

Fiduciary Duty #19

As you may recall from our last memo regarding the topic of the Fiduciary Duties that confront you, we wanted to visit each of the 22 documents that the Dept. of Labor can request in the event that you have been chosen to undergo an audit under their oversight.

Should you be the recipient of such a notice, we wanted to let you know what each of the requests would entail, thereby enabling you to prepare accordingly.

As such, the next item on their list would be a request for:

FOR ALL LOANS MADE, HELD, ACQUIRED BY, OR INVOLVING THE PLAN (INCLUDING PARTICIPANT LOANS AS WELL AS ANY LOANS SECURED BY MORTGAGES)

- A) A LIST OF ANY AND ALL LOANS MADE TO ANY PERSON, FIRM OR CORPORATION**
- B) A LIST OF ALL PARTICIPANT LOANS THAT EXCEED FIVE (5) YEARS FOR ANY LOAN USED IN ACQUIRING A PRINCIPAL RESIDENCE, ATTACH SUPPORTING DOCUMENTATION (i.e., CONSTRUCTION LOAN CONTRACTS, HUD DOCUMENTS, PURCHASE/SELL AGREEMENT)**
- C) A LIST OF ANY AND/OR ALL LOANS THAT WERE IN DEFAULT WITHIN THE PRECEDING FOUR (4) YEARS**
- D) IDENTIFICATION OF COLLATERAL (UCC-1 FILINGS, TRUST DEEDS, MORTGAGES, ETC.)**
- E) INTERNAL PROCEDURES FOLLOWED IN OBTAINING LOAN FROM THE PLAN**
- F) A SET OF SAMPLE LOAN DOCUMENTS**

Question: if asked, could you locate these documents and make them available within 10 days?

If so, terrific.

If not, what steps do you need to take in order to be in a position to deliver these, if asked?

If we can be of any assistance in this matter, please be sure to let us know.

Mike & Matt