

# EXHIBIT B

Exhibit B (Schedule of Accounts) is not included in this packet because of its length.

It can be found at <http://www.tcnylaw.com> under  
“2016 Guardian ad Litem Training Program”

STATE OF NEW YORK  
SURROGATE'S COURT : COUNTY OF NEW YORK

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:  
Accounting of :  
:  
JANE DOE and A TRUST COMPANY, as EXECUTORS'  
Executors of the Last Will and : FINAL ACCOUNT  
Testament of :  
:  
JOHN DOE, : FILE NO. 0001/83  
:  
deceased. :  
----- x

TO THE SURROGATE'S COURT OF THE COUNTY OF NEW YORK:

The undersigned, JANE DOE and A TRUST COMPANY, do hereby render an account of their proceedings as Executors of the Last Will and Testament of JOHN DOE, deceased, covering the period from the 1st day of January, 1983 through the 28th day of February, 1986 the date of this account.

This is a final account.

The decedent died on the 1st day of January, 1983.

Letters Testamentary and Letters of Trusteeship were issued on the 31st day of January, 1983.

PRINCIPAL

SCHEDULE A, hereto annexed, contains a statement of principal received.

SCHEDULE A-1, hereto annexed, contains a statement of increases on sales, liquidation or distribution.

SCHEDULE B, hereto annexed, contains a statement of decreases due to sales, liquidation, collection, distribution or uncollectibility.

SCHEDULE C, hereto annexed, contains a statement of funeral and administration expenses chargeable to principal.

SCHEDULE C-1, hereto annexed, contains a statement of unpaid administration expenses.

SCHEDULE D, hereto annexed, contains a statement of all creditors' claims.

SCHEDULE E, hereto annexed, contains a statement of distributions of principal.

SCHEDULE F, hereto annexed, contains a statement of new investments, exchanges and stock distributions.

SCHEDULE G, hereto annexed, contains a statement of principal remaining on hand.

INCOME

SCHEDULE A-2, hereto annexed, contains a statement of all income collected.

SCHEDULE C-2, hereto annexed, contains a statement of administration expenses chargeable to income.

SCHEDULE E-1, hereto annexed, contains a statement of distributions of income.

SCHEDULE F-1, hereto annexed, contains a statement of new investments, exchanges and stock distributions made from income.

SCHEDULE G-1, hereto annexed, contains a statement of income remaining on hand.

AS TO GENERAL ESTATE MATTERS

SCHEDULE H, hereto annexed, contains a statement of interested parties.

SCHEDULE I, hereto annexed, contains a statement of Estate taxes paid and allocation thereof.

SCHEDULE J, hereto annexed, contains a computation of commissions.

SCHEDULE K, hereto annexed, contains a statement of other pertinent facts and of cash reconciliation.

SUMMARY

The following is a summary statement of this account.

PRINCIPAL ACCOUNT

CHARGES

Amount shown by Schedule A (principal received)	\$ 1,003,250.00
Amount shown by Schedule A-1 (realized increases on principal)	<u>90,500.00</u>
Total principal charges	\$ 1,093,750.00

CREDITS

Amount shown by Schedule B (realized decreases on principal)	\$ 20,000.00
Amount shown by Schedule C (funeral and administration expenses chargeable to principal)	166,209.59
Amount shown by Schedule D (creditors' claims actually paid)	6,398.52
Amount shown by Schedule E (distributions of principal)	<u>151,000.00</u>
Total principal credits	<u>363,608.11</u>
Principal balance on hand as shown by Schedule G	<u>\$ 730,141.89</u>

INCOME ACCOUNT

CHARGES

Amount shown by Schedule A-2 (income collected)	<u>\$ 216,624.00</u>
Total income charges	\$ 216,624.00

### CREDITS

Amount shown by Schedule C-2 (administration expenses)	\$ 22,126.84
Amount shown by Schedule E-1 (distributions of income)	<u>-0-</u>
Total income credits	<u>\$ 22,126.84</u>
Balance of undistributed income remaining on hand as shown in Schedule G-1	<u>\$ 194,497.16</u>

### COMBINED ACCOUNTS

Principal remaining on hand	\$ 730,141.89
Income remaining on hand	<u>194,497.16</u>
Total	<u>\$ 924,639.05</u>

The foregoing principal balance of \$730,141.89 consists of \$91,985.03 in cash and \$638,156.86, in other property on hand as of the 28th day of February, 1986. It is subject to deduction of estimated principal commissions shown in Schedule J and to the proper charge to principal of the expenses of this accounting.

The foregoing income balance of \$194,497.16 consists entirely of cash on hand as of the 28th day of February, 1986. It is subject to deduction of estimated income commissions shown in Schedule J and to the proper charge to income of the expenses of this accounting.

The attached Schedules are part of this account.

Dated: February 28, 1986

\_\_\_\_\_  
Jane Doe

A TRUST COMPANY

By \_\_\_\_\_  
Vice President

as Executors of the Last  
Will and Testament of  
JOHN DOE, deceased.

SCHEDULE A

STATEMENT OF PRINCIPAL RECEIVED

	<u>INVENTORY VALUE</u>
<u>1983</u>	
Jan. 1 Unimproved lot, of approx- imately .5 acres located at 653 Fifth Avenue, New York, New York, sold on February 10, 1985 for	\$ 150,000.00
3,000 shares American Oil Company, capital stock, \$3. par value at 48.50	145,500.00
dividend of \$1.25 per share payable January 15, 1983 to holders of record on December 15, 1982	3,750.00
1,000 shares Computer Dynamics Corporation, common stock, \$.50 par value at 100.	100,000.00
1,000 shares General Discount Retailing, Inc., common stock, \$.35 par value at 130.	130,000.00
500 shares Mutual Insurance Company, common stock, \$.40 par value at 140.	70,000.00
City Savings Bank Park Avenue New York, New York - cash balance on deposit in decedent's savings account, No. 12345	90,000.00
New York Commercial Bank Wall Street New York, New York - cash balance on deposit in decedent's checking account, No. 4567	70,000.00
Mutual Insurance Company - proceeds received upon life insurance policy, No. LI8347	200,000.00



SCHEDULE A (Continued)

		<u>INVENTORY VALUE</u>
<u>1983</u>		
Jan.	1	
	Tangible personal property located at decedent's residence at 1250 Park Avenue, New York, New York, more fully described in the appraisal of Understated Appraisals, Inc., dated April 15, 1983, having an inventory value of	\$ 40,000.00
	A. Service Co. New York, New York - balance of compensation due on consulting contract	<u>4,000.00</u>
	Total	<u>\$ 1,003,250.00</u>

SCHEDULE A-1

STATEMENT OF INCREASES ON SALES, LIQUIDATION OR DISTRIBUTION

		<u>*NET PROCEEDS</u>	<u>INVENTORY VALUE</u>	<u>INCREASE</u>
<u>SALES</u>				
None		<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Totals-Sales		<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
		<u>MARKET VALUE</u>	<u>INVENTORY VALUE</u>	<u>INCREASE</u>
<u>ASSETS REVALUED TO MARKET FOR DISTRIBUTION</u>				
1986				
Feb.	28			
3,600 shares American Oil Company, capital stock, \$3. par value at 60.		\$ 216,000.00	\$ 145,500.00	\$ 70,500.00
1,000 shares Computer Dynamics Corporation, common stock, \$.50 par value at 120.		<u>120,000.00</u>	<u>100,000.00</u>	<u>20,000.00</u>
Totals-Distributions		<u>\$ 336,000.00</u>	<u>\$ 245,500.00</u>	<u>\$ 90,500.00</u>
		<u>*NET PROCEEDS OR MARKET VALUE</u>	<u>INVENTORY VALUE</u>	<u>INCREASE</u>
<u>SUMMARY</u>				
Totals-Sales		<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Totals-Distributions		<u>\$ 336,000.00</u>	<u>\$ 245,500.00</u>	<u>\$ 90,500.00</u>
Totals-Combined		<u>\$ 336,000.00</u>	<u>\$ 245,500.00</u>	<u>\$ 90,500.00</u>

\*Net proceeds as used in this Schedule refers to the selling price less brokers' commissions and/or taxes where applicable.

SCHEDULE B

STATEMENT OF DECREASES DUE TO SALES, LIQUIDATION,  
COLLECTION, DISTRIBUTION OR UNCOLLECTIBILITY

			<u>*NET PROCEEDS</u>	<u>INVENTORY VALUE</u>	<u>DECREASE</u>
		<u>SALES</u>			
<u>1983</u>					
July	1	\$265,000. United States of America Treasury Bills due July 1, 1983 redeemed at cost	\$ 259,803.92	\$ 259,803.92	-0-
Oct.	1	\$265,000. United States of America Treasury Bills due October 1, 1983 redeemed at cost	259,803.92	259,803.92	-0-
<u>1984</u>					
Jan.	1	\$185,000. United States of America Treasury Bills due January 1, 1984 redeemed at cost	181,372.54	181,372.54	-0-
Apr.	1	\$185,000. United States of America Treasury Bills due April 1, 1984 redeemed at cost	180,929.09	180,929.09	-0-
July	1	\$190,000. United States of America Treasury Bills due July 1, 1984 redeemed at cost	185,819.07	185,819.07	-0-
Oct.	1	\$195,000. United States of America Treasury Bills due October 1, 1984 redeemed at cost	190,709.04	190,709.04	-0-
<u>1985</u>					
Jan.	1	\$195,000. United States of America Treasury Bills due January 1, 1985 redeemed at cost	190,709.04	190,709.04	-0-

SCHEDULE B (Continued)

			<u>*NET PROCEEDS</u>	<u>INVENTORY VALUE</u>	<u>DECREASE</u>
	<u>SALES</u>				
<u>1985</u>					
Apr.	1	\$200,000. United States of America Treasury Bills due April 1, 1985 redeemed at cost	\$ 196,078.23	\$ 196,078.23	-0-
May	10	\$155,000. United States of America Treasury Bills due May 10, 1985 redeemed at cost	151,960.78	151,960.78	-0-
Aug.	10	\$370,000. United States of America Treasury Bills due August 10, 1985 redeemed at cost	362,745.09	362,745.09	-0-
Nov.	10	\$385,000. United States of America Treasury Bills due November 10, 1985 redeemed at cost	377,450.98	377,450.98	-0-
<u>1986</u>					
Feb.	10	\$405,000. United States of America Treasury Bills due February 10, 1986 redeemed at cost	397,058.82	397,058.82	-0-
		Totals-Sales	<u>\$ 2,934,440.72</u>	<u>\$ 2,934,440.72</u>	<u>-0-</u>
			<u>MARKET VALUE</u>	<u>INVENTORY VALUE</u>	<u>DECREASE</u>
		<u>ASSETS REVALUED TO MARKET FOR DISTRIBUTION</u>			
<u>1986</u>					
Feb.	28	1,000 shares General Discount Retailing, Inc., common stock, \$.35 par value at 100.	\$ 100,000.00	\$ 130,000.00	\$ 30,000.00

SCHEDULE B (Continued)

		<u>MARKET VALUE</u>	<u>INVENTORY VALUE</u>	<u>DECREASE</u>
<u>ASSETS REVALUED TO MARKET FOR DISTRIBUTION</u>				
1986				
28	500 shares Mutual Insurance Company, common stock, \$.40 par value at 120.	\$ 60,000.00	\$ 70,000.00	\$ 10,000.00
	Totals -			
	Distributions	\$ 160,000.00	\$ 200,000.00	\$ 40,000.00
		<u>*NET PROCEEDS OR MARKET VALUE</u>	<u>INVENTORY VALUE</u>	<u>DECREASE</u>
<u>SUMMARY</u>				
	Totals-Sales	\$ 2,934,440.72	\$ 2,934,440.72	-0-
	Totals-Distributions	160,000.00	200,000.00	\$ 40,000.00
	Totals-Combined	\$ 3,094,440.72	\$ 3,134,440.72	\$ 40,000.00

SCHEDULE C

STATEMENT OF FUNERAL AND ADMINISTRATION  
EXPENSES CHARGEABLE TO PRINCIPAL

FUNERAL EXPENSES

<u>1985</u>			
Mar.	1	Local Funeral Home, Inc. - funeral services for the decedent	\$ 4,500.00 \$ 4,500.00

ADMINISTRATION EXPENSES

<u>1983</u>			
Apr.	15	A Realty Company - fee for appraisal of decedent's real property	500.00
		Understated Appraisals, Inc. - fee for appraisal of decedent's tangible personal property	750.00
May	1	A Trust Company - reimbursement for travel expenses incurred in connection with the administration of decedent's estate	46.94
		Jane Doe - reimbursement for expenses incurred in connection with the administration of decedent's estate	87.14
June	15	Internal Revenue Service - payment in full of Federal fiduciary income tax for the year ended February 28, 1983 chargeable to principal	477.01

SCHEDULE C (Continued)

1983

June	15	New York State Income Tax Bureau		
		- payment in full of combined New York State and City fiduciary income tax for the year ended February 28, 1983, chargeable to principal		\$ 155.67
July	1	New York State Tax Commission		
		- payment on account of New York estate taxes	\$ 24,500.00	
		Less: refund received on December 1, 1985		
			<u>473.05</u>	24,026.95
Aug.	1	Jane Doe		
		- reimbursement for travel expenses incurred in connection with the administration of decedent's estate		69.06
Oct.	1	Internal Revenue Service		
		- payment in full of Federal estate tax as shown on the return as filed		91,398.22
Dec.	15	A Trust Company		
		- payment on account for principal receiving commissions, as allowed pursuant to Order of the Surrogate's Court, dated December 10, 1983		5,000.00
		Smith & Jones		
		- payment on account for professional services rendered in connection with the administration of decedent's estate	\$ 8,500.00	
		- disbursements	<u>1,136.50</u>	9,636.50

1984

Jan.	15	Jane Doe		
		- reimbursement for expenses incurred in connection with the administration of decedent's estate		87.14

SCHEDULE C (Continued)

<u>1984</u>				
Dec.	15	A Trust Company		
		- payment on account for principal receiving commissions, as allowed pursuant to Order of the Surrogate's Court, dated December 12, 1984	\$ 5,000.00	
		Smith & Jones		
		- payment on account for professional services rendered in connection with the administration of decedent's estate	\$ 10,000.00	
		- disbursements	<u>230.73</u>	10,230.73
<u>1985</u>				
Jan.	15	Jane Doe		
		- reimbursement for expenses incurred in connection with the administration of decedent's estate		156.86
<u>1986</u>				
Feb.	28	Jane Doe		
		- reimbursement for expenses incurred in connection with the administration of decedent's estate		127.74
		Smith & Jones		
		- payment of balance due for professional services rendered in the administration of the decedent's estate	\$ 12,000.00	
		- disbursements	<u>672.38</u>	12,672.38
		ADMINISTRATION EXPENSES INCURRED IN CONNECTION WITH DECEDENT'S REAL PROPERTY		
<u>1985</u>				
Feb.	10	Smith & Jones		
		- for professional services rendered in connection with the sale of decedent's real property	\$ 1,200.00	
		- disbursements	<u>87.35</u>	1,287.35
		Total		<u>\$ 166,209.59</u>



SCHEDULE C-1

STATEMENT OF UNPAID ADMINISTRATION EXPENSES

N O N E

SCHEDULE D

STATEMENT OF ALL CREDITORS'S CLAIMS

1. CLAIMS PRESENTED, ALLOWED  
PAID AND CREDITED AND  
APPEARING IN THE SUMMARY  
STATEMENT

1983 Feb. 15	American Credit Card Co. - statement dated January 10, 1983	\$ 1,151.66
	Bloomingdane's - statement dated January 4, 1983	730.00
	Con Edsel - statement dated January 6, 1983	150.86
	New York Telephonic Company - statement dated January 8, 1983	167.80
Apr. 15	Internal Revenue Service - balance due on decedent's 1982 Federal income tax	2,645.74
	New York State Income Tax Bureau - balance due on decedent's 1982 New York State income tax	<u>1,552.46</u>
	Total	<u>\$ 6,398.52</u>

2. CLAIMS PRESENTED AND  
ALLOWED BUT NOT PAID

N O N E

3. CLAIMS PRESENTED BUT  
REJECTED, THE DATE OF  
AND THE REASON FOR  
SUCH REJECTION

N O N E

SCHEDULE D (Continued)

4. CONTINGENT POSSIBLE CLAIMS

N O N E

5. PERSONAL CLAIMS REQUIRING  
APPROVAL BY THE COURT  
PURSUANT TO S.C.P.A. 1805

N O N E

SCHEDULE E

STATEMENT OF DISTRIBUTIONS OF PRINCIPAL

DISTRIBUTION MADE PURSUANT  
TO ARTICLE SECOND OF THE  
DECEDENT'S WILL

Jane Doe

<u>1983</u>			
July	1	Tangible personal property located at 1250 Park Avenue, New York, New York, having an inventory value of	\$ 40,000.00

DISTRIBUTIONS MADE PURSUANT  
TO ARTICLE THIRD IA OF THE  
DECEDENT'S WILL TO JANE DOE  
AND A TRUST COMPANY, AS  
TRUSTEES OF THE TRUST FOR  
THE BENEFIT OF JANE DOE AND  
REMAINDERMEN

<u>1984</u>			
Feb.	15	Cash	\$ 13,000.00
<u>1985</u>			
Feb.	15		12,000.00
<u>1986</u>			
Feb.	15		<u>30,500.00</u>
			55,500.00

DISTRIBUTIONS MADE PURSUANT  
TO ARTICLE THIRD IB OF THE  
DECEDENT'S WILL TO JANE DOE  
AND A TRUST COMPANY, AS  
TRUSTEES OF THE TRUST FOR  
THE BENEFIT OF JOHN DOE, JR.  
AND REMAINDERMEN

<u>1984</u>			
Feb.	15	Cash	\$ 13,000.00
<u>1985</u>			
Feb.	15		12,000.00
<u>1986</u>			
Feb.	15		<u>30,500.00</u>
			55,500.00
		Total	<u>\$ 151,000.00</u>

SCHEDULE F

STATEMENT OF NEW INVESTMENTS, EXCHANGES  
AND STOCK DISTRIBUTIONS

NEW INVESTMENTS

<u>1983</u>			
Apr.	1	\$265,000. United States of America Treasury Bills due July 1, 1983 at 98.039	\$ 259,803.92
July	1	\$265,000. United States of America Treasury Bills due October 1, 1983 at 98.039	259,803.92
Oct.	1	\$185,000. United States of America Treasury Bills due January 1, 1984 at 98.039	181,372.54
<u>1984</u>			
Jan.	1	\$185,000. United States of America Treasury Bills due April 1, 1984 at 97.799	180,929.09
Apr.	1	\$190,000. United States of America Treasury Bills due July 1, 1984 at 97.799	185,819.07
July	1	\$195,000. United States of America Treasury Bills due October 1, 1984 at 97.799	190,709.04
Oct.	1	\$195,000. United States of America Treasury Bills due January 1, 1985 at 97.799	190,709.04
<u>1985</u>			
Jan.	1	\$200,000. United States of America Treasury Bills due April 1, 1985 at 98.039	196,078.43
Feb.	10	\$155,000. United States of America Treasury Bills due May 10, 1985 at 98.039	151,960.78
May	10	\$370,000. United States of America Treasury Bills due August 10, 1985 at 98.039	362,745.09
Aug.	10	\$385,000. United States of America Treasury Bills due November 10, 1985 at 98.309	377,450.98

SCHEDULE F (Continued)

<u>1985</u>			
Nov.	10	\$405,000. United States of America Treasury Bills due February 10, 1986 at 98.309	\$ 397,058.82
<u>1986</u>			
Feb.	10	\$145,000. United States of America Treasury Bills due May 10, 1986 at 98.039	<u>142,156.86</u>
			<u>\$ 3,076,597.58</u>
		Total	

INVENTORY  
VALUE

EXCHANGES AND STOCK  
DISTRIBUTIONS

American Oil Company,  
capital stock, \$3. par  
value

<u>1983</u>			
Jan.	1	3,000 shares received as shown in Schedule A	\$ 145,500.00
<u>1985</u>			
Jan.	15	600 shares received as a 20% stock dividend payable to holders of record on December 15, 1984	
		<u>3,600 shares balance</u>	<u>\$ 145,500.00</u>
<u>1986</u>			
Feb.	28	increase upon revaluation to market as shown in Schedule A-1	<u>70,500.00</u>
		<u>3,600 shares balance</u>	<u>\$ 216,000.00</u>
		<u>3,600 shares on hand as shown in Schedule G</u>	<u>216,000.00</u>

Computer Dynamics Corpo-  
ration, common stock,  
\$.50 par value

<u>1983</u>			
Jan.	1	1,000 shares received as shown in Schedule A	\$ 100,000.00
<u>1986</u>			
Feb.	28	increase upon revaluation to market as shown in Schedule A-1	<u>20,000.00</u>
		<u>1,000 shares balance</u>	<u>\$ 120,000.00</u>
		<u>1,000 shares on hand as shown in Schedule G</u>	<u>120,000.00</u>

SCHEDULE F (Continued)

INVENTORY  
VALUE

General Discount Retailing,  
Inc., common stock, \$.35  
par value

<u>1983</u>			
Jan.	1	1,000 shares received as shown in Schedule A	\$ 130,000.00
<u>1986</u>			
Feb.	28	decrease upon revaluation to market as shown in Schedule B	<u>30,000.00</u>
		<u>1,000 shares</u> balance	\$ <u>100,000.00</u>
		<u>1,000 shares</u> on hand as shown in Schedule G	<u>100,000.00</u>

Mutual Insurance Company,  
common stock, \$.40 par  
value

<u>1983</u>			
Jan.	1	500 shares received as shown in Schedule A	\$ 70,000.00
<u>1986</u>			
Feb.	28	decrease upon revaluation to market as shown in Schedule B	<u>10,000.00</u>
		<u>500 shares</u> balance	\$ <u>60,000.00</u>
		<u>500 shares</u> on hand as shown in Schedule G	<u>60,000.00</u>

SCHEDULE G

STATEMENT OF PRINCIPAL REMAINING ON HAND

	<u>MARKET VALUE</u>
1986 Feb. 28 3,600 shares American Oil Company, capital stock, \$3. par value at 60.	\$ 216,000.00
1,000 shares Computer Dynamics Corporation, common stock, \$.50 par value at 120.	120,000.00
1,000 shares General Discount Retailing, Inc., common stock, \$.35 par value at 100.	100,000.00
500 shares Mutual Insurance Company, common stock, \$.40 par value at 120.	60,000.00
\$145,000. United States of America Treasury Bills due May 10, 1986 at 98.0392	142,156.86 <u>\$ 638,156.86</u>
A Trust Company - cash balance on deposit in money market savings account, No. 578	87,580.77
A Trust Company - cash balance on deposit in checking account, No. 577	4,404.26 <u>4,404.26</u>
Total	<u>\$ 730,141.89</u>



SCHEDULE A-2

STATEMENT OF ALL INCOME COLLECTED

American Oil Company,  
capital stock, \$3. par  
value

<u>1983</u>			
Apr. 15	Dividend on 3,000 shares	\$ 3,750.00	
July 15		3,750.00	
Oct. 15		3,750.00	
<u>1984</u>			
Jan. 15		3,750.00	
Apr. 15		3,750.00	
July 15		3,750.00	
Oct. 15		3,750.00	
<u>1985</u>			
Jan. 15	Dividend on 3,600 shares	4,500.00	
Apr. 15		4,500.00	
July 15		4,500.00	
Oct. 15		4,500.00	
<u>1986</u>			
Jan. 15		<u>4,500.00</u>	\$ 48,750.00

Computer Dynamics Corporation,  
common stock, \$.50 par value

<u>1983</u>			
Feb. 1	Dividend on 1,000 shares	\$ 3,000.00	
May 1		3,000.00	
Aug. 1		3,000.00	
Nov. 1		3,000.00	
<u>1984</u>			
Feb. 1		3,000.00	
May 1		3,000.00	
Aug. 1		3,000.00	
Nov. 1		3,000.00	
<u>1985</u>			
Feb. 1		3,000.00	
May 1		3,000.00	
Aug. 1		3,000.00	
Nov. 1		3,000.00	
<u>1986</u>			
Feb. 1		<u>3,000.00</u>	39,000.00

SCHEDULE A-2 (Continued)

General Discount Retailing,  
Inc., common stock, \$.35  
par value

<u>1983</u>			
Feb.	1	Dividend on 1,000 shares	\$ 2,000.00
May	1		2,000.00
Aug.	1		2,000.00
Nov.	1		2,000.00
<u>1984</u>			
Feb.	1		2,000.00
May	1		2,000.00
Aug.	1		2,000.00
Nov.	1		2,000.00
<u>1985</u>			
Feb.	1		2,000.00
May	1		2,000.00
Aug.	1		2,000.00
Nov.	1		2,000.00
<u>1986</u>			
Feb.	1		<u>2,000.00</u> \$ 26,000.00

Mutual Insurance Company,  
common stock, \$.40 par  
value

<u>1983</u>			
Feb.	1	Dividend on 500 shares	\$ 1,500.00
May	1		1,500.00
Aug.	1		1,500.00
Nov.	1		1,500.00
<u>1984</u>			
Feb.	1		1,500.00
May	1		1,500.00
Aug.	1		1,500.00
Nov.	1		1,500.00
<u>1985</u>			
Feb.	1		1,500.00
May	1		1,500.00
Aug.	1		1,500.00
Nov.	1		1,500.00
<u>1986</u>			
Feb.	1		<u>1,500.00</u> 19,500.00

City Savings Bank, savings  
account, No. 12345

<u>1983</u>			
Mar.	31	Interest on balance	1,350.00

SCHEDULE A-2 (Continued)

A Trust Company, savings  
account, No. 758

<u>1983</u>			
Mar. 31	Interest on balance	\$ 1,865.50	
June 30		683.33	
Sept. 30		1,850.63	
Dec. 31		1,871.49	
<u>1984</u>			
Mar. 31		1,322.43	
June 30		1,755.31	
Sept. 30		2,002.69	
Dec. 31		2,110.08	
<u>1985</u>			
Mar. 31		1,496.72	
June 30		3,280.00	
Sept. 30		1,592.79	
Dec. 31		<u>1,612.46</u>	\$ 21,443.43

Increment on the sale or  
redemption of United States  
of America Treasury Bills  
due at various maturities

<u>1983</u>			
July 1	\$265,000. redeemed due July 1, 1983	\$ 5,196.08	
Oct. 1	\$265,000. redeemed due October 1, 1983	5,196.08	
<u>1984</u>			
Jan. 1	\$185,000. redeemed due January 1, 1984	3,627.46	
Apr. 1	\$185,000. redeemed due April 1, 1984	4,070.91	
July 1	\$190,000. redeemed due July 1, 1984	4,180.93	
Oct. 1	\$195,000. redeemed due October 1, 1984	4,290.96	
<u>1985</u>			
Jan. 1	\$195,000. redeemed due January 1, 1985	4,290.96	
Apr. 1	\$200,000. redeemed due April 1, 1985	3,921.57	

SCHEDULE A-2 (Continued)

<u>1985</u>			
May	10	\$155,000. redeemed due May 10, 1985	\$ 3,039.22
Aug.	10	\$370,000. redeemed due August 10, 1985	7,254.91
Nov.	10	\$385,000. redeemed due November 10, 1985	7,549.02
<u>1986</u>			
Feb.	10	\$405,000. redeemed due February 10, 1986	<u>7,941.18</u> \$ 60,559.28

New York State Tax  
Commission

<u>1985</u>			
Dec.	1	Interest on Estate tax refund of \$473.05 as shown in Schedule C	<u>21.29</u>
		Total	<u>\$ 216,624.00</u>

SCHEDULE C-2

STATEMENT OF ADMINISTRATION  
EXPENSES CHARGEABLE TO INCOME

INCOME TAXES

<u>1983</u>			
Feb. 28	Internal Revenue Service		
	- payment in full of Federal fiduciary income tax for the year ended February 28, 1983, chargeable to income	\$	990.18
	New York State Income Tax Bureau		
	- payment in full of combined New York State and City fiduciary income tax for the year ended February 28, 1983, chargeable to income		269.83
<u>1984</u>			
June 15	Internal Revenue Service		
	- payment in full of Federal fiduciary income tax for the year ended February 29, 1984 as shown on the return as filed		3,767.57
	New York State Income Tax Bureau		
	- payment in full of combined New York State and City fiduciary income tax for the year ended February 29, 1984 as shown on the return as filed		155.07
<u>1985</u>			
June 15	Internal Revenue Service		
	- payment in full of Federal fiduciary income tax for the year ended February 28, 1985 as shown on the return as filed		3,666.12
	New York State Income Tax Bureau		
	- payment in full of combined New York State and City fiduciary income tax for the year ended February 28, 1985 as shown on the return as filed		16.49
		\$	8,865.26

SCHEDULE C-2 (Continued)

ADMINISTRATION EXPENSES  
INCURRED IN CONNECTION  
WITH DECEDENT'S REAL  
PROPERTY

<u>1983</u>	
Apr.	1 City Collector, City of New York - first half, 1983 New York City real estate taxes \$ 3,000.00
May	1 United States Insurers - liability insurance for the period from January 1 to June 30, 1983, policy No. 1234567 186.94
Oct.	1 City Collector, City of New York - 1983 water bill 46.84
Oct.	1 City Collector, City of New York - second half, 1983 New York City real estate taxes 3,000.00
Nov.	1 United States Insurers - liability insurance for the period from July 1 to December 31, 1983, policy No. 1234567 186.94
<u>1984</u>	
Apr.	1 City Collector, City of New York - first half, 1984 New York City real estate taxes 3,200.00
May	1 United States Insurers - liability insurance for the period from January 1 to June 30, 1984, policy No. 1234567 190.70
June	15 City Collector, City of New York - 1984 water bill 59.46

SCHEDULE C-2 (Continued)

<u>1984</u>			
Oct.	1	City Collector, City of New York - second half, 1984 New York City real estate taxes	\$ 3,200.00
Nov.	1	United States Insurers - liability insurance for the period from July 1 to December 31, 1984, policy No. 1234567	<u>190.70</u> <u>\$ 13,261.58</u>
		Total	<u>\$ 22,126.84</u>

SCHEDULE E-1

STATEMENT OF DISTRIBUTIONS OF INCOME

N O N E



SCHEDULE F-1

STATEMENT OF NEW INVESTMENTS, EXCHANGES AND  
STOCK DISTRIBUTIONS MADE FROM INCOME

N O N E

SCHEDULE G-1

STATEMENT OF INCOME REMAINING ON HAND

		<u>MARKET VALUE</u>
<u>1986</u>		
Feb. 28	A Trust Company	
	- cash balance on deposit	
	in money market savings	
	account, No. 578	<u>\$ 194,497.16</u>
	Total	<u>\$ 194,497.16</u>

SCHEDULE H

STATEMENT OF INTERESTED PARTIES

<u>NAME AND POST OFFICE ADDRESS</u>	<u>RELATIONSHIP</u>	<u>NATURE OF INTEREST</u>
A Trust Company (Petitioner) One Erehwon Place New York, New York 10015	None	Executor and Trustee
Jane Doe 1250 Park Avenue New York, New York 10022	Wife	Executor and Trustee; legatee of tangible personal property under Article SECOND (Approx- imate value \$40,000.00); life income beneficiary of trust created under Article THIRD IA of Will (Approximate value \$495,710.73).
John Doe, Jr. 31 Chamberg Street New York, New York 10007	Son	Life income beneficiary of trust created under Article THIRD IB of Will (Approximate value \$229,418.60).

## SCHEDULE I

### STATEMENT OF ESTATE TAXES PAID AND ALLOCATION THEREOF

#### FEDERAL ESTATE TAX

The Federal Estate tax return for the decedent's Estate was timely filed by the Executors showing a tax due of \$91,398.22, which was paid in full as shown in Schedule C. After audit, the return was accepted as filed and a closing letter received on May 1, 1985.

#### NEW YORK STATE ESTATE TAX

The New York State estate tax on the decedent's Estate in the amount of \$24,026.95 was fixed and assessed by Order of the Surrogate's Court of New York County dated August 1, 1985. A payment on account of such tax was made on July 1, 1983, within six months of the decedent's death, in the amount of \$24,500.00 as shown in Schedule C hereof. On December 1, 1985, a refund of said tax in the amount of \$473.05, with interest of \$21.29, was received by the Executors, as shown in Schedules C and A-2 respectively.

#### ALLOCATION OF TAXES

Article SEVENTH of the decedent's Will, directs that all estate, transfer, inheritance, and other death taxes, including any interest and penalties thereon, imposed upon the value of any property owned by him at the time of his death and passing under his Will be paid out of that part

SCHEDULE I (Continued)

of his residuary estate disposed of under Article THIRD I(b). All of the decedent's property owned by him at his death, with the exception of jointly owned real estate, passed under the terms of his Will. Accordingly, in the absence of a contrary direction in the decedent's Will, the estate taxes paid by the Executors and attributable to such jointly-owned property must be allocated in conformity with EPTL 2-1.8.

The following is a computation of the Federal and New York State estate taxes allocated against the testamentary and non-testamentary assets of the decedent's estate:

FEDERAL ESTATE TAX  
(As determined on Audit)

(1) DETERMINATION OF  
ESTATE FOR TAX

<u>ASSETS</u>	<u>TOTAL</u>	<u>TESTAMENTARY</u> <u>PROPERTY</u>	<u>NON-</u> <u>TESTAMENTARY</u> <u>PROPERTY</u>
Schedule A			
- real property	\$ 150,000.00	\$ 150,000.00	
Schedule B			
- stocks and bonds	449,250.00	449,250.00	
Schedule C			
- mortgages, notes and cash	160,000.00	160,000.00	
Schedule D			
- insurance	200,000.00	200,000.00	
Schedule E			
- jointly-owned property	160,000.00		\$ 160,000.00
Schedule F			
- other miscellaneous property	44,000.00	44,000.00	
Total Gross Estate	<u>\$ 1,163,250.00</u>	<u>\$ 1,003,250.00</u>	<u>\$ 160,000.00</u>

SCHEDULE I (Continued)

<u>DEDUCTIONS:</u>	<u>TOTAL</u>	<u>TESTAMENTARY PROPERTY</u>	<u>NON- TESTAMENTARY PROPERTY</u>
Schedule J			
- funeral and admin- istration expenses	\$ 5,953.14	\$ 5,953.14	
Schedule K			
- debts of decedent	6,398.52	6,398.52	
Schedule M			
- marital deduction	<u>575,449.17</u>	<u>575,49.17</u>	
Total Deductions	<u>\$ 587,800.83</u>	<u>\$ 587,800.83</u>	
Taxable Estate	<u>\$ 575,449.17</u>	<u>\$ 415,449.17</u>	<u>\$ 160,000.00</u>

(2) FEDERAL ESTATE TAX

Tax paid with return		\$ 91,398.22
Additional tax assess- ed on audit	-0-	
Interest paid	-0-	
Additional tax and interest		<u>-0-</u>
Total Tax Paid		<u>\$ 91,398.22</u>

(3) COMPUTATION OF  
INTEREST FOR TAX:

Testamentary property shown above	\$ 415,449.17
Non-Testamentary pro- perty shown above	<u>160,000.00</u>
Taxable Estate	<u>\$ 575,449.17</u>

SCHEDULE I (Continued)

(4) PROPORTION OF TAX  
TO TAXABLE ESTATE:

(Tax of \$91,398.22 ÷  
taxable estate of  
\$575,449.17)

$$\frac{\$ 91,398.22}{\$575,449.17} =$$

.1588293

(5) APPORTIONMENT  
OF TAX:

Testamentary Property:

$$\$415,449.17 \times .1588293 =$$

\$ 65,985.52

Non-Testamentary  
Property:

$$\$160,000.00 \times .1588293 =$$

25,412.70

Total Federal  
Estate Tax

\$ 91,398.22

NEW YORK ESTATE TAX

(1) DETERMINATION OF  
ESTATE FOR TAX:

	<u>TOTAL</u>	<u>TESTAMENTARY PROPERTY</u>	<u>NON- TESTAMENTARY PROPERTY</u>
<u>ASSETS:</u>			
Schedule A - real property	\$ 150,000.00	\$ 150,000.00	
Schedule B - stocks and bonds	449,250.00	449,250.00	
Schedule C - mortgages, notes and cash	160,000.00	160,000.00	
Schedule D - insurance	200,000.00	200,000.00	

SCHEDULE I (Continued)

	<u>TOTAL</u>	<u>TESTAMENTARY PROPERTY</u>	<u>NON- TESTAMENTARY PROPERTY</u>
<u>ASSETS: (Continued)</u>			
Schedule E			
- jointly-owned property	\$ 160,000.00		\$ 160,000.00
Schedule F			
- other miscellaneous property	44,000.00	\$ 44,000.00	
Total Gross Estate	<u>\$ 1,163,250.00</u>	<u>\$ 1,003,250.00</u>	<u>\$ 160,000.00</u>

DEDUCTIONS:

Schedule J			
- funeral and administration expenses	\$ 5,953.14	\$ 5,953.14	
Schedule K			
- debts of decedent	6,398.52	6,398.52	
Schedule M			
- marital deduction	575,449.17	575,449.17	
Total Deductions	<u>\$ 587,800.83</u>	<u>\$ 587,800.83</u>	<u>\$ -0-</u>
Net Estate For Tax	<u>\$ 575,449.17</u>	<u>\$ 415,449.17</u>	<u>\$ 160,000.00</u>

(2) NEW YORK ESTATE TAX

Gross Estate Tax	\$ 24,526.95
Less: general credit	500.00
Tax assessed and paid	\$ 24,026.95
Interest assessed and paid	-0-
Total Tax and Interest Assessed and Paid	<u>\$ 24,026.95</u>



SCHEDULE I (Continued)

(3) COMPUTATION OF  
INTEREST FOR TAX:

Testamentary property shown above	\$ 415,449.17
Non-Testamentary pro- perty shown above	<u>160,000.00</u>
Net Estate For Tax	<u>\$ 575,449.17</u>

(4) PROPORTION OF TAX  
TO NET ESTATE:

(Gross tax of \$24,026.95  
÷ by net estate of  
\$575,449.17)

$\frac{\$ 24,026.95}{\$ 575,449.17} =$

.0417534

(5) APPORTIONMENT OF TAX:

Testamentary Property:

$\$ 415,449.17 \times .0417534 =$

\$ 17,346.41

Non-Testamentary  
Property:

$\$ 160,000.00 \times .0417534 =$

6,680.54

Total New York  
Estate Tax

\$ 24,026.95

SCHEDULE I (Continued)

RECAPITULATION

The estate taxes  
on the decedent's  
estate are apportioned as follows

	<u>FEDERAL ESTATE TAX</u>	<u>NEW YORK ESTATE TAX</u>	<u>TOTAL</u>
To Residuary Estate Article FOURTH (II)	\$ 65,985.52	\$ 17,346.41	\$ 83,331.93
to John Doe, Jr.	<u>25,412.70</u>	<u>6,680.54</u>	<u>32,093.24</u>
Totals	<u>\$ 91,398.22</u>	<u>\$ 24,026.95</u>	<u>\$ 115,425.17</u>

Accountant proposes collecting the taxes attributable to John Doe, Jr. by charging such amount against the income payable to John Doe, Jr. and crediting such amount to the Residuary Trust.

SCHEDULE J

COMPUTATION OF COMMISSIONS

FOR RECEIVING

Principal received as shown in Schedule A		\$ 1,003,250.00
Less: specific bequest shown in Schedule E		<u>40,000.00</u>
		\$ 963,250.00
Increases on principal as shown in Schedule A-1		<u>90,500.00</u>
Principal for receiving		\$ 1,053,250.00
Income received as shown in Schedule A-2	\$ 216,624.00	
Income for receiving		<u>216,624.00</u>
Total principal and income for receiving		<u>\$ 1,270,374.00</u>

FOR PAYING

Funeral and administration expenses paid as shown in Schedule C		\$ 166,209.59
Creditors' claims paid as shown in Schedule D		6,398.52
Distribution of principal as shown in Schedule E	\$ 151,000.00	
Less: specific bequest	<u>40,000.00</u>	111,000.00
Principal on hand as shown in Schedule G		<u>730,141.89</u>
Principal for paying		\$ 1,013,750.00
Administration expenses paid from income as shown in Schedule C-2	\$ 22,126.84	

SCHEDULE J (Continued)

Income on hand as shown  
in Schedule G-1

\$ 194,497.16

Income for paying

\$ 216,624.00

Total principal and  
income for paying

\$ 1,230,374.00

COMPUTATION

FOR RECEIVING

2.50% on the first \$	100,000.00	= \$	2,500.00
2.00% on the next	200,000.00	=	4,000.00
1.50% on the next	700,000.00	=	10,500.00
1.25% on the next	<u>270,374.00</u>	=	<u>3,379.68</u>

Receiving  
commission on

\$ 1,270,374.00

\$ 20,379.68

FOR PAYING

2.50% on the first \$	100,000.00	= \$	2,500.00
2.00% on the next	200,000.00	=	4,000.00
1.50% on the next	700,000.00	=	10,500.00
1.25% on the next	<u>230,374.00</u>	=	<u>2,879.68</u>

Paying Commission  
on

\$ 1,230,374.00

19,879.68

Total receiving  
and paying  
commission due  
A Trust Company  
on this accounting

\$ 40,259.36

ALLOCATION OF RECEIVING  
AND PAYING COMMISSION

TO PRINCIPAL

For Receiving

<u>\$1,053,750.00</u>			
<u>\$1,270,374.00</u>	x	\$20,379.68	\$ 16,904.54

For Paying

Commission allocable to principal	\$ 33,284.13
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Total principal commissions	\$ 23,284.13
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For Receiving

For Paying

Commission allocable to income	6,975.23
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By an instrument, signed April 15, 1983, Jane Doe, for herself, her heirs, legal representatives and assigns waived, renounced and relinquished any and all rights to any and all commissions or other compensation which may have been payable to her, both as to principal and income, as an Executrix of the Last Will and Testament of the decedent.

SCHEDULE K

STATEMENT OF OTHER PERTINENT FACTS  
AND OF CASH RECONCILIATION

JOINTLY OWNED PROPERTY

At his death, the decedent was a joint tenant with his son, John Doe, Jr., of savings account No. 983 of the City Savings Bank. The balance in said account on the date of decedent's death was \$160,000. The proceeds were paid to John Doe, Jr., as the surviving joint tenant.

INCOME TAXES

Accountants filed the required final Federal and New York City & State income tax returns for the decedent for the period from January 1, 1982 to December 31, 1982.

Accountants have filed fiduciary income tax returns for the decedent's estate for the fiscal years ended February 28, 1983, 1984 and 1985 and have paid the taxes shown to be due on such returns.

UNDERPRODUCTIVE PROPERTY  
ADJUSTMENT PURSUANT TO  
EPTL 11-2.1(k)

On February 10, 1985, the decedent's unimproved lot located at 653 Fifth Avenue, New York, New York, was sold. The proceeds of sale were collected as shown in Schedule A.

No income was collected on the interest in real property since the inception of the estate administration on January 1, 1983. Accordingly, in the absence of a contrary direction in decedent's Will, EPTL 11-2.1(k) requires the

SCHEDULE K (Continued)

allocation of the net proceeds of sale between the principal and income accounts.

The computation of such allocation from January 1, 1983, the date of the decedent's death, through February 10, 1985, the date of the sale of the property, follows:

(1) EXPENSES INCURRED FOR MAINTENANCE OF PROPERTY:

From income as shown in Schedule C-2	\$ 13,261.58
From principal as shown in Schedule C	<u>1,287.35</u>
Total expenses paid	<u>\$ 14,548.93</u>

(2) NET PROCEEDS OF SALE

Sales Price	\$ 150,000.00
Less: expenses of sale	<u>-0-</u>
Gross proceeds of sale	\$ 150,000.00
Less: income and principal expended as set forth above	<u>14,548.93</u>
Net proceeds of sale for computational purposes	<u>\$ 135,451.07</u>

(3) DELAYED INCOME

Amount which, if invested at simple interest at 5% per annum, would have produced net proceeds of sale of \$135,451.07. 5% per annum = .0001369863 per day

1983	.050000
1984	.050000
1985 January 1 to February 10 41 days at .0001369863	<u>.005616</u>
Total interest	<u>.105616</u>

SCHEDULE K (Continued)

$\$135,451.07 = x \text{ plus } .105616x$   
 $\$135,451.07 = 1.105616x$   
 $x = \$135,451.07 / 1.105616$   
 $x = \$122,511.86$

To Prove:

<u>1983</u>	$\$122,511.86 \times .05 =$	\$	6,125.59
<u>1984</u>	$\$122,511.86 \times .05 =$		6,125.59
<u>1985</u>	$\$122,511.86 \times .005616 =$		<u>688.03</u>
Interest		\$	12,939.21
Assumed investment			<u>122,511.86</u>
Net proceeds		\$	<u><u>135,457.07</u></u>

(4) CALCULATION OF AMOUNT TO BE  
TRANSFERRED FROM PRINCIPAL  
ACCOUNT TO INCOME ACCOUNT

Statutory interest		\$	12,939.21
Expenses paid from income as shown in Schedule C-2			<u>13,261.58</u>
		\$	<u>26,200.79</u>
Less: Income collected from the parcel	\$	-0-	
Value of beneficial use to beneficiary		<u>-0-</u>	<u>-0-</u>
Total adjustment pursuant to EPTL 11-2.1(k)		\$	<u><u>26,200.79</u></u>

ADJUSTMENT PURSUANT  
TO EPTL 11-1.2(A)  
(Warms Adjustment)

In accordance with the post-mortem tax plan adopted by  
the Executors, administration expenses were used in part as ded-  
uctions on the Federal and New York estate tax returns and in



SCHEDULE K (Continued)

part as deductions on the fiduciary income tax returns. Accordingly in the absence of a contrary direction in decedent's Will, an adjustment pursuant to EPTL 11-1.2(A) must be made to reimburse principal for the increase in estate taxes attributable to the use of administration expenses chargeable to principal as income tax deductions.

The following is a computation of the total amount of the adjustment to be made from the income to principal. The proportion in which the residuary legatees shall share in such adjustment is shown in the calculation of residuary interests.

(1) DETERMINATION OF AMOUNT  
OF EXPENSES CHARGEABLE  
TO PRINCIPAL USED OR TO  
BE USED AS INCOME TAX  
DEDUCTIONS

Amounts as shown in Schedules C and C-1		\$	166,209.59
Less: Federal estate tax	\$	91,398.22	
New York estate tax		24,026.95	
Funeral expenses		4,500.00	
Income taxes		632.68	
Expenses deducted on Federal estate tax return		1,453.14	
Income in respect of a decedent for year ending February 29, 1984	<u>4,000.00</u>		<u>126,010.99</u>
		\$	40,198.60
Add: Commission on principal as shown in Schedule J			<u>23,284.13</u>
		\$	<u>63,482.73</u>
Total			

SCHEDULE K (Continued)

(2) INCREASE IN FEDERAL  
ESTATE TAX

Taxable estate as finally  
determined

\$ 575,449.17

Less: administration expenses  
not claimed as estate  
tax deductions

63,482.73  
\$ 511,966.44

Add: reduction in marital  
deduction by reason  
of increase in adjust-  
ed gross estate

31,741.36

Taxable estate if above  
administration expenses  
had been claimed as estate  
tax deductions

\$ 543,707.80

Federal estate tax thereon  
Federal estate tax paid  
Increase

\$ 80,923.58  
91,398.22

\$ 10,474.64

(3) INCREASE IN NEW  
YORK ESTATE TAX

Taxable Estate as  
finally fixed

\$ 575,449.17

Less: administration expenses  
not claimed as estate  
tax deductions

63,482.73  
\$ 511,966.44

Add: reduction in marital  
deduction allowable

31,741.36

Taxable estate if above  
administration had been  
claimed as estate tax  
deductions

\$ 543,707.80

New York estate tax thereon  
New York estate tax paid

\$ 22,122.47  
24,026.95 \$ 1,904.48

SCHEDULE K (Continued)

RECAPITULATION

The total adjustment  
to be made from income  
to principal pursuant  
to EPTL 11-1.2(A):

Increase in Federal estate tax \$ 10,474.64

Increase in New York estate tax 1,904.48

\$ 12,379.12

Total

COMPUTATION OF RESIDUARY  
FRACTIONS PURSUANT TO  
ARTICLE THIRD

Numerator of the Fraction

Adjusted gross estate as  
finally determined for  
Federal estate tax purposes

\$ 1,150,898.34

One-half (1/2) thereof

\$ 575,449.17

Less: property passing to  
Jane Doe under the  
provisions of Will  
or outside Will

tangible personal  
property specific-  
ally bequeathed as  
shown by Schedule  
E of this account

40,000.00

\$ 535,449.17

Numerator of the fraction

Denominator of the Fraction

Gross estate as finally  
determined for Federal  
estate tax purposes

\$ 1,163,250.00

SCHEDULE K (Continued)

Less: funeral and adminis- tration expenses shown by Schedule C of this account	\$ 50,784.42
creditors' claims paid shown by Schedule D of this account	6,398.52
principal commissions shown by Schedule J of this account	23,284.13
property passing to Jane Doe as shown above	40,000.00
jointly-owned property	<u>160,000.00</u> \$ 280,467.07

Denominator of the fraction \$ 882,782.93

Marital Trust  
(Article THIRD IA)

$\frac{\$535,449.17}{\$882,782.93} =$	60.655%
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Non-Marital Trust  
(Article THIRD IB)

$\frac{\$347,333.76}{\$882,782.93} =$	$\frac{39.345\%}{100.000\%}$
---------------------------------------	------------------------------

PROPOSED ALLOCATION  
OF INCOME

The Executors have been advised by counsel that, in accordance with EPTL 11-2.1(d)(2), and in the absence of a contrary direction in decedent's Will, net income earned during the administration of the estate must be allocated between the residuary legatees. There follows a computation of the changes in the proportionate interests of the residuary legatees during the administration of the estate caused by distributions on account of such interests and payments of estate taxes::

SCHEDULE K (Continued)

	<u>TESTAMENTARY ESTATE</u>	<u>ARTICLE THIRD IA AMOUNT</u>	<u>ARTICLE THIRD IB AMOUNT</u>
Testamentary estate January 1, 1983	\$ 1,003,250.00		
Less: specific bequests	<u>40,000.00</u>		
	\$ 963,250.00		
Less: general bequests	<u>-0-</u>		
Gross Reisdue	\$ 963,250.00	\$ 584,259.29	\$ 378,990.71
Percentage	100.00%	60.655%	39.345%
Changes during the period from January 1, 1983 to July 1, 1983			
Administration expenses and debts paid	12,915.28	7,833.76	5,081.52
Percentage	<u>100.00%</u>	<u>60.655%</u>	<u>39.345%</u>
	\$ 950,334.72	\$ 576,425.53	\$ 373,909.19
Realized increases during period	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>60.655%</u>	<u>39.345%</u>
	\$ 950,334.72	\$ 576,425.53	\$ 373,909.19
Realized decreases during period	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>60.655%</u>	<u>39.345%</u>
	\$ 950,334.72	\$ 576,425.53	\$ 373,909.19
July 1, 1983 payment on account of New York estate tax	<u>24,500.00</u>	<u>-0-</u>	<u>24,500.00</u>
	\$ 925,834.72	\$ 576,425.53	\$ 349,409.19

SCHEDULE K (Continued)

	<u>TESTAMENTARY ESTATE</u>	<u>ARTICLE THIRD IA AMOUNT</u>	<u>ARTICLE THIRD IB AMOUNT</u>
<u>Net unrealized increase on revaluation of assets after pay- ment of taxes</u>	\$ 14,500.00	\$ 8,794.98	\$ 5,705.02
Percentage	<u>100.00%</u>	<u>60.655%</u>	<u>39.345%</u>
	\$ 940,334.72	\$ 585,220.51	\$ 355,114.21
Percentage	100.00%	62.235%	37.765%
<u>Changes during the period from July 2, 1983 to October 1, 1983</u>			
Administration expenses paid	69.06	41.89	27.17
Percentage	<u>100.00%</u>	<u>60.655%</u>	<u>39.345%</u>
	\$ 940,265.66	\$ 585,178.62	\$ 355,087.04
Realized increases during the period	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>62.235%</u>	<u>37.765%</u>
	\$ 940,265.66	\$ 585,178.62	\$ 355,087.04
Realized decreases during period	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>62.235%</u>	<u>37.765%</u>
	\$ 940,265.66	\$ 585,178.62	\$ 355,087.04
October 1, 1983 payment of Federal estate tax	<u>91,398.22</u>	<u>-0-</u>	<u>91,398.22</u>
	\$ 848,867.44	\$ 585,178.62	\$ 263,688.82

SCHEDULE K (Continued)

	<u>TESTAMENTARY ESTATE</u>	<u>ARTICLE THIRD IA AMOUNT</u>	<u>ARTICLE THIRD IB AMOUNT</u>
<u>Net unrealized decrease on revaluation of assets after pay- ment of taxes</u>	\$ 6,000.00	\$ 3,734.10	\$ 2,625.90
Percentage	<u>100.00%</u>	<u>62.235%</u>	<u>37.765%</u>
	\$ 842,867.44	\$ 581,444.52	\$ 261,422.92
Percentage	<u>100.00%</u>	<u>68.984%</u>	<u>31.016%</u>
<u>Changes during the period from October 2, 1983 to February 15, 1984</u>			
Administration expenses paid	14,723.54	8,930.56	5,792.98
Percentage	<u>100.00%</u>	<u>60.655%</u>	<u>39.345%</u>
	\$ 828,143.90	\$ 572,513.96	\$ 255,629.94
Realized increases during period	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>68.984%</u>	<u>31.016%</u>
	\$ 828,143.90	\$ 572,513.96	\$ 255,629.94
Realized decreases during period	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>68.984%</u>	<u>31.016%</u>
	\$ 828,143.90	\$ 572,513.96	\$ 255,629.94
<u>February 15, 1984 distributions to Marital and Residuary Trusts</u>	<u>26,000.00</u>	<u>13,000.00</u>	<u>13,000.00</u>
Balance	\$ 802,143.90	\$ 559,513.96	\$ 242,629.94
Percentage	<u>100.00%</u>	<u>69.752%</u>	<u>30.248%</u>

SCHEDULE K (Continued)

	<u>TESTAMENTARY ESTATE</u>	<u>ARTICLE THIRD IA AMOUNT</u>	<u>ARTICLE THIRD IB AMOUNT</u>
<u>Changes during the period from February 16, 1984 to February 15, 1985</u>			
Administration expenses paid	\$ 16,674.94	\$ 10,114.19	\$ 6,560.75
Percentage	<u>100.00%</u>	<u>60.655%</u>	<u>39.345%</u>
	\$ 785,468.96	\$ 549,399.77	\$ 236,069.19
<u>Realized increases during period</u>			
	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>69.752%</u>	<u>30.248%</u>
	\$ 785,468.96	\$ 549,399.77	\$ 236,069.19
<u>Realized decreases during period</u>			
	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>69.752%</u>	<u>30.248%</u>
	\$ 785,468.96	\$ 549,399.77	\$ 236,069.19
<u>February 15, 1985 distributions to Marital and Residuary Trusts</u>			
	<u>24,000.00</u>	<u>12,000.00</u>	<u>12,000.00</u>
Balance	\$ 761,468.96	\$ 537,399.77	\$ 224,069.19
Percentage	<u>100.00%</u>	<u>70.574%</u>	<u>29.426%</u>
<u>Changes during the period from February 16, 1985 to December 1, 1985</u>			
Administration expenses paid	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>60.655%</u>	<u>39.345%</u>
	\$ 761,468.96	\$ 549,399.77	\$ 224,069.19



SCHEDULE K (Continued)

	<u>TESTAMENTARY ESTATE</u>	<u>ARTICLE THIRD IA AMOUNT</u>	<u>ARTICLE THIRD IB AMOUNT</u>
Realized increases during period	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>70.574%</u>	<u>29.426%</u>
	\$ 761,468.96	\$ 537,399.77	\$ 224,069.19
Realized decreases during period	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>70.574%</u>	<u>29.426%</u>
	\$ 761,468.96	\$ 537,399.77	\$ 244,069.19
December 1, 1985 refund of New York Estate tax received	\$ <u>473.05</u>	<u>-0-</u>	\$ <u>473.05</u>
	\$ 761,942.01	\$ 537,399.77	\$ 224,542.24
Net unrealized increases on reevaluation of assets after receipt of refund on tax	40,000.00	28,229.60	11,770.40
Percentage	<u>100.00%</u>	<u>70.574%</u>	<u>29.426%</u>
	\$ 801,942.01	\$ 565,629.37	\$ 236,312.64
Percentage	100.00%	70.532%	29.468%
Changes during the period from December 2, 1985 to February 15, 1986			
Administration expenses paid	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>60.655%</u>	<u>39.345%</u>
	\$ 801,942.01	\$ 565,629.37	\$ 236,312.64

SCHEDULE K (Continued)

	<u>TESTAMENTARY ESTATE</u>	<u>ARTICLE THIRD IA AMOUNT</u>	<u>ARTICLE THIRD IB AMOUNT</u>
Realized increases during period	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>70.532%</u>	<u>29.468%</u>
	\$ 802,942.01	\$ 565,629.37	\$ 236,312.64
Realized decreases during period	-0-	-0-	-0-
Percentages	<u>100.00%</u>	<u>70.532%</u>	<u>29.468%</u>
	\$ 802,942.01	\$ 565,629.37	\$ 236,312.64
December 31, 1985 distributions to Marital and Residuary Trusts	<u>61,000.00</u>	<u>30,500.00</u>	<u>30,500.00</u>
Balance	\$ 740,942.01	\$ 535,129.37	\$ 205,812.64
Percentage	100.00%	72.222%	27.778%
Changes during the period from February 15, 1986 to February 28, 1986			
Administration expenses paid	12,800.12	7,763.91	5,036.21
Percentage	<u>100.00%</u>	<u>60.655%</u>	<u>39.345%</u>
	\$ 728,141.89	\$ 527,365.46	\$ 200,776.43
Net unrealized increase upon revaluation of assets for distribution	2,000.00	1,444.44	555.56
Percentage	<u>100.00%</u>	<u>72.222%</u>	<u>27.778%</u>
	\$ 730,141.89	\$ 528,809.90	\$ 201,331.99
Percentage	<u>100.00%</u>	<u>72.426%</u>	<u>27.574%</u>

SCHEDULE K (Continued)

The following is a statement in summary from setting forth the net distributable income payable to the Trusts or the beneficiaries thereof computed for each period set forth above and in the proportion determined for each such period.

<u>PERIOD</u>	<u>NET INCOME</u>	<u>ARTICLE THIRD IA AMOUNT</u>	<u>ARTICLE THIRD IB AMOUNT</u>
January 1, 1983 to July 1, 1983	\$ 21,351.12 \$	12,950.52 \$	8,400.60
Percentage	100.00%	60.655%	39.345%
July 2, 1983 to October 1, 1983	14,296.71	8,897.56	5,399.15
Percentage	100.00%	62.235%	37.765%
October 2, 1983 to February 15, 1984	25,812.01	17,806.16	8,005.85
Percentage	100.00%	68.984%	31.016%
February 16, 1984 to February 15, 1985	55,010.77	38,371.11	16,639.66
Percentage	100.00%	69.752%	30.248%
February 16, 1985 to December 1, 1985	57,472.91	40,560.93	16,911.98
Percentage	100.00%	70.574%	29.426%
December 2, 1985 to February 15, 1986	20,553.64	14,496.89	6,056.75
Percentage	100.00%	70.532%	29.468%

SCHEDULE K (Continued)

<u>PERIOD</u>	<u>NET INCOME</u>	<u>ARTICLE THIRD IA AMOUNT</u>	<u>ARTICLE THIRD IB AMOUNT</u>
February 16, 1986 to February 28, 1986	-0-	-0-	-0-
Percentage	<u>100.00%</u>	<u>72.222%</u>	<u>27.778%</u>
Net Income	<u>\$ 194,497.16</u>	<u>\$ 133,083.17</u>	<u>\$ 61,413.99</u>
Percentage to be carried forward to proposed distribution	<u>100.00%</u>	<u>72.426%</u>	<u>27.574%</u>

PROPOSED DISTRIBUTION:

The Executors propose distributing the balances  
on hand of principal and income in the following manner in  
accordance with Article THIRD of the decedent's Will:

PRINCIPAL

Principal remaining on hand as shown in Schedule G		\$ 730,141.89
Adjustment from income pursuant to EPTL 11-1.2. (A)		12,379.12
Estate taxes attributable to non-testamentary pro- perty passing to John Doe, Jr., as shown in Schedule I		<u>32,093.24</u> \$ 774,614.25
Less: principal commissions shown in Schedule J	\$ 23,284.13	
adjustment to income pursuant to EPTL 11-2.1(k)	<u>26,200.79</u>	<u>49,484.92</u>
Balance to be distributed		<u>\$ 725,129.33</u>

SCHEDULE K (Continued)

DISTRIBUTION THEREOF:

A Trust Company, as  
Trustee of the Trust  
created under Article  
THIRD IA for the benefit  
of Jane Doe

	<u>TOTAL</u>	<u>PERCENTAGE</u>	<u>SHARE</u>
Principal remaining on hand as shown in Schedule G	\$ 730,141.87	72.426%	\$ 528,809.90
Adjustment from income pursuant to EPTL 11-1.2 (A)	12,379.12	-0-	-0-
Estate taxes attributable to non-testamentary property passing to John Doe, Jr.	<u>32,093.24</u> \$ 774,614.25	-0-	<u>-0-</u> \$ 528,809.90
Less: principal commissions as shown in Schedule J	<u>23,284.13</u> \$ 751,330.12	60.655%	<u>14,122.99</u> \$ 514,686.91
Less: adjustment to income pursuant to EPTL 11-2.1 (k)	<u>26,200.79</u>	72.426%	<u>18,976.18</u>
Balance to be distributed	<u>\$ 725,129.33</u>		<u>\$ 495,710.73</u>

CONSISTING OF:

2,607 shares American  
Oil Company, capital  
stock, \$3. par value  
at 60.

\$ 156,420.00

SCHEDULE K (Continued)

724 shares Computer  
Dynamics Corporation,  
common stock, \$.50  
par value at 120.

\$ 86,880.00

724 shares General  
Discount Retailing,  
Inc., common stock,  
\$.35 par value at 100.

72,400.00

362 shares Mutual  
Insurance Company,  
common stock, \$.40  
par value at 120.

43,440.00

\$105,000. United States  
of America Treasury  
Bills due February 10,  
1986 at 97.56

102,941.17

33,629.56

Cash

\$ 495,710.73

Total

A Trust Company, as  
Trustee of the Trust  
created under Article  
THIRD IB for the benefit  
of John Doe, Jr.

	<u>TOTAL</u>	<u>PERCENTAGE</u>	<u>SHARE</u>
Principal remaining on hand as shown in Schedule G	\$ 730,141.89	27.574%	\$ 201,331.99
Adjustment from income pursuant to EPTL 11-1.2 (A)	12,379.12	100.00%	12,379.12
Estate taxes attributable to non-testamentary property passing to John Doe, Jr.	<u>32,093.24</u> \$ 774,614.25	100.00%	<u>32,093.24</u> \$ 245,804.35

SCHEDULE K (Continued)

	<u>TOTAL</u>	<u>PERCENTAGE</u>	<u>SHARE</u>
Less: principal commissions as shown in Schedule J	\$ 23,284.13	39.345%	\$ 9,161.14
adjustment to income pursuant to EPTL 11-2.1(k)	<u>26,200.79</u>	27.574%	<u>7,224.61</u>
Balance to be distributed	<u>\$ 725,129.33</u>		<u>\$ 229,418.60</u>

CONSISTING OF:

993 shares American Oil Company, capital stock, \$3. par value at 60.

\$ 59,580.00

276 shares Computer Dynamics Corporation, common stock, \$.50 par value at 120.

33,120.00

276 shares General Discount Retailing, Inc., common stock, \$.35 par value at 100.

27,600.00

138 shares Mutual Insurance Company, common stock, \$.40 par value at 120.

16,560.00

\$40,000. United States of America Treasury Bills due February 10, 1986 at 98.039

53,342.91

Total

\$ 229,418.60

SCHEDULE K (Continued)

INCOME

Income remaining on hand as shown in Schedule G-1		\$ 194,497.16
Adjustment from principal pursuant to EPTL 11-2.1(k)		<u>26,200.79</u>
		\$ 220,697.95
Less: income commissions shown in Schedule J	\$ 6,975.23	
adjustment to principal pursuant to EPTL 11-2.1(A)	12,379.12	
estate taxes due from John Doe, Jr.	<u>32,093.24</u>	<u>51,447.59</u>
Balance to be distributed		<u>\$ 169,250.36</u>

DISTRIBUTION THEREOF:

Jane Doe

	<u>TOTAL</u>	<u>PERCENTAGE</u>	<u>SHARE</u>
Share of income remaining on hand	\$ 194,497.16		\$ 133,083.17
Adjustment from principal pursuant to EPTL 11-2.1(k)	<u>26,200.79</u>	72.426%	<u>18,976.18</u>
	\$ 220,697.95		\$ 152,059.35
Less: income commissions as shown in Schedule J	<u>6,975.23</u>	60.655%	<u>4,230.83</u>
	\$ 213,722.72		\$ 147,828.52
s: adjustment to principal pursuant to EPTL 11-1.2(A)	12,379.12	72.426%	8,965.70



SCHEDULE K (Continued)

	<u>TOTAL</u>	<u>PERCENTAGE</u>	<u>SHARE</u>
Less: estate taxes due from John Doe, Jr.	\$ 32,093.24		<u>-0-</u>
Amount to be distributed	\$ <u>169,250.36</u>		\$ <u>138,862.82</u>

John Doe, Jr.

	<u>TOTAL</u>	<u>PERCENTAGE</u>	<u>SHARE</u>
Share of income remaining on hand as shown in Schedule K	\$ 194,497.16		\$ 61,413.99
Adjustment from principal pursuant to EPTL 11-2.1(k)	<u>26,200.79</u>	27.574%	<u>7,224.61</u>
Less: income commissions as shown in Schedule J	6,975.23	39.345	2,744.40
adjustment to principal pursuant to EPTL 11-1.2(A)	12,379.12	27.574	3,413.42
estate taxes due from John Doe, Jr.	<u>32,093.24</u>	100.00%	<u>32,093.24</u>
Amount to be distributed	\$ <u>169,250.36</u>		\$ <u>30,387.54</u>

SCHEDULE K (Continued)

CASH RECONCILIATION

PRINCIPAL ACCOUNT

CASH RECEIPTS

Cash received as shown in Schedule A	\$ 517,750.00
Net proceeds of sale as shown in Schedule B	<u>2,934,440.72</u>
Total cash receipts	\$ 3,452,190.72

CASH DISBURSEMENTS

Funeral and administration expenses paid as shown in Schedule C	\$ 166,209.59
Creditors' claims paid as shown in Schedule D	6,398.52
Cash distributions made as shown in Schedule E	111,000.00
New investments made as shown in Schedule F	<u>3,076,597.58</u>
Total cash disbursements	<u>3,360,205.69</u>
Principal cash balance on hand as shown in Schedule G	<u>\$ 91,985.03</u>

INCOME ACCOUNT

CASH RECEIPTS

Income collected as shown in Schedule A-2	\$ 216,624.00
Total cash receipts	\$ 216,624.00

SCHEDULE K (Continued)

CASH DISBURSEMENTS

Administration expenses  
chargeable to income paid  
as shown in Schedule C-2

\$ 22,126.84

Total cash disbursements

\$ 22,126.84

Income cash balance on hand  
as shown in Schedule G-1

\$ 194,497.16

STATE OF NEW YORK     )  
                              :   ss.:  
COUNTY OF NEW YORK    )

JANE DOE, an Executor of the Last Will and Testament  
of JOHN DOE, deceased, being duly sworn, says:

That the foregoing account contains, according to  
the best of my knowledge and belief, a true statement of all  
receipts and disbursements on account of the Estate and of all  
moneys and other property belonging to the Estate which have  
come into the accounting parties' hands or have been received  
by any other person by their order or authority for their use  
and that I do not know of any error or omission in the account  
to the prejudice of any creditor or of any person interested in  
the Estate.

---

Jane Doe

Sworn to before me this  
1st day of March, 1986.

STATE OF NEW YORK    )  
                              :   ss.:  
COUNTY OF NEW YORK )

JOHN SMITH, a Vice-President of A TRUST COMPANY,  
an Executor of the Last Will and Testament of JOHN DOE,  
deceased, being duly sworn, says:

That the foregoing account contains, according to  
the best of my knowledge and belief, a true statement of all  
receipts and disbursements on account of the Estate and of  
all moneys and other property belonging to the Estate which  
have come into the accounting parties' hands or have been  
received by any other person by their order or authority for  
their use and that I do not know of any error or omission in  
the account to the prejudice of any creditor or of any person  
interested in the Estate.

That the reason why this verification is not made by  
A TRUST COMPANY, as Executor of the Last Will and Testament of  
JOHN DOE, deceased, is that said Executor is a corporation;  
that as to all matters not stated on my knowledge, the sources  
of my information and the grounds of my belief are the records  
and papers of said Executor under my supervision and control  
and the information derived from my conduct as such Vice-  
President of the business of said Executor.

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John Smith

Sworn to before me this

1st day of March, 1986.