

GUARDIAN



Tax & Risk Assessment Report

Mr. Business Owner

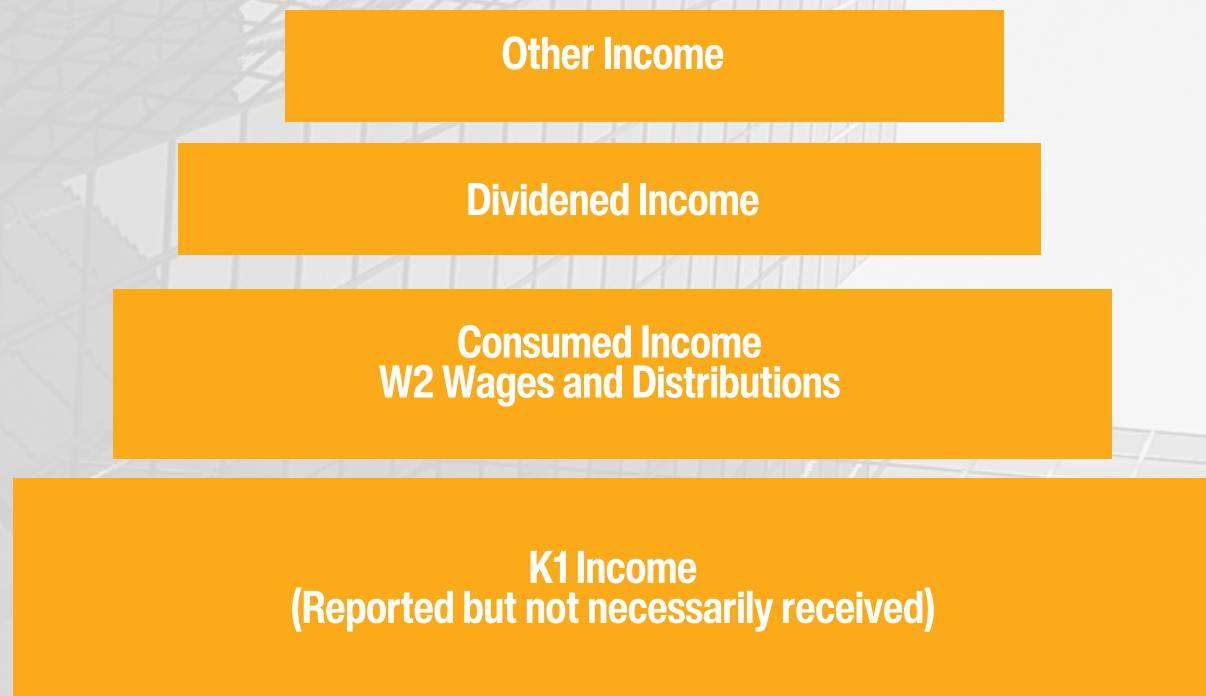
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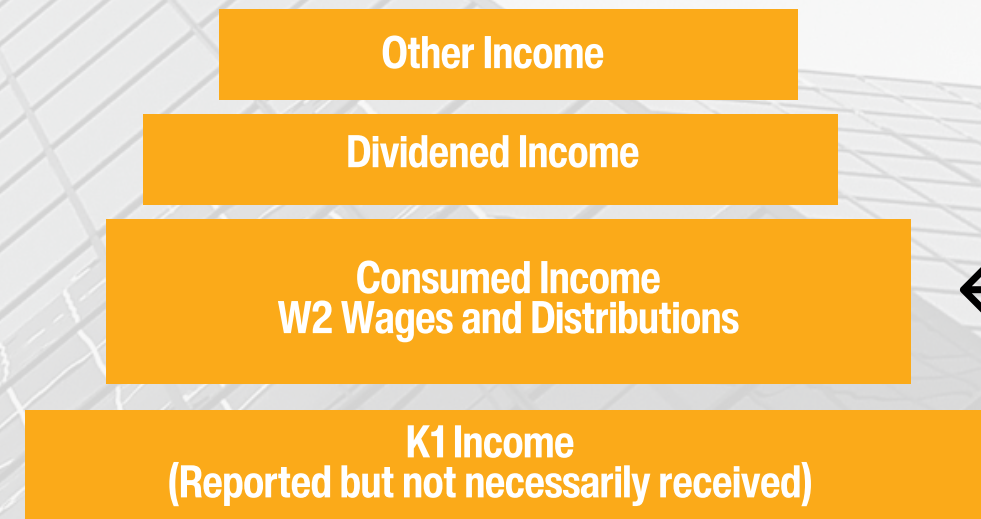
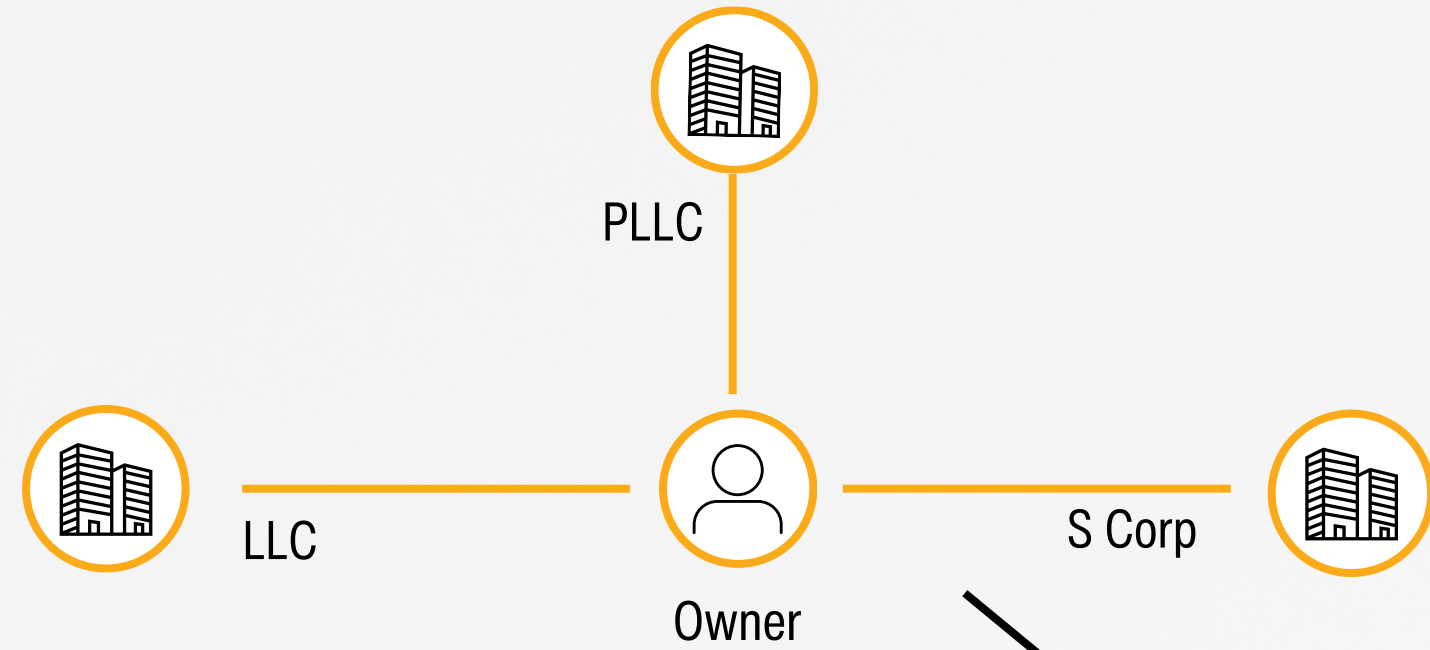
TRA Review Objectives

- MSO Overview
 - Management Fee Calculations
 - Tax Comparisons
 - Entity Structure
 - Using MSO Funds
 - Working with Guardian
 - Q&A
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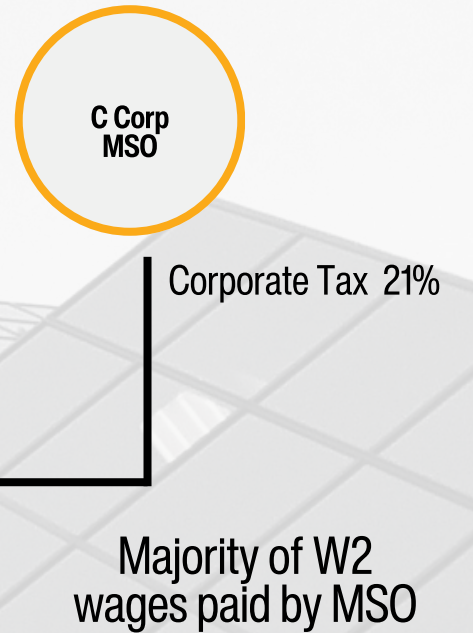
PASS THRU VS C CORP



Personal Taxes
37%



Personal Taxes
Reduced



BECOME A VENDOR

Provide your current services as a vendor
to your companies



STRATEGY OVERVIEW



Management Fees

- Mr. Business Owner's Fee Range:
 - \$1,837,647 to \$4,287,843

Mr. Owners's Fee Range

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Transportation Industry Margin

Management and Supervision direct labor From interview – Mr.Business Owner, Chief Executive	
Company 1, LLC	\$390,612
Company 2, LLC	\$250,232
Value of Personal Guarantees	\$485,298
Other Factors	\$160,211
Total Direct Labor	\$1,286,353
Direct cost/labor as a percentage of revenue for the transportation industry	30%
Total Allowable Management Fee	\$4,287,843

Minimal Overhead and Profit

Direct Labor	\$1,286,353
Overhead @ 15%	\$275,647
Profit @ 15%	\$275,647
Direct Labor Management Fee	\$1,837,647

Based on our analysis, the reasonable range for the management fee is **\$1,837,647 to \$4,287,843**.

Tax Comparision

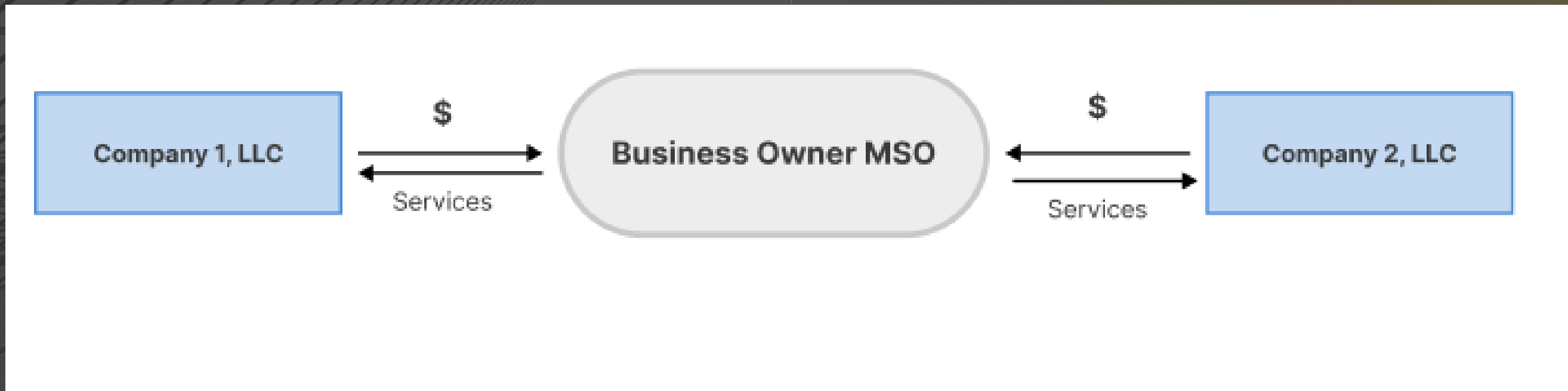
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- 2024 projection using \$1,500,000 fee

	2024 Taxes (without MSO)	2024 Taxes (with MSO)
Wages	\$948,454	\$948,454
Business Income	\$1,724,131	\$224,454
Management Fee	-	\$1,500,000
Other MSO Expenses	-	\$35,000
Tax on Personal Return	\$847,195	\$334,016
Corporate Tax Rate @ 21%	-	$(\$1,465,000 \cdot .21) = \$307,650$
Total Tax	\$847,195	\$649,017
Total Savings with MSO	-	\$269,753
% Tax Savings	-	29.4%

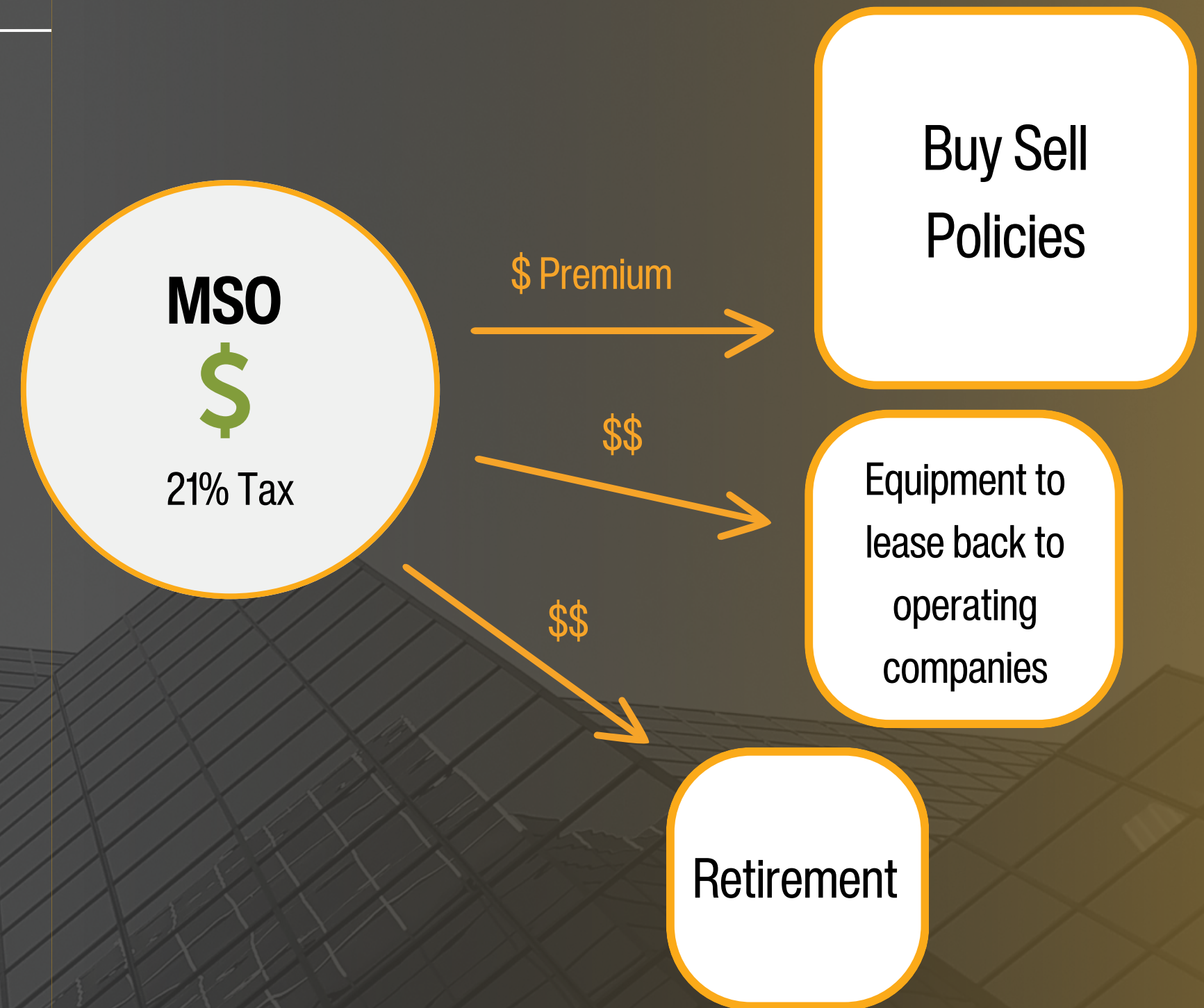
Entity Structure

(Pg. 16 of the report)



Main Priorities

- Buy Sell Policies
- Finance equipment
(debt efficiency)
- Retirement Funds
- Estate Planning



Working w/Guardian

- Implementation fee (\$30,000) covers all required legal documents as well as your first-year onboarding and consultative guidance.
 - The one time cost for set up is based on the number of operating companies including in the MSO strategy, number of new entities formed, management agreements and legal documents required, and attorney review approval of proper setup.
-

MSO Roadmap

1

Week 1

- Attorney drafts MSO entity formation documents
- Attorney drafts management services agreement(s) per each relevant operating company
- Entity names check with Secretary of State and EIN application
- Attorney files Articles of Incorporation with Secretary of State

2

Week 2-3

- Entity formation documents reviewed
- Management Service Agreement(s) reviewed
- State Accepted Corporate Charter Reviewed
- Confirm Fiscal Year End 9/30 and Stock Ledger
- Sign and execute documents
- Open MSO bank account

3

Week 4

- Determine appropriate management fees to prepay
- Transfer funds for management fee payment
- Prior to 12/31 for tax benefit if applicable

4

Onboarding

- Consultative onboarding support for you and your financial team
- with progress check ins
- Payroll set up
- Bookkeeping set up
- Adopting existing insurance

Engagement Period Includes current period to Q3 2024

5

End of Year

- End of Year compliance review and documentation checklist
- Corporate Meeting Minutes reflecting MSO Business Purpose and documented Accumulated Earnings Tax Defense

6

Maintenance

- Meeting in Q4 for advanced planning
- Updating management fee calculations
- Exploring additional MSO benefits
- Collecting updated financials
- Continued Annual Compliance Review in Q3

MSO Program

- To benefit on 2024 returns, strategy must be executed by 12/31
 - Guardian has sourced professional attorneys who practice in the areas of management service organizations and understand how to draft and structure operating agreements and management service agreements to apply to state law and IRS and regulatory requirements.
 - Once your MSO is in place, Guardian works with you and your team to ensure your MSO is established in an efficient and compliant manner.
 - We do not provide bookkeeping or tax return service, but will assist with guidance.
 - As you enter into Q4 2024, Guardian will continue to assist you in ensuring you are utilizing your MSO in the most effective and compliant manner.
 - Maintenance program fee of \$10,000 annual per MSO
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