Chart I: Overview of Prohibited Transaction Analysis

I. Does the transaction involve the assets of a Plan?
   - No PT
   - Yes
     - II. Is the transaction directly between the Plan and a Party-in-Interest (PII)?
       - No
         - No PT
       - Yes
         - III. Is the transaction part of an agreement, arrangement or understanding involving the Plan’s assets to benefit a PII?
          - No
            - No PT
          - Yes
            - IV. Does the Fiduciary causing the transaction have an "interest" in the transaction?
             - No
               - No PT
             - Yes
               - V. Does a fiduciary advisor recommending the transaction have an interest in the transaction?
                 - No
                   - No PT
                 - Yes
                   - Possible PT

Analyze for direct 406(a) transactions. Does the transaction involve:
- A sale, exchange or lease of property;
- A loan or extension of credit (including a guarantee);
- The furnishing of goods, services or facilities;
- A transfer of plan assets to a PII;
- A use of plan assets by a PII; or
- A use of plan assets for the benefit of a PII

Analyze for indirect 406(a) transactions:
(Example: A sale of property between a PII and a third party, followed by a sale of the same property to the Plan);
- Is a transaction involving the Plan either a logical consequence of or a prerequisite for a second transaction involving a PII?
- Is the Plan entering into a transaction with a non-PII with the understanding that it will then engage in a transaction with a PII?

Analyze for 406(b) transactions:
- Is the Plan Fiduciary self-dealing (acting in his own interest or for his own account)?
- Is the Plan Fiduciary acting on both sides of the transaction?
- Is the Plan Fiduciary receiving consideration from a third party?

Is there an exemption available to cover the transaction?
- Yes
  - Is the exemption provided relief for all relevant violations (e.g., 406(a) and 406(b))?
    - Yes
      - Possible PT
    - No
      - No

Are the conditions of the exemption satisfied?
- Yes
  - No PT/Exempt PT (continue analysis in IV-V, above if necessary)
- No
  - No PT/Exempt PT (continue analysis in III, IV and V above, if necessary)