

Date: January 9, 2018

To: Larry Crocker and the CEFEX Certification Committee

From: Chris Doll, Executive Vice President, Wabash Capital

Re: Securities and Exchange Commission Audit

In May 2017, Wabash Capital received an audit notice from the Securities and Exchange Commission. Our previous audit was January 2005 and was conducted onsite by two examiners.

The SEC made clear their audit focus is compliance with relative Federal laws and the security of client data. We want to share with the CEFEX certification committee three observations from our interaction with the SEC examiners:

- 1) In our initial interview with the SEC examiners, they asked detailed questions about our CEFEX certification and the audit process. They seemed to have a positive view of our certification.
- 2) Our company was two years past the SEC stated goal of auditing firms an average of every 10 years. Despite this, once we provided all data requested by the SEC, they called to notify us they had decided to perform a minimum scope, off-site audit of our company. This reduced the time and cost of the audit on our firm.
- 3) While the SEC did find areas for improvement and they did request we change some disclosures, overall their findings were relatively minor. (see SEC findings letter and our response as part of submitted documents)

We believe our CEFEX certification was an asset in the SEC audit process. It reduced the time and cost of the audit and prepared our firm for the scrutiny one should expect from the agency. We want to thank you for continuing to provide a rigorous audit process and for your continued outreach to the SEC and other regulatory agencies.