NOTICE TO INTERESTED PERSONS REGARDING TRANSACTION INVOLVING THE NETWORK FUNDING CORPORATION EMPLOYEES WELFARE BENEFIT PLAN

TO NETWORKFUNDING CORPORATION EMPLOYEES WELFARE BENEFIT PLAN PARTICIPANTS:

1. You are hereby notified that a written submission has been filed on behalf of the Network Funding Corporation Employees Welfare Benefit Plan (the Plan) and Rex Chamberlain and Gregory N. Baker (the Trustees), with the United States Department of Labor (the Department), seeking authorization, pursuant to Prohibited Transaction Class Exemption 96-62 (PTE 96-62), 61 FR 39988, July 31, 1996, as amended by 67 FR 44622, July 3, 2002, from the application of the prohibited transaction restrictions under section 406 of the Employee Retirement Income Security Act of 1974 (ERISA), to the proposed transaction described below (the Proposed Transaction).

2. The submission has met the requirements for Tentative Authorization under PTE 96-62.

3. If the Proposed Transaction is authorized by the Department pursuant to PTE 96-62, the restrictions of section 406(a) and section 406(b)(1) and (b)(2) of ERISA shall not apply to the proposed sale of 1,587 acres of unimproved land in Kinney County, Texas (the Property) by the Plan to the Trustees, Messrs. Baker and Chamberlain, individually. Network Funding, LP (the Plan Sponsor) and the Trustees are also "parties in interest" with respect to the Plan under ERISA section 3(14). The Trustees are also indirect owners of the Plan Sponsor.

4. The authorization is subject to the following conditions:

   - All terms and conditions of the sale are at least as favorable to the Plan as those that the Plan could obtain in an arm's-length transaction with an unrelated party;

   - The sales price is the greater of $1,350,000 or the fair market value as of the date of the closing, as determined by a qualified independent appraiser on the date of the sale;

   - The Sale is a one-time transaction for cash;

   - The Plan does not pay any commissions, costs, or other expenses in connection with the sale,

   - The Trustees, as Plan fiduciaries, determine, among other things, whether to go forward with the sale of the Property, review and approve the methodology used in the appraisal that is being relied upon, and ensure that such methodology is applied by a qualified independent appraiser in determining the fair market value of the Property as of the date of the sale, and

- The Plan has received adequate compensation from the Plan Sponsor for the past use of the Property by parties in interest for purposes not related to the administration of the Plan, and the Property shall not be used by any parties in interest for any reason unrelated to the administration of the Plan from June 26, 2008 until the date that the Proposed Transaction becomes effective.

5. The Property, a tract of 1,587 acres known as "Dutch Mountain Ranch," is located at Cedar Creek Road, Bracketville, Kinney County, Texas. The Property is also located 18 miles north of Bracketville, Texas, which is 100 miles west of San Antonio, Texas. This area consists generally of vast ranch land holdings. The Trustees also own real property that is within close proximity to the Property.

6. The Property consists of unimproved remote land with rugged hill top terrain and rocky soil that is best suited for ranching and hunting. It was acquired by the Plan for investment purposes on May 27, 2005, by purchase from an unrelated third party for the total cost of $1,110,984.[*] The consideration was paid by the Plan in cash. There is no ready market for property in the area. The land is vacant, and does not produce income. During its ownership of the Property, the Plan has incurred no holding costs, but it has paid cumulative real estate taxes totaling $6,789.91. Thus, the Plan's total acquisition and holding costs with respect to the Property is $1,117,773.91.

7. Since the time of ownership by the Plan, the Property has been used by employees and clients of the Plan Sponsor for hunting purposes. On June 8, 2009, the Dallas Regional Office (DRO) of the Department determined that such past use of the Property was a prohibited transaction in violation of ERISA. DRO requested that the Plan be compensated for the past use. On June 26, 2008, the Plan Sponsor paid the Plan $26,250.21 in excess interest for such past use. The DRO concluded that the payment was proper and decided not to impose any civil monetary penalties against the Plan Sponsor, or Messrs. Baker and/or Chamberlain under section 502(i) of ERISA.

8. The Property was appraised at $1,350,000 as of July 1, 2009 by Philip F. Barletta, MAI, SRA, of Barletta & Associates, a qualified, independent appraiser for $1,350,000 as of July 1, 2009. According to Mr. Barletta, Barletta & Associates received 0.143% of its gross 2008 income from the Plan Sponsor. Mr. Barletta also concluded that there was no assemblage value to be added to the Property

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[*] The Trustees were familiar with the area and had seen a change from primarily sheep and goat farming to recreational hunting and they believed the change in use would lead to appreciation in property values in the area. There were no plans to develop the Property or to sell it.

because the subject parcel can be sold as a separate parcel on the open market. As of December 31, 2008 the value of the Plan's assets was $6,377,925. Therefore, the Property represented approximately 25% of the total value of the Plan's assets as of this date.

9. Although the Property has appreciated overall since acquisition, the value has declined between August 31, 2007 and July 1, 2009 by $235,000 and its continued appreciation cannot be depended upon. The sale of the Property will allow the diversification of the Plan's investments and protect the Plan against further deterioration of real estate values. Because the Plan is a welfare plan, it has regular benefit commitments which require liquidity.

10. The Plan has not attempted to sell the Property to unrelated third parties because the market for hunting property of this nature in the current economy is restricted due to the general economic conditions and difficulties in financing large tracts of investment property which do not produce income.

11. Therefore, it is requested that final authorization under PTE 96-62 be granted from the Department with respect to the sale of the Property by the Plan to Rex Chamberlain and Gregory N. Baker, individually. The proposed sale price will be the greater of (i) $1,350,000, or (ii) the fair market value of the Property on the date of sale, as determined by Mr. Barletta, who previously valued the Property. The consideration will be paid to the Plan in full and in cash on closing. The Plan will not pay any commissions, costs or other expenses in connection with the sale. The Plan has received adequate compensation for any past use of the Property for any purposes not related to the administration of the Plan by any party in interest, and the Property shall not be used by any parties in interest for any reason unrelated to the administration of the Plan from June 26, 2008 until the date that the Proposed Transaction becomes effective. Finally, the terms and conditions of the sale are at least as favorable to the Plan as those obtainable in an arms length transaction with an unrelated party. The sale will occur within 30 days of the date of approval of the request for authorization from the Department.

12. The sale of the Property as described herein could be deemed a violation of the categories of prohibited transactions enumerated in ERISA section 406(a)(1)(A), and/or section 406(a)(1)(D) as a sale of property between the Plan and a party in interest, as a transfer of assets of the Plan to a party in interest that is a fiduciary, or an act of self-dealing by a party in interest that is a fiduciary. The sale could also be deemed a violation of ERISA section 406(b)(1) and/or section 406(b)(2) as an act of self-dealing by a party in interest that is a fiduciary. Authorization is requested with respect to all of the above possible violations.

13. The applicant has identified the following individual Prohibited Transaction Exemption granted by the Department within the past 120 months and Authorized Transaction granted by the Department within the past 60 months as substantially similar to the Proposed Transaction:

Prohibited Transaction Exemption 2006-02 for Pennsylvania Institute of Neurological Disorders, Inc. Profit Sharing Plan, Volume 71 Federal Register, page 14008, March 20, 2006. This exemption permits the sale by a plan of a tract of unimproved real property, to a party in interest who is a fiduciary with respect to the Plan for the greater of the current fair market value, or fair market value as of the date of the sale as determined by a qualified independent appraiser. The property is adjacent to property owned by the purchaser.

FAN 2009-11E (July 18, 2009) for the McHenry Law Firm Retirement Plan and Trust, a submission pursuant to PTE 96-62, which relied on PTE 2006-02 Pennsylvania Institute of Neurological Disorders, Inc. PSP (above), and PTE 07-16 Victor P Olson PSP, 72 FR 51473 September 7, 2007. This authorization permits the sale by a plan of a tract of unimproved real property, to a party in interest who is a fiduciary with respect to the Plan for the greater of the appraised value at the time of the Application or fair market value as of the date of the sale as determined by a qualified independent appraiser. The property is adjacent to property owned by a related party.

14. You have the right to comment on the Proposed Transaction if you wish. Written comments should be addressed to:

Office of Exemption Determination
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, N.W., Room N-5700
Washington, D.C. 20210
Attention: Mr. Warren Blinder.

You should refer to submission number E-00639. Comments must be received by the Department no later than November 12, 2009.

Comments may also be submitted by facsimile to 202-219-0204.

15. Final authorization of the Proposed Transaction will occur on November 17, 2009, unless the Department notifies the Plan Sponsor otherwise.

Rex Chamberlain
Plan Administrator