



# What are the duties of the Trustee?

The Trustee holds the trust assets, which on most days is just the stock and the stock certificate.

The trust keeps any liquid assets, like cash, safe. The Trustee receives contributions of the company and according to instructions from the company, makes payments for distribution and loans. The Trustee votes for the shares, electing the board. The Trustee monitors the Board to make sure they are managing the company appropriately.

At all times the Trustee owes a fiduciary duty to the participants. This means the Trustee puts their interests above all else. The Trustee cannot act in their own interest and is bound to a duty of honesty and fidelity.

One of the largest annual activities of the Trustee is to make sure the stock is valued. The annual valuation of stock is reported to participants, so they understand the value of their ESOP retirement accounts. The annual valuation defines the price for repurchase of stock if a participant leaves the company. The Trustee hires an experienced valuation expert to establish the value and oversees that process.

