



HUSCH BLACKWELL

Employee Benefits & Executive Compensation

Our Employee Benefits and Executive Compensation team designs, implements, maintains and terminates employee benefit and compensation plans, offering tailored guidance on the most advantageous benefit plans as well as compliance with the many regulations governing employee benefits.

We are skilled with ERISA-based plans, as well as how to integrate plans in transactional settings in connection with changes of corporate control. We establish systematic and well-documented processes that ensure our clients meet their legal responsibilities to plan participants and beneficiaries. We also advise fiduciaries on managing their duties.

Our representation includes “consumers” of employee-benefit services – employers and in-house fiduciaries – and “providers” of employee-benefit services – banks, mutual funds, investment advisors and third-party administrators. We understand the interests of all parties. When necessary, our benefits team works in conjunction with our team of litigators who have a long track record of vigorously and successfully defending clients.

Our team can assist with issues in the following areas:



401(k), 403 (b), defined benefit and other retirement plans



Incentive and equity compensation arrangements



Employee stock ownership plans (ESOPs)



Severance arrangements



Health and welfare plans



ERISA and employee benefits litigation



I want to thank you for all the assistance and professionalism...Without your work, we would not have been successful in this very important effort. Your work has gone a long way to provide for the retirement and security of our ESOP owners who have worked hard over 20 years to build and grow the company.

— Dan Quigley, CEO,
USA800



Practice Highlights

- Assisted a publicly-traded Canadian company on benefits matters in the expansion of its U.S. cell phone holdings in an \$83.3 million transaction.
- Advised a regional manufacturing company on benefits issues during the sale of its five operating subsidiaries in simultaneous mergers with a London-based investment management company. The businesses had combined annual sales of \$90 million and employed 450 people.
- Advised police pension funds concerning operation, management and investment of plan assets under Article 3 of the Illinois Pension Code and various fiduciary issues governed by Articles 1 and 1A of the Illinois Pension Code. Also advised boards of trustees about the Illinois Freedom of Information Act (FOIA) and Open Meetings Act.
- Represented a publicly-traded company through its bankruptcy on all benefit matters, such as multiemployer plans and employer-sponsored defined benefit plans.
- Responsible for all benefit and compensation matters in a public company's sale of a \$2 billion subsidiary.
- Represent three major tax-exempt hospital systems, collectively with more than 15,000 employees, on all employee benefit and executive compensation matters.
- Routinely represent clients on employee benefit and executive compensation matters relating to mergers and acquisition strategies and integration. For example, represented a packaged foods company in connection with its \$2.7 billion divestiture.
- Structured a two-step sale of an entertainment company to an ESOP and sale/leaseback of real estate with a real estate investment trust (REIT) as part of a business succession plan. The sale resulted in \$45 million additional profit for owners over the expected fair market value of the company.
- Represented a cooperative grocery store wholesaler, helping it engineer the sale of a retail subsidiary to an employee stock ownership plan created for the sub and a long-term supply contract between our client and the sub. The sub became an S corporation, so the ESOP structure enabled it to avoid paying any income taxes.

Client Success

Situation

A family-owned automotive group wanted to create an employee stock ownership plan (ESOP) to help sustain growth and incentivize employees. The Husch Blackwell team led the transaction, preparing the purchase and sale documents, developing employment contracts for the owners, and collaborating with other advisors under a tight timeframe to ensure the ESOP was created properly.

Result

The sibling owners remain with the automotive group, which retains the family name. The transaction provides tax benefits to the corporation, and the ESOP continues to attract high-caliber, loyal employees.

Relentless client focus.

At Husch Blackwell, we have built our law firm around one idea: to guide our clients from where they are to where they want to be. Our industry-centric approach gives us a deep understanding of what our clients face every day. But more than that, it creates a shared vision that moves our clients forward.