

Philip J. Carstens

Principal

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Philip has more than 40 years of experience advising clients on a wide array of complex business matters including mergers, reorganizations, acquisitions and other financial transactions.

Philip is recognized as one of the nation's most experienced attorneys in the design and implementation of employee stock ownership plans ("ESOPs") and other plans governed by ERISA. Philip was selected as a "Best Lawyer" in the Tax category in the 2010 *U.S. News & World Report* and has been listed in *The Best Lawyers in America* for Tax Law since 1997.

Education

LL.M., Taxation, New York University School of Law, 1974

J.D., University of San Francisco School of Law, 1973

B.A., Seattle University, 1970

Honors & Recognition

The Best Lawyers in America® Tax Law, 1997-present

Best Lawyer – Tax, *U.S. News and World Reports*, 2010

Martindale-Hubbell AV Preeminent Rating

Services

Business & Corporate
Finance

Employee Benefits &
Executive Compensation

Employee Stock Ownership
Plans

Federal Tax

Mergers & Acquisitions

Tax

Admissions

Washington, 1973

Idaho, 2003

Oregon, 2003

Professional Activities

American Bar Association, Member

Spokane County Bar Association, Member

The ESOP Association

- NW Chapter, Former Officer/Director
- Legislative and Regulatory Committee, Member

News

45 Foster Garvey Attorneys Recognized Among *The Best Lawyers In America*®
Foster Garvey Newsroom, 8.18.22

38 Attorneys Named 2022 Best Lawyers in America; 11 Named Best Lawyers: Ones to Watch
Foster Garvey Newsroom, 8.19.21

43 Attorneys Named 2021 *Best Lawyers in America*; 10 Named Best Lawyers: Ones to Watch
Foster Garvey Newsroom, 8.20.20

50 Foster Garvey Attorneys Named 2020 *Best Lawyers in America*
Foster Garvey Newsroom, 8.15.19

Speaking Engagements

"Structuring Warrants in ESOP Transactions: Avoiding Unintended Consequences," NCEO 2020
Employee Ownership Conference
Speaking Engagement
Virtual Event, 4.21.20

"Fiduciary Liability Insurance," Employee Owned Conference
Speaking Engagement
Las Vegas, NV, November 2019

"The Art of the ESOP Deal: Negotiating Purchase Price Adjustments, Representations,
Warranties, and Indemnification," Employee Ownership Conference
Speaking Engagement
Pittsburg, PA, April 2019

"Refinancing ESOP Loans as Last Resort to Manage Targeted Benefit Levels," ESOP
Professionals' Forum
Speaking Engagement
New Orleans, LA, February 2019

"409(p) – What the Company Needs to Know," The ESOP Association, Las Vegas Conference & Trade Show

Speaking Engagement

Las Vegas, NV, November 2018

"409(p) – What the Company Needs to Know," The ESOP Association – Northwest Chapter Conference

Speaking Engagement

Portland, OR, September 2018

"409(p) – What the Company Needs to Know," The ESOP Association

Speaking Engagement

Atlanta, GA, April 2018

"409(p) – What the Company Needs to Know," The ESOP Association

Speaking Engagement

Las Vegas, NV, November 2017

"The ESOP Trustee's Team in the Current Era of DOL Scrutiny," Western ESOP Summit

Speaking Engagement

San Diego, CA, September 2017

"Legislative, Regulatory and Judicial Update," The ESOP Association

Speaking Engagement

Washington, D.C., May 2017

"409(p) – What the Company Needs to Know," Employee Ownership Conference

Speaking Engagement

Denver, CO, April 2017

"Seller Financing Warrants: When, Why, and How Much is Appropriate?" ESOP Professional's Forum

Speaking Engagement

New Orleans, LA, March 2017

"409(p) – What the Company Needs to Know," The ESOP Association, 2016 Las Vegas Conference & Trade Show

Speaking Engagement

Las Vegas, NV, November 2016

"Roth Design Features and Other Advanced Design Strategies in ESOP Transactions," 2016 NCEO Employee Ownership Conference

Speaking engagement

Minneapolis, MN, 4.12.16

Debate: Alternative Views on Dudenhoeffer and the GreatBanc Settlement,” NCEO Annual Meeting

Panel discussion

2015

“IRS and DOL Correction Programs,” ESOP Association Annual Meeting

Speaking engagement

2014

“Use of Warrants in ESOP Transactions,” NCEO Annual Meeting

Speaking engagement

2013 and 2014

“How is a Valuation Different than a Fairness Opinion?,” ESOP Association Annual Meeting

Speaking engagement

2013

“Corporate Finance 100% S. Corporation,” ESOP Association Annual Meeting

Speaking engagement

2012

“Corporate Governance,” Northwest Chapter of ESOP Association

Speaking engagement

2012

“ESOP Policy Decisions – Effect on Benefits Valuation,” NCEO Annual Meeting

Speaking engagement

2012

“You’ve Received an Unsolicited Offer to Sell, Now What?” NCEO Annual Meeting

Speaking engagement

2011

“Organizing and Structuring Sale of Stock to an ESOP,” ESOP Association Annual Meeting

Speaking engagement

2011

“The Responsibility of the Board of Directors in Addressing ESOP Repurchase Obligation,”

NCEO Annual Meeting

Speaking engagement

2010

“Strategies for Liquidity and Legacy,” ESOP Association Meeting, 2009
Speaking engagement
2009

Publications

Employee Stock Ownership Plans – an Overview
K&L Gates Publication, 2008 Edition

Experience

2020 Boise, Idaho – Represented Ameriben, Inc. in connections with the sale of 100 percent of the company’s issued and outstanding stock to Anthem, Inc.

2020 Buhl, Idaho – Represented GreatBanc Trust Company in its capacity as Trustee of the Clear Springs Foods, Inc. ESOP with a transaction that involved the sale of 100 percent of the stock.

2020 Phoenix, Arizona – Represented Alerus Financial, NA in its capacity as Trustee of the Laron, Inc. ESOP. The transaction involved the stock sale of Laron, Inc. to a third party buyer.

2020 Portland, Oregon – Represented Bob’s Red Mill, Inc. in connection with a redemption of Bob’s Red Mill, Inc. Stock. The transaction resulted in the Bob’s Red Mill, Inc. ESOP owning 100 percent of the stock of the company.

2019 Olympia, Washington – Represented Shea, Carr, & Jewell, Inc. in connection with the design and implementation of a leveraged ESOP strategy.

2018 Boise, Idaho – Represented Ameriben, Inc. in connection with the design and implementation of a leveraged ESOP strategy

2018 Cottonwood, California – Represented GreatBanc Trust Company in its capacity as Trustee of the North State Grocery, Inc. ESOP in connection with a redemption transaction whereby the ESOP became the 100 percent owner of North State Grocery, Inc.

2018 Oren, Utah – Represented Mountainland Supply, Inc. in connection with the design and implementation of a leveraged ESOP strategy

2017 Los Angeles, California – Represented Alerus Financial, NA in its capacity as Trustee of the Keenan & Associates, Inc. ESOP. The representation involved a sale of 100 percent of the stock of Keenan by the ESOP and other shareholders

2017 Spokane, Washington – Represented Inland Water Proofing, Inc. in connection with the design and implementation of a leveraged ESOP transaction.

2016 Boise, Idaho – Represented Alerus Financial, N.A, in its capacity as Trustee of the Diamond Line Delivery Systems, Inc. ESOP

2015 Boise, Idaho – Represented Bankers Trust of South Dakota in its capacity as Trustee of the KNG, Inc. Employee Stock Ownership Trust. The representation involved the design and

implementation of a leveraged ESOP and redemption strategy.

2015 Los Angeles, California – Represented Alerus Financial, N.A. in its capacity as Trustee of the Hollywood Ribbon Industries, Inc. Employee Stock Ownership Trust in an asset sale involving a pass through vote by Plan participants.

2014 Sandpoint, Idaho – Represented Alerus Financial, N.A. in its capacity as Trustee of the Lighthouse Employee Stock Ownership Trust in a transaction resulting in the ESOT owning 100% of the Company.

2014 Midwest – Represented Bankers Trust Company of South Dakota in its capacity as Trustee of the Mead-Newkirk and Affiliates Employee Stock Ownership Plan and Trust in a second stage ESOP transaction.

2014 Boise, Idaho – Represented Bankers Trust Company of South Dakota in its capacity as Trustee of the Home Federal Bancorp, Inc. Employee Stock Ownership Trust in connection with a merger into Cascade Bancorp.

2014 Columbus, Nebraska – Represented Bankers Trust Company of South Dakota in its capacity as Trustee of the Mead-Newkirk & Affiliates Employee Stock Ownership Trust in a transaction resulting in the ESOT acquiring 100% ownership of the Company.

2014 Seattle, Washington – Represented Point B, Inc. in connection with a redemption/warrant transaction resulting in the Company's Employee Stock Ownership Trust owning 100 percent of the Company.

2014 Seattle, Washington – Represented the principal shareholders of a large Seattle based marine construction company in connection with a redemption/warrant/ESOP transaction resulting in the Company's Employee Stock Ownership Trust owning 100 percent of the Company.

2014 Spokane, Washington – Represented Stoneway Electric Supply, Inc. and Bankers Trust Company of South Dakota in connection with the sale of Stoneway to Crescent Electric Supply Company.

2012 Renton, Washington – Represented a large Renton/Tacoma based logistics Company regarding ESOP issues in connection with the sale of the Company to Jordan, Inc. Previously in 2007 - I represented the same Company in the design and implementation of a leveraged ESOP transaction resulting in the Company's ESOT owing 90+ percent of the Company.

2012 Spokane, Washington – Represented the ET Research, Inc. in connection with the design and implementation of a leveraged ESOP transaction resulting in the ESOT owning 100 percent of the Company.

2012 Los Angeles, California – Represented San Pasqual Fiduciary Trust Company, as Trustee of the Murray Plumbing and Heating Corporation Employee Stock Ownership Trust in connection with the modification of the Murray corporate structure.

2011 Longview, Washington – Represented Reliance Trust Company in its capacity as Trustee of the CAS Holdings, Inc. Employee Stock Ownership Trust in connection with the sale of the Company to CBL Campbell Brothers USA. Inc.

2011 Anchorage, Alaska – Represented the Sagaya Corporation, Inc. in connection with the design and implementation of a leveraged ESOP transaction resulting in the ESOT owning 100 percent of the Company.

2010 Los Angeles, California – Represented Alerus Financial, N.A. in its capacity as Special Trustee of the ACCO Engineered Systems, Inc. Employee Stock Ownership Trust in a combined ESOP purchase and redemption/warrant transaction whereby the Company became 100 percent ESOP owned.

2010 Anchorage, Alaska – Represented Cornerstone Holdings, Inc. in the design and implementation of a leveraged ESOP transaction resulting in the ESOT owning 100 percent of the Company.

2010 Eugene, Oregon – Represented an Oregon hardware and building supply company in connection with the design and implementation of a leveraged ESOP/redemption transaction resulting in the ESOT owning 100 percent of the Company.

2010 Boise, Idaho – Represented Biomark, Inc., an ESOP owned Company in connection with the sale of the Company to Allflex Holdings III, Inc.

2008 Seattle, Washington – Represented W. Lease Lewis Company in connection with the design and implementation of a leveraged ESOP transaction resulting in the ESOT owning 53.5 percent of the Company.