customarily charged by Milestone please see Milestone's ADV Part 2A, which is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

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