Dear Friend,

We appreciate your consideration of membership in ESCA.

For ESCA members, being an S corporation ESOP is central to their ownership and operating structure. Our members know that if their company doesn’t take an active role in preserving the Sub S ESOP, others likely will not. ESCA is the one organization that focuses exclusively on protecting ***and promoting*** S ESOPs in Washington, DC. As an organization that is both company-sponsored and company-directed, ESCA is a reflection of the companies it represents. ESCA is a strong, necessary voice in Washington, DC, protecting the dream of private employee ownership. We encourage you to join with us to protect this critical benefit. Your participation is crucial to our long-term success.

Since 1998, ESCA’s membership has grown to more than 160 companies and 205,000 employee-owners in virtually every state in the nation. Our S ESOP companies engage in a broad spectrum of business activities and come in all sizes – from 25-person businesses to 20,000+ employee-owners – but all have one thing in common: Our commitment to ensuring that no harm comes to S ESOPs as a result of intentional or unintended federal policy actions and supporting legislative initiatives to spur the creation of more employee-owned companies.

The threat to this structure has been particularly acute in a political and policy environment marked by political change, high budget deficits, the passage of significant tax reform legislation in 2017 and the never-ending search for ways to raise new tax revenue by changing existing tax laws. To help ensure that the retirement benefits from the S ESOP structure are preserved, ESCA’s singular purpose is to make sure that those who make political and policy decisions that could affect us know about S ESOPs and are committed to their future. It is a substantial task, but ESCA has achieved remarkable results.

We continue to work with our ***congressional supporters in the Senate and House on bipartisan legislation, the*** ***Promotion and Expansion of Private Employee Ownership Act, and are so pleased that House Ways and Means Committee Chairman Richard Neal’s retirement savings bill includes the 1042 provision we have been working on.***

We also realize that employee-owned S corporations are not immune from tough economic times and today’s challenges and those that lie ahead may be the greatest ever faced. We have been privileged to see how ESCA companies and their employee-owners have faced these times with courage and camaraderie. Both anecdotally and through survey data, we found that in 2007-2009 S ESOP companies did not merely outperform their counterparts; they were more resilient over the long term. We expect to see similar results when we look back at 2020-2021. That is what makes ESCA work so hard to ensure the S ESOP structure stays in place and provides S ESOP companies and employee-owners with the support and tools that they need to succeed.

***ESCA’s annual Federal Policy Conference and Lobby Day will be held in Washington, DC, if we are able to gather in person, September 22-24, 2021. Registration will be available on our website,*** [***www.esca.us***](http://www.esca.us)***.*** The annual conference draws over 150 senior executives of S corporation ESOPs and leading practitioners from around the country, in additional to employee-owners attending to participate in the lobby day. This unique event gives company executives and employee-owners the opportunity to educate their members of Congress about the importance of employee ownership. Other events include hearing from members of the House and Senate who play key roles in the federal tax policymaking process, an ESCA-focused political update, and networking with other top S ESOP executives.

Please call Stephanie at (202) 466-8700 or David at (913) 469-0101 if we can answer any questions you have, or if you would like to speak to another ESCA company member for their perspective on the benefits of being part of this important group. We look forward to working with you.

Best Regards,



David Cimpl Stephanie Silverman

Chairman, Board of Directors President and CEO

Chief Financial Officer, MMC Corp ESCA

Kansas City, MO

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| MEMBERSHIP REQUEST FORM | | | | | | | | |
| Company  Name: | | | | | | Date: | | |
| Website address: | | | | | |
| Primary contact | | | | | | | | |
| Name: | | | | | | | | |
| Title: | | | | | | | | |
| Address: | | | | | | | | |
| City: | | | State: | | | ZIP Code: | | |
| Phone: | | | Fax: | | | | | |
| Mobile: | | | E-mail: | | | | | |
| secondary contact | | | | | | | | |
| Name: | | | | | | | | |
| Title: | | | | | | | | |
| Address: | | | | | | | | |
| City: | | | State: | | | ZIP Code: | | |
| Phone: | | | Fax: | | | | | |
| Mobile: | | | E-mail: | | | | | |
| company description(what the company does, company history, business type, etc.) | | | | | | | | |
|  | | | | | | | | |
| Year Company  Established: | | | Year ESOP  Established: | | | My company is: | | |
| An S Corporation □  A Service Provider □ | | |
| Total Employees: | | | Total Participants: | | | Total Active Participants: | | |
| estimated number of participants by state | | | | | | | | |
| AK | DC | IL | | ME | ND | OH | TN | WV |
| AL | DE | IN | | MI | NE | OK | TX | WY |
| AR | FL | KS | | MN | NH | OR | UT | |
| AZ | GA | KY | | MO | NJ | PA | VA | |
| CA | HI | LA | | MS | NM | RI | VT | |
| CO | IA | MA | | MT | NV | SC | WA | |
| CT | ID | MD | | NC | NY | SD | WI | |

|  |  |
| --- | --- |
| if you are an S Corp esop | |
| What percentages of shares are owned by the ESOP? \_\_\_\_\_\_ | Number of employee-owners owning 10% interest in the ESOP either directly or indirectly through deferred compensation amounts, options or other forms of synthetic equity: \_\_\_\_\_\_\_\_  Please explain the type or types of synthetic equity owned by such 10% shareholders. |
| level of membership requested | |
| \_\_\_\_\_ Board of Directors  \_\_\_\_\_ Leadership and Development Council  \_\_\_\_\_ General  \_\_\_\_\_ Professional Member | |
| **HOW DID YOU LEARN ABOUT ESCA?** | |
|  | |
| **Please e-mail completed form to Diandra Brennan at** [**diandra@esca.us**](mailto:diandra@esca.us)  Employee-owned S Corporations of America  1341 G Street NW, 6th Floor  Washington, DC 20005  Phone: 202-466-8700  [www.esca.us](http://www.esca.us/)  Once your membership form is received and it is determined you meet the membership criteria,  you will be invoiced for your membership according to the current dues structure. | |

**2021 ESCA Membership Rates**

**2021 General Membership**

Member companies receive regular updates on key Washington developments affecting Sub S ESOPs; invitations to private briefings, lobbying events, annual meetings and other activities; and access to ESCA’s legislative and public relations resources.

Eligible companies approved by the ESCA Board of Directors Membership Committee pay dues which reflect the number of employee-owners. For 2021, membership dues are based on number of eligible participants for all categories listed below:

***Under 250 employee-owners: $3,000  
Between 250-1,000 employee-owners: $5,000***

***More than 1,000 employee-owners: $10,000***

**2021 Leadership & Development Council**

The Leadership and Development Council is designed for companies who want to make a greater investment in ESCA’s agenda and future. The Leadership and Development Council also supports the Board of Directors’ Membership Committee through outreach to prospective members. The Council meets semi-annually at the Leadership Summit and the Federal Policy Conference and Lobby Day. Companies pay the following dues for Leadership & Development Council membership for 2021:

***Under 250 employee-owners: $7,000   
Between 250-1,000 employee-owners: $15,500***

***More than 1,000 employee-owners: $21,000***

**2021 Board Membership**

The Board of Directors is the central governing body of ESCA. It is comprised of an executive committee and general members, and meets quarterly. The Board of Directors has oversight for strategic, financial, priority-related, membership and other key areas for ESCA. There are five committees within the Board of Directors: Policy, Governance, Programs, Membership, and Political.

Eligible companies approved by ESCA’s Board of Directors pay the following dues for 2021:

***Under 250 employee-owners: $33,500  
Between 250-1,000 employee-owners: $46,500***

***More than 1,000 employee-owners: $62,000***