



The Board, the Trustee, and the ESOP

The Board and the Trustee work hand in hand to represent the ESOP participants.

The Trustee elects and monitors the Board, and the Board hires and monitors the Trustee. It is a mutually beneficial relationship that seeks to protect and represent the shareholders as ESOP participants.

The Board and the Trustee have different roles, and work to play only their own part in the management of a corporation. This is a collaboration, with neither the Board nor the Trustee having absolute authority.

The Board hires and oversees the officers who provide day-to-day management of the company. The Trustee has no role in this activity. The overall strategy for the company and the choice of officers and definition of their jobs is the exclusive role of the Board.

The trustee monitors whether the board is acting in the best interest of the ESOP. The Trustee can review Board reports, observe Board meetings, and communicate with the Board.

The Trustee votes for the Board members and may participate in retiring or resigning Board members. The Trustee also participates in overseeing whether or not the corporation, through the Board, is able to repurchase stock from retiring participants.

