ahead of time in exactly the form desired. There may be as many people authorized by the foundation as desired by the creator.

A potential creditor's second consideration is whether he is likely to get his money back. For this reason he may ask the foundation to execute a mortgage or pledge assets. This can be done either by a resolution of the directors or by some officer authorized by them and is done in exactly the same way as any similar corporation.

In addition, since the foundation may not have a great deal of equity to secure a loan, the lender may ask for additional security or a personal obligation from one of the officers or directors. Once again there is nothing unusual or unique about such an arrangement in normal business practice.

Most experienced business people undoubtedly have enough personal skill to execute and administer small loans. It is recommended, however, that in <u>all</u> cases that involve large amounts of funds, complex transactions, significant purchases of real estate or