

PRACTICE AREA

ESOP Financings



ATTORNEYS

Brian F. Plunkett

OVERVIEW

An Employee Stock Ownership Plan (ESOP) is considered a valuable ownership transition tool and a common employee retirement plan used in many different industries. Hackett Feinberg's Banking and Commercial Finance team offers significant experience and specific skill in representing commercial lenders in the financing of ESOP transactions.

Our team works with banking clients to understand the scope and complexities of a leveraged ESOP, where the company creating the plan finances the initial stock purchase with loan proceeds from the senior commercial lender and the selling shareholder. We assist and advise lenders regarding how to structure the appropriate senior-debt arrangement and identify and mitigate the concerns and pitfalls that can occur.

We are valued for working collaboratively with the borrower's counsel, as well as the ESOP trustee, accountants, and financial and tax advisors for the borrower, to negotiate the loan and security agreements and the subordinate debt financing documents. We also assist in helping to oversee that the entire lending process and ESOP closing runs smoothly.

Representative transactions that the firm has successfully negotiated, documented, and closed include an ESOP financing for a manufacturing business involved in the food processing, agricultural, and packaging industries; a distribution and packaging company operating in the frozen food space; a commercial brewery operation; and a general contractor in the commercial construction industry with projects throughout the United States.

Let's Get to Work!

To learn more about how we can help, please contact [Brian Plunkett](#) at 617.422.0200.