

Notes

Notes 1 through 7

Note 1

Accounting entanglement \$270.82

Anthony O'Connell
6541 Franconia Road
Springfield, Virginia 22150
May 29, 1992

Mr. Ed White, Attorney
118 South Royal Street
Alexandria, Virginia 22314

Reference: Your letter of May 19, 1992

Dear Mr. White:

Thank you for your letter concerning the Seventh Trust accounting. In the future would you please send letters concerning me or the trust directly to me? It will save the beneficiaries attorney expense. I would appreciate you sending a copy to Mr. Prichard.

I talked with Mr. Forrest Balderson today. Mr. Balderson prepared the account and states that the numbers are correct. He reminded me that court accounting and taxable accounting are different animals and often do not match. I believe this applies to your questions in paragraphs 1 and 2. Please feel free to call Mr. Balderson at (703) 549-7800.

I will try to address your paragraph 3. Rather than wait until the end of each year and calculate the exact net income of the trust to be distributed to my mother, I estimated the net income in April so I could make the distribution to her immediately after the trust received the annual April payment. The consequent year end adjustments were:

Third Account	\$ -5,906.72	{Mother owed to trust}
Fourth Account	- 687.03	{Mother owed to trust}
Fifth Account	+5,796.98	{Trust owed to mother}
Sixth Account	-2,908.97	{Mother owed to trust}
Net carryover	\$ -3,705.74	{Mother owed to trust}
Seventh Account, 1991	\$ +5,181.71	{Trust owed to mother}

The net carryover of \$ -3,705.74 up to the seventh account combined with the \$ +5,181.71 of the seventh account netted \$1,475.97 the trust owed my mother. This is the \$ 1,475.97 check I mailed to you.

Mr. Balderson tells me he called you concerning the real estate taxes before he did the account and discussed it with you. Is it necessary to change it now?

My trust accounting is on a cash basis. I think a per diem split of the September interest would be accrual accounting. I don't think I can mix the two methods. If the Commissioner of Accounts says it's appropriate, it's fine with me.

At this point in time, I believe Mr. Balderson and I are of one mind that the estate does not owe the trust and the trust does not owe the estate.

I have a few questions concerning my mother's 1991 tax return.

1. My copy shows she should be penalized by IRS and Virginia because adequate estimated tax payments were not made after her death. I believe my sister is convinced I am responsible for this. If it is my fault, I will pay for it out of my pocket. I feel the other beneficiaries should not be charged for the negligence of another. Would you please lay out the specifics on what happened? Please be very specific.

2. My copy also does not show the principal of \$125,188.17 paid to my mother by the Lynch Note in April of 1991. It does show the interest. With a gross profit percentage of .79 on the installment sale, about \$ 98,898.65 of the \$125,188.17 should have been reported on line 13 of the 1040 as a capital gain. It appears that this omission is up and above the penalties and interest already acknowledged. Why was it not reported? Will you amend the return?

3. On Schedule B under dividend income, what is the significance of "***BAL ON 1040 OF JEAN NADER,SSN 225 50 9052"?

I look forward to your response.

Yours truly,

Anthony O'Connell

Enclosures:

Your letter of May 19, 1992

IRS Form 1040, Schedule B and Wavier of Penalty Request for Jean O'Connell, 1991. The other IRS forms attached to this return were not included in this enclosure.

Copies to:

Mr. Ed Prichard
Mr. Forrest Balderson
Ms. Jean Nader
Ms. Sheila O'Connell

EDWARD J. WHITE
ATTORNEY AT LAW
118 SOUTH ROYAL STREET
ALEXANDRIA, VIRGINIA 22314

TELEPHONE 836-5444

April 26, 1993

Mrs. Jean M. Nader
350 Fourth Ave.
New Kensington, Pa. 15068

Dear Jean,

Enclosed are the old Perpetual papers you sent me which I do not need any more.

Also enclosed are the 1991 and 1992 statements of interest paid by them. I called Crestar and they said the account was closed in January. I had a note stating that it was closed in January 1991, but it must have been 1992. The \$63.17 in earnings would have been for that period of time in 1992. Since this was a joint account, the income was yours. Since you sent me that statement, I assumed you had picked it up for your return.

The 1991 interest was reported under your mother's final return.

Allison's letter is also in this package.

Sincerely,



Edward J. White

EJW/e

ESTATE OF JEAN M. O'CONNELL

ADDENDUM TO AMENDED RETURN

The amendment to this return is due to the discovery of a jointly owned certificate of deposit, held by the decedent and Jean M. Nader.


The amended return shows this as Item 2 on Part 2 of Schedule E. The estate's check in the amount of \$3629.09 for the additional tax is enclosed.

The certificate was held by Perpetual Savings Bank of the District of Columbia and Northern Virginia. That institution was declared insolvent and was taken over by the RTC. The accounts of Perpetual were transferred to Crestar Bank on January 10, 1972. Enclosed is a copy of a letter from Crestar Bank outlining the discovery of this account and its subsequent payment to the Co-holder, Jean M. Nader in the late Spring of 1993.

On March 16, 1992, within the nine months period for filing the 706 return, the undersigned went to Crestar to check if there were any outstanding accounts in the name of the decedent. At that time Crestar could find no such accounts, but stated that the Perpetual accounts received by Crestar were in very poor condition, and that much confusion existed concerning Perpetual's paperwork.

The decedent died on September 15, 1991. Crestar sent the payoff check to the decedent on January 24, 1992 apparently to the wrong address, as she had moved into a nursing home prior to her death.

In view of the fact that efforts had been made to ascertain the existence of all assets of the estate, and the fact that the Co-Executors had no knowledge of this account, it is requested that penalties and interest be waived in this case.


Edward J. White
Co-Executor

Note 2

Accounting entanglement \$230.14

EDWARD J. WHITE
ATTORNEY AT LAW
118 SOUTH ROYAL STREET
ALEXANDRIA, VIRGINIA 22314
—
TELEPHONE 836-5444

April 22, 1992

Mrs. Jean M. Nader
350 Fourth Ave.
New Kensington, Pa. 15068

Re: Disbursement

Dear Jean,

Enclosed is an agreement which should satisfy Tony as to the car. It cannot be any clearer.

Also enclosed is a preliminary analysis of the estate tax, which should be close to being accurate. I do need to check with Jo Ann Barnes as to a technical question as to whether or not any of your father's trust comes into this. I do not think it does, but there have been many changes in the law since that trust was established. I will have to ask her to bill us for that advice and any other technical tax matters I am not comfortable with. I can do most of the rest of the tax work and save the estate some money.

The executors' commission shown on the analysis is not figured on the value of the realty; however it does not include the 5% commission on the receipts of the estate in addition to the inventory.

In order to file that return and the subsequent Fiduciary Income tax return we will need an accounting from Tony from the date of his last accounting to the date of death. If he does not want to prepare it, I will not agree to any preliminary disbursement to him at all, and will seek your approval to file suit against him to compel the accounting, plus damages to the estate for his delay. Since that trust terminated on your mother's death, his final accounting is due now and not in October.

There will be no further explanations or written entreaties to him as far as I am concerned. He has the duty and he will perform it under a court order if necessary. Of course he will furnish that receipt.

The preliminary analysis contains three alternatives on Accotink at the bottom for your consideration.

In the event that we do seek a reduction in the assessment Tony will be given written notice that his prompt cooperation is necessary and that if he fails to cooperate that he is aware of the

Page 2
Ltr to Mrs. Jean M. Nader
April 27, 1992

adverse consequences to the estate and is responsible for them.

As far as further steps are concerned, we have a lot to do. No gift tax returns were filed for 1989 and 1991 which will have to be done. The results of those gifts are factored in under "Unified Credit used for gifts 9,784".

The paper trail in the court and IRS is as follows:

- File Estate tax by June 15, 1992
- File First Accounting (16 months after qualification but can be sooner)
- Ask for posting of Debts and Demands against the estate.
- File Fiduciary Income tax returns for period 9/15/91-9/15/92, due January 1, 1993.
- File Motion for a Show Cause why distribution should not be made. Submit Show Cause Order.
- Request Executor's exoneration letter from IRS and Virginia.
- Obtain closing letter from IRS and Virginia as to estate tax returns.
- File 1993 Fiduciary tax returns (Sept. 1992-distribution)
- File for Order allowing distribution.
- Distribute estate.
- File Final Accounting.

Normally distribution is withheld until the Order of Distribution is entered. As I indicated the creditors have one year to press claims against the estate. No prudent executor will distribute before that period, the entry of the Order of Distribution and the receipt of the tax closing letters.

Sincerely


Edward J. White

EJW/e
Encl.

Anthony O'Connell
6541 Franconia Road
Springfield, Virginia 22150
May 6, 1992

Mrs. Jean Nader
350 4th Avenue
New Kensington. Penn 15068

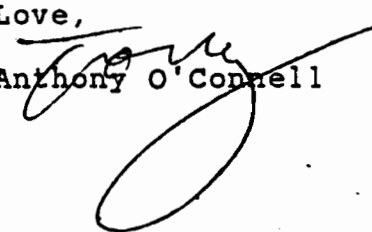
Dear Jean,

I will send you and Mr. White a copy of the court accounting from the trust for the period 1/1/91 thru 12/31/91 by the end of this month. If that is not soon enough please let me know and I will do what I can. It is all but complete but I want to go over it again and possible make some adjustments. The estate may owe the trust something. That would be to the beneficiaries benefit because that would avoid the estate tax so the eventual distribution to the beneficiaries would be greater. As you can see from the attached enclosure, the Commissioner of Accounts has advised me that this account is not due until 10-20-93.

If there is any other information Mr. White needs from the trust, he should write to me, the trustee, telling me what it is. If he is not willing to do this, I can not be responsible. Mr. White position as co-executor allows him no authority over the trust. He should not charge us extra to find that out.

Please tell me if there is anything else you need besides the 1991 court accounting from the trust, or of any other way I can be of help to you. For a second opinion on anything, I would suggest you call Mr. Ed Prichard of McGuire, Woods, Battle & Boothe at {703} 712-5000. I will take care of any fees you incur.

Love,


Anthony O'Connell

Enclosure (1)

Copy
Mr. White

EDWARD J. WHITE
ATTORNEY AT LAW
118 SOUTH ROYAL STREET
ALEXANDRIA, VIRGINIA 22314

TELEPHONE 836-5444

May 14, 1992

Mr. Anthony M. O'Connell
6541 Franconia Rd.
Springfield, Va. 22150

Re: Estate of Jean M. O'Connell

Dear Mr. O'Connell,

Enclosed is the Estate's check in the amount of \$75,000.00 as a partial disbursement. Similar sums have been paid to Jean and Sheila.

I have mailed an additional check to you in the amount of \$230.14 to Jean to be signed. This represents interest at 4% (the bank rate on the estate account) from April 22, the day of the disbursements to Sheila and Jean, through May 20, 1992, approximately the day you should receive it from her.

Sincerely,


Edward J. White

EJW/e
Copy to: Jean M. Nader

Note 3

\$175,000.00 version and \$119,000.00
version of IRS Form 4768

\$175,000
Version

**Application for Extension of Time To File a Return
 and/or Pay U.S. Estate (and Generation-Skipping
 Transfer) Taxes**

OMB No. 1545-0181
 Expires 7-31-93

(For filers of Forms 706, 706-A, and 706NA)

Note: Use Form 2758 to request an extension for Forms 706GS(D) and 706GS(T).

Part I Identification

Decedent's first name and middle initial Jean M.	Decedent's last name O'Connell	Date of death Sept. 15, 1991
Name of application filer Edward J. White and Jean M. Nader, Co-Executors		Decedent's social security number 230 50 6044
Address of application filer (Number and street) 118 South Royal St.		Estate tax return due date June 15, 1992
City, state, and ZIP code Alexandria, Va. 22314		

Part II Extension of Time To File (Sec. 6081)

You must attach your written statement to explain in detail why it is impossible or impractical to file a reasonably complete return within 9 months after the date of the decedent's death	Extension date requested Sept. 15, 1992
---	---

Part III Extension of Time To Pay (Sec. 6161)

You must attach your written statement to explain in detail why it is impossible or impractical to pay the full amount of the estate (or GST) tax by the return due date. If the taxes cannot be determined because the size of the gross estate is unascertainable, check here <input type="checkbox"/> and enter ".0." or other appropriate amount on Part IV, line 3. You must attach an explanation	Extension date requested
---	--------------------------

Part IV Payment To Accompany Extension Request

1 Amount of estate and GST taxes estimated to be due.	1	175,000	
2 Amount of cash shortage (complete Part III)	2		
3 Balance due (subtract line 2 from line 1) (Pay with this application.)	3	175,000	

Signature and Verification

If filed by executor—Under penalties of perjury, I declare that to the best of my knowledge and belief, the statements made herein and attached are true and correct.

Edward J. White
 Executor's signature
EDWARD J. WHITE

..... **Co-Executors** **June 11, 1992**
 Title Date

If filed by someone other than the executor—Under penalties of perjury, I declare that to the best of my knowledge and belief, the statements made herein and attached are true and correct, that I am authorized by the executor to file this application, and that I am (check box(es) that applies):

- A member in good standing of the bar of the highest court of (specify jurisdiction) ▶
- A certified public accountant duly qualified to practice in (specify jurisdiction) ▶
- A person enrolled to practice before the Internal Revenue Service
- A duly authorized agent holding a power of attorney. (The power of attorney need not be submitted unless requested.)

..... Filer's signature (other than the executor)

..... Date

Part V Notice to Applicant—To be completed by Internal Revenue Service

1 The application for extension of time to file (Part II) is: <input type="checkbox"/> Approved <input type="checkbox"/> Not approved because	2 The application for extension of time to pay (Part III) is: <input type="checkbox"/> Approved <input type="checkbox"/> Not approved because
<input type="checkbox"/> Other	<input type="checkbox"/> Other

Internal Revenue Service official	Date	Internal Revenue Service official	Date
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FORM 4768

EXTENSION OF TIME TO FILE

ESTATE OF JEAN M. O'CONNELL

PART II EXTENSION OF TIME TO FILE

1. The decedent was a part owner of a tract of ground the value of which is to be determined by an appraisal in progress. The enclosed payment is based on the maximum value for the property and will be changed.

2. The estate does not at this date possess full data for certain gifts and debts of the estate and other needed information.

United States Estate (and Generation-Skipping Transfer) Tax Return

Estate of a citizen or resident of the United States (see separate instructions). To be filed for decedents dying after December 31, 1989, and before January 1, 1993. For Paperwork Reduction Act Notice, see page 1 of the instructions.

Part 1 - Decedent and Executor. 1a Decedent's first name and middle initial (and maiden name, if any) Jean M. 1b Decedent's last name O'Connell 2 Decedent's social security no. 230 50 6044 3a Domicile at time of death (county and state) Fairfax County, Virginia 3b Year domicile established pre 1960 4 Date of birth 2/1/12 5 Date of death 9/15/91 6a Name of executor (see instructions) Edward J. White Co-Executor 6b Executor's address (number and street including apartment number or rural route; city, town, or post office; state; and ZIP code) 118 South Royal St. Alexandria, Va. 22314 7a Name and location of court where will was probated or estate administered Circuit Court Fairfax Co., Va. 7b Case number 49160 8 If decedent died testate, check here [X] and attach a certified copy of the will. 9 If Form 4768 is attached, check here [X] 10 If Schedule R-1 is attached, check here []

Part 2 - Tax Computation. Table with 28 rows and 3 columns. Row 1: Total gross estate 1,041,017.55. Row 2: Total allowable deductions 108,803.52. Row 3: Taxable estate 932,214.03. Row 4: Adjusted taxable gifts 42,600.00. Row 5: Add lines 3 and 4 974,814.03. Row 6: Tentative tax on the amount on line 5 from Table A in the instructions 335,977.47. Row 7a: If line 5 exceeds \$10,000,000, enter the lesser of line 5 or \$21,040,000. Row 7b: Subtract \$10,000,000 from line 7a. Row 7c: Enter 5% (.05) of line 7b. Row 8: Total tentative tax (add lines 6 and 7c) 335,977.47. Row 9: Total gift tax payable with respect to gifts made by the decedent after December 31, 1976. Row 10: Gross estate tax (subtract line 9 from line 8) 327,153.47. Row 11: Unified credit against estate tax from Table B in the instructions 192,800. Row 12: Adjustment to unified credit. (This adjustment may not exceed \$6,000. See instructions.) Row 13: Allowable unified credit (subtract line 12 from line 11) 192,800.00. Row 14: Subtract line 13 from line 10 (but do not enter less than zero) 134,353.47. Row 15: Credit for state death taxes. Do not enter more than line 14. Compute credit by using amount on line 3 less \$60,000. See Table C in the instructions and attach credit evidence (see instructions) 29,403.99. Row 16: Subtract line 15 from line 14 104,949.99. Row 17: Credit for Federal gift taxes on pre-1977 gifts (section 2012)(attach computation) Row 18: Credit for foreign death taxes (from Schedule(s) P). (Attach Form(s) 706CE) Row 19: Credit for tax on prior transfers (from Schedule Q). Row 20: Total (add lines 17, 18, and 19) Row 21: Net estate tax (subtract line 20 from line 16) 104,949.99. Row 22: Generation-skipping transfer taxes (from Schedule R, Part 2, line 10) Row 23: Section 4980A increased estate tax (from Schedule S, Part I, line 17) (see instructions) Row 24: Total transfer taxes (add lines 21, 22, and 23) 175,000.00. Row 25: Prior payments. Explain in an attached statement 175,000.00. Row 26: United States Treasury bonds redeemed in payment of estate tax Row 27: Total (add lines 25 and 26) 175,000.00. Row 28: Balance due (or overpayment) (subtract line 27 from line 24) OVERPAYMENT (70,050.51)

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer other than the executor is based on all information of which preparer has any knowledge.

Signature(s) of executor(s) Edward J. White Co-Executor Date 9/2/92 9-8-92

Signature of preparer other than executor Address (and ZIP code) Date

\$1 19,000
Version

Application for Extension of Time To File a Return and/or Pay U.S. Estate (and Generation-Skipping Transfer) Taxes

OMB No. 1545-0181 Expires 7-31-93

Rev. August 1990

Department of the Treasury Internal Revenue Service

(For filers of Forms 706, 706-A, and 706NA)

Note: Use Form 2758 to request an extension for Forms 706GS(D) and 706GS(T).

Part I Identification

Decedent's first name and middle initial: Jean M. Decedent's last name: O'Connell Date of death: Sept. 15, 1991 Name of application filer: Edward J. White and Jean M. Nader, Co-Executors Decedent's social security number: 230 50 6044 Address of application filer: 118 South Royal St. Estate tax return due date: June 15, 1992 City, state, and ZIP code: Alexandria, Va. 22314

Part II Extension of Time To File (Sec. 6081)

You must attach your written statement to explain in detail why it is impossible or impractical to file a reasonably complete return within 9 months after the date of the decedent's death. Extension date requested: Sept. 15, 1992

Part III Extension of Time To Pay (Sec. 6161)

You must attach your written statement to explain in detail why it is impossible or impractical to pay the full amount of the estate (or GST) tax by the return due date. Extension date requested: [blank]

Part IV Payment To Accompany Extension Request

Table with 3 rows: 1. Amount of estate and GST taxes estimated to be due: 119,000 2. Amount of cash shortage (complete Part III): [blank] 3. Balance due (subtract line 2 from line 1) (Pay with this application.): 119,000

Signature and Verification

If filed by executor—Under penalties of perjury, I declare that to the best of my knowledge and belief, the statements made herein and attached are true and correct.

Signature: Edward J. White, Jean M. Nader Co-Executors Date: June 11, 1992

If filed by someone other than the executor—Under penalties of perjury, I declare that to the best of my knowledge and belief, the statements made herein and attached are true and correct, that I am authorized by the executor to file this application, and that I am (check box(es) that applies):

- A member in good standing of the bar of the highest court of (specify jurisdiction)
A certified public accountant duly qualified to practice in (specify jurisdiction)
A person enrolled to practice before the Internal Revenue Service.
A duly authorized agent holding a power of attorney. (The power of attorney need not be submitted unless requested.)

Filer's signature (other than the executor)

Date

Part V Notice to Applicant—To be completed by Internal Revenue Service

1. The application for extension of time to file (Part II) is: [] Approved [] Not approved because [] Other
2. The application for extension of time to pay (Part III) is: [] Approved [] Not approved because [] Other

Internal Revenue Service official Date

Delay

ESTATE OF JEAN M. O'CONNELL

PART II EXTENSION OF TIME TO FILE

1. The decedent was a part owner of a tract of ground the value of which is to be determined by an appraisal in progress. The enclosed payment is based on the maximum value for the property and will be changed.

2. The estate does not at this date possess full data for certain gifts and debts of the estate and other needed information.

Appraisal

Anthony O'Connell
6541 Franconia Road
Springfield, Virginia 22150
May 12, 1992

Mrs. Jean Nader
350 4th Avenue
New Kensington, Penn 15068

Reference: Accotink Revision
of Assessment

Dear Jean:

I am returning to you the reassessment applications I received yesterday with the June 1, 1992, deadline.


I would not touch this with a ten foot pole for fear of Mr. White convincing you to sue me for something.

I talked to my zoning attorney this morning. He advised me that asking for a lower assessment would not interfere with future plans for Accotink. The appraiser he recommended estimated the very detailed kind of appraisal that goes to the IRS would cost about \$2,000. He could probably have it by the end of the month.

I want to solve the problem. Because \$2,000.00 is a reasonable figure rather than the \$7,000.00 to \$7,500.00 for the appraiser recommended by Mr. White {Who would not be available until October of 1992?}, I hired this appraiser and will pay for it out of the trust if necessary. However, it would save the beneficiaries about \$800 if it were paid out of the estate because of the estate tax. To me it is not worth a fight.

If you would like to solve problems in which you want information from me, please give me a list now so that I can plan for it. Please, no more surprise requirements and deadlines.

Sincerely,


Anthony O'Connell

Enclosure: Reassessment Applications

Copies, less enclosures, to:
Ms. Sheila O'Connell
Mr. White

Anthony O'Connell
6541 Franconia Road
Springfield, Virginia 22150
June 9, 1992

Ms. Jean Nader
350 Fourth Avenue
New Kensington, Penn 15068

Mr. Ed White
118 South Royal Street
Alexandria, Virginia 22314

Dear Jean and Mr. White:

Enclosed is the appraisal of Accotink, indicating a value of \$300,000.00. The cost of the appraisal was \$2,000.00 and was paid for by the trust.

Jean, thank you for sending me a copy of the reassessment form you sent to Fairfax County. I noticed you used my letters of August 3, 1987, of September 14, 1987, and a tax map to document that Cinder Bed Road is not maintained. This documentation implies Cinder Bed Road is a legal access to Accotink. I thought this also until I received a response to the September letter from the Secretary of Transportation, a copy of which was included in the Accotink file I sent to you. This letter is very significant. It invalidates the documentation. The county road map is incorrect. The tax map showing solid lines for Cinder Bed Road all the way to our parcel is incorrect. Cinder Bed Road stops short of it, something like half a mile short. There is no legal access to Accotink. I think this is a very big factor in applying for reassessment. It is also the sole justification for getting a public road access through the planned development to the east. If we don't get this access, our property will be of little value. Personally, I would recommend that you make it clear to the county that there is at this time no legal access. I do not want to hurt your feelings. I feel you and all concerned should know the situation. I feel how Accotink is managed from here on out will very significantly effect its value. If there is any future correspondence concerning Accotink that you might like me to review, I would be happy to do so. Thank you for the nice letter I received from you today.

Sincerely,



Anthony O'Connell

Enclosures:

Appraisal of Accotink
Application For Revision of Real Property Assessment
Secretary of Transportation's letter of October 13, 1987


Copies to:

Mr. Ed Prichard
Ms. Sheila O'Connell

Gifts

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6-48877

FROM

BRUNER, KANE & MCCARTHY, LTD.
CERTIFIED PUBLIC ACCOUNTANTS
700 NORTH FAIRFAX STREET
POST OFFICE BOX 1250
ALEXANDRIA, VIRGINIA 22313-1250

TO: Mr. Anthony O'Connell
6541 Franconia Road
Springfield, Va. 22150

DATE: 5-14-92

SUBJECT:



- URGENT
- AS SOON AS POSSIBLE
- NO REPLY NECESSARY

As per our telephone conversation, enclosed is a copy of your mother's 1988 Gift tax return, Form 709.

When we may be of further service, please call us.

REPLY TO: Dorothy Uhler

ENC 37
SIGNED:

DATE:

RECIPIENT — REPLY AND RETAIN THIS COPY. DETACH AND RETURN PINK COPY TO SENDER.

EDWARD J. WHITE
ATTORNEY AT LAW
118 SOUTH ROYAL STREET
ALEXANDRIA, VIRGINIA 22314

TELEPHONE 836-5444

July 16, 1992

Mr. Anthony M. O'Connell
6541 Franconia Rd.
Springfield, Va. 22150

Re: Estate of Jean M. O' Connell

Dear Mr. O'Connell,

In order that I might file an accurate estate tax return, I need to know the following:

At any time prior to your mother's death did you receive in any one or more calendar years, gifts from her totalling more than \$10,000.00?

If you did, please list the dates and amounts of each gift.

If you did not, let me know.

Sincerely,


Edward J. White

EJW/e
Copy to: Jean M. Nader
Edgar A. Prichard, Esq.

Anthony O'Connell
6541 Franconia Road
Springfield, Virginia 22150
{703} 971-2855
July 17, 1992

Mr. Ed White, Attorney
118 South Royal Street
Alexandria, Virginia 22314

Reference: Your letter of July 16, 1992

Dear Mr. White:

I received one and only one gift from my mother in excess of \$10,000.00. As shown on her enclosed Form 709 for 1988, I received \$15,000.00 on April 22, 1988.

Please let me know if you need any other information.

Yours truly,

A handwritten signature in cursive script that reads "Anthony O'Connell". The signature is written in dark ink and is positioned to the right of the typed name.

Anthony O'Connell

Enclosure:
Form 709 from Jean O'Connell's 1988 Tax Return

Copy to:
Ms. Jean O'Connell Nader
Mr. Edgar Prichard

Debts

EDWARD J. WHITE
ATTORNEY AT LAW
118 SOUTH ROYAL STREET
ALEXANDRIA, VIRGINIA 22314

TELEPHONE 836-5444

May 19, 1992

Mr. Anthony M. O'Connell
c/o Edgar A. Prichard, Esq.
8280 Greensboro Dr.
#900
McLean, Va. 22102

Re: Estate of Jean M. O'Connell

Dear Mr. O'Connell,

In your letter of May 6 to Jean you asked that I communicate with you with regard to the Harold O'Connell Trust.

I am trying to prepare the estate tax, and as usual in these cases, there are problems trying to understand the flow of debts and income.

I do have a few questions which are put forward simply so that the figures on the Trust's tax returns and accounting will agree with the estate's.

1. The K-1 filed by the Trust for 1991 showed income to your mother of \$41,446.00. The Seventh Accounting appears to show a disbursement to her of \$40,000.00 plus first half realty taxes paid by the trust for her and thus a disbursement to her of \$1794.89. If these two disbursements are added the sum is \$41,794.89. This leaves \$348.89 which I cannot figure out. It could well be a disbursement of principal and not taxable.

2. The K-1 filed by the Trust showed a payment of \$816.00 in interest to the estate. You sent a check in the amount of \$1475.97 to the estate. What was the remaining \$659.97? Do I have this confused with the tax debt/credit situation which ran from the Third Accounting?

3. On the Seventh Accounting "Income per 7th Account" is shown as \$5181.71, but I cannot figure that one out either.

I am of the opinion that the estate owes the trust for the second half real estate taxes from September 15, 1991 through December 31, 1991 in the amount of \$1052.35. This is shown on your accounting as disbursed to the heirs. Should this be paid back to the heirs or to the Trust?

I believe that the income received from the savings accounts

Page 2
Ltr to Mr. Anthony M. O'Connell
May 19, 1992

from September 15 to the date the various banks made their next payment to the Trust (9/30 and 9/21) should be split on a per diem basis, since the Trust terminated on her death. This will be a small amount of course.

Are there any other debts which your Mother owed the Trust?

I realize that Jo Ann Barnes prepared this and if you authorize it I can ask her to help me out.

Please understand that I have no problem with the Accounting, I m just trying to match things up. In the long run, since the beneficiaries are the same, the matter is academic.

Please send the bill for the appraisal whenever you receive it. Jean is filing the Fairfax form for re-assessment in her capacity as a co-owner in order to give us a better basis to get this assessment changed and to meet the county's deadline. It will state that the appraisal you have ordered will follow. I think this will be to all of your benefit in the long run.

Sincerely,



Edward J. White

EJW/e
Copy to: Jean M. Nader

Note 4

Accounting entanglements \$169.26 and \$20.00

Can we expose the document trails for this "Stock or bond power"

STOCK OR BOND POWER

- ISPLG Legal Transfer
ISPMF Mutual Funds
ISPRE Reorganization
ISPNC Not Clear Box
ISPCG Cage

Account Number _____ Attn: _____

FOR VALUE RECEIVED, the undersigned does (do) hereby sell, assign and transfer to

(Name)

(Address)

(City) (State) (ZC) (Social Security or Taxpayer Identifying No.)

IF STOCK, COMPLETE THIS PORTION

(Number) shares of the _____ stock of _____
(Type) (Company)
represented by Certificate(s) No(s). _____ inclusive standing
(Number)
in the name of the undersigned on the books of said Company.

IF BONDS, COMPLETE THIS PORTION

(Number) bonds of _____
(Name)
in the principal amount of \$ _____, No(s). _____ inclusive standing
(Amount) (Number)
in the name of the undersigned on the books of said Company.

The undersigned does (do) hereby irrevocably constitute and appoint _____
(Name)
attorney to transfer the said stock or bond(s), as the case may be, on the books of said Company,
with full power of substitution in the premises.

Dated: _____

X _____
(Signature)

X _____
(Person(s) Executing This Power Sign(s) Here)

AGE 61-9/90

CO-EXECUTORS

IMPORTANT - READ CAREFULLY

The signature of this Power must correspond with the name(s) as written upon the face of the certificate(s) or bond(s) in every particular without alteration or enlargement or any change...

Note 5

Accounting entanglement \$2,000.00

Anthony O'Connell
6541 Franconia Road
Springfield, Virginia 22150
June 9, 1992

Ms. Jean Nader
350 Fourth Avenue
New Kensington, Penn 15068

Mr. Ed White
118 South Royal Street
Alexandria, Virginia 22314

Dear Jean and Mr. White:

Enclosed is the appraisal of Accotink, indicating a value of \$300,000.00. The cost of the appraisal was \$2,000.00 and was paid for by the trust.

Jean, thank you for sending me a copy of the reassessment form you sent to Fairfax County. I noticed you used my letters of August 3, 1987, of September 14, 1987, and a tax map to document that Cinder Bed Road is not maintained. This documentation implies Cinder Bed Road is a legal access to Accotink. I thought this also until I received a response to the September letter from the Secretary of Transportation, a copy of which was included in the Accotink file I sent to you. This letter is very significant. It invalidates the documentation. The county road map is incorrect. The tax map showing solid lines for Cinder Bed Road all the way to our parcel is incorrect. Cinder Bed Road stops short of it, something like half a mile short. There is no legal access to Accotink. I think this is a very big factor in applying for reassessment. It is also the sole justification for getting a public road access through the planned development to the east. If we don't get this access, our property will be of little value. Personally, I would recommend that you make it clear to the county that there is at this time no legal access. I do not want to hurt your feelings. I feel you and all concerned should know the situation. I feel how Accotink is managed from here on out will very significantly effect its value. If there is any future correspondence concerning Accotink that you might like me to review, I would be happy to do so. Thank you for the nice letter I received from you today.

Sincerely,



Anthony O'Connell

Enclosures:

Appraisal of Accotink
Application For Revision of Real Property Assessment
Secretary of Transportation's letter of October 13, 1987

Copies to:

Mr. Ed Prichard
Ms. Sheila O'Connell



THOMAS E. REED

REAL ESTATE APPRAISER - REALTOR

4031 CHAIN BRIDGE ROAD • SUITE 301
FAIRFAX, VIRGINIA 22030

703/591-3739



ASSOCIATES

SAMUEL L. SHANKS
THOMAS E. (TED) REED

June 8, 1992

Mr. Anthony O'Connell
6541 Franconia Road
Springfield, Virginia 22150

Re: Property Owned by Anthony M. O'Connell, Trustee
and Jean M. O'Connell
Fairfax County Tax Map Number 90-4-((1))-17

Appraisal Services.....\$2,000.00

--Total due upon receipt
--Please make checks payable to
Thomas E. Reed

PAID IN FULL
check # 309
[Signature]
6/9/92

Thomas E. Reed
SS#228-30-3062

Note 6

Accounting entanglement \$241.81

Anthony O'Connell
6541 Franconia Road
Springfield, Virginia 22150
May 29, 1992

Mr. Ed White, Attorney
118 South Royal Street
Alexandria, Virginia 22314

Reference: Your letter of May 19, 1992

Dear Mr. White:

Thank you for your letter concerning the Seventh Trust accounting. In the future would you please send letters concerning me or the trust directly to me? It will save the beneficiaries attorney expense. I would appreciate you sending a copy to Mr. Prichard.

I talked with Mr. Forrest Balderson today. Mr. Balderson prepared the account and states that the numbers are correct. He reminded me that court accounting and taxable accounting are different animals and often do not match. I believe this applies to your questions in paragraphs 1 and 2. Please feel free to call Mr. Balderson at (703) 549-7800.

I will try to address your paragraph 3. Rather than wait until the end of each year and calculate the exact net income of the trust to be distributed to my mother, I estimated the net income in April so I could make the distribution to her immediately after the trust received the annual April payment. The consequent year end adjustments were:

Third Account	\$ -5,906.72	{Mother owed to trust}
Fourth Account	- 687.03	{Mother owed to trust}
Fifth Account	+5,796.98	{Trust owed to mother}
Sixth Account	-2,908.97	{Mother owed to trust}
Net carryover	\$ -3,705.74	{Mother owed to trust}
Seventh Account, 1991	\$ +5,181.71	{Trust owed to mother}

The net carryover of \$ -3,705.74 up to the seventh account combined with the \$ +5,181.71 of the seventh account netted \$1,475.97 the trust owed my mother. This is the \$ 1,475.97 check I mailed to you.

Mr. Balderson tells me he called you concerning the real estate taxes before he did the account and discussed it with you. Is it necessary to change it now?

My trust accounting is on a cash basis. I think a per diem split of the September interest would be accrual accounting. I don't think I can mix the two methods. If the Commissioner of Accounts says it's appropriate, it's fine with me.

At this point in time, I believe Mr. Balderson and I are of one mind that the estate does not owe the trust and the trust does not owe the estate.

I have a few questions concerning my mother's 1991 tax return.

1. My copy shows she should be penalized by IRS and Virginia because adequate estimated tax payments were not made after her death. I believe my sister is convinced I am responsible for this. If it is my fault, I will pay for it out of my pocket. I feel the other beneficiaries should not be charged for the negligence of another. Would you please lay out the specifics on what happened? Please be very specific.

2. My copy also does not show the principal of \$125,188.17 paid to my mother by the Lynch Note in April of 1991. It does show the interest. With a gross profit percentage of .79 on the installment sale, about \$ 98,898.65 of the \$125,188.17 should have been reported on line 13 of the 1040 as a capital gain. It appears that this omission is up and above the penalties and interest already acknowledged. Why was it not reported? Will you amend the return?

3. On Schedule B under dividend income, what is the significance of "***BAL ON 1040 OF JEAN NADER,SSN 225 50 9052"?

I look forward to your response.

Yours truly,

Anthony O'Connell

Enclosures:

Your letter of May 19, 1992

IRS Form 1040, Schedule B and Wavier of Penalty Request for Jean O'Connell, 1991. The other IRS forms attached to this return were not included in this enclosure.

Copies to:

Mr. Ed Prichard
Mr. Forrest Balderson
Ms. Jean Nader
Ms. Sheila O'Connell

EDWARD J. WHITE
ATTORNEY AT LAW
118 SOUTH ROYAL STREET
ALEXANDRIA, VIRGINIA 22314
TELEPHONE 836-5444

September 14, 1992

Mrs. Jean M. Nader
350 Fourth Ave.
New Kensington, Pa. 15068

Re: 1991 Income Tax

Dear Jean,

Enclosed is the IRS reply to the amended income tax return which was filed to reflect the Lynch principal payment in 1991 which resulted in an additional \$28,334.00 in federal tax.


They did not assess a penalty, but did assess interest in the amount of \$526.55 for what I gather is the period from April 15 through July 7, 1992.

Since the estate would have had to pay the \$28,334.00 in taxes in April, and as a result of the non payment, earned interest on the money, I have split the payment of the IRS assessment between me and the estate.

During the period of 83 days that the money was in the estate account it earned an average of 3.753% which equates to \$241.81. My share is \$284.74. The checks are enclosed. Please sign the estate check if you agree and mail the package to the IRS. I am sure we will hear from Virginia to a lesser degree.

Please send a copy of this letter to Tony.

Sincerely,



Edward J. White

EJW/e
Encl.

Note 7

Accounting entanglement \$8,000.00
gift-estate tax interplay

Anthony O'Connell
6541 Franconia Road
Springfield, Virginia 22150
May 5, 1992

Mrs. Jean Nader
350 4th Avenue
New Kensington. Penn 15068

Ms. Sheila O'Connell
44 Carleton Street
Portland, Maine 04102

Dear Jean and Sheila,

Hope you both are well. I would like try to get resolution on the Plymouth Van. Jean, I hope you don't mind me taking the initiative on this.

I talked to Mr. Prichard today. He agreed with me that if I had signed the receipt Mr. White wrote, the Plymouth would have cost me \$8,000.00.

Mr. Prichard said that if it is the will of both of you to sell it to me for \$1, it is necessary that you both sign a statement to that effect. It is the beneficiaries decision. Mr. White is not a beneficiary. If either of you do not wish to do that, no hard feelings. Just tell me, Jean, where you want me to park the Van and I'll mail you the keys.

Please sign and date the appropriate line on the enclosed sheet and return it to me in the enclosed stamped and self addressed envelope. That is all there is to it.

Love,

Anthony O'Connell

Copy
Mr. White

FILE

It is my decision as a beneficiary of the estate of Jean O'Connell, that Anthony O'Connell may purchase the 1988 Plymouth Van now in the estate, VIN 1P4FH4037JX221930, for one dollar.

Name

Date

It is my decision as a beneficiary of the estate of Jean O'Connell, that Anthony O'Connell may not purchase the 1988 Plymouth Van now in the estate, VIN 1P4FH4037JX221930, for one dollar.

Name

Date

It is my decision as a beneficiary of the estate of Jean O'Connell, that Anthony O'Connell may purchase the 1988 Plymouth Van now in the estate, VIN 1P4FH4037JX221930, for one dollar.

Shiela O'Connell

Name

5-9-92

Date

It is my decision as a beneficiary of the estate of Jean O'Connell, that Anthony O'Connell may not purchase the 1988 Plymouth Van now in the estate, VIN 1P4FH4037JX221930, for one dollar.

Name

Date

It is my decision as a beneficiary of the estate of Jean O'Connell, that Anthony O'Connell may purchase the 1988 Plymouth Van now in the estate, VIN 1P4FH4037JX221930, for one dollar.

Jean Nader May 15, 92
Name Date

It is my decision as a beneficiary of the estate of Jean O'Connell, that Anthony O'Connell may not purchase the 1988 Plymouth Van now in the estate, VIN 1P4FH4037JX221930, for one dollar.

Name Date

Meeting

Apparently, Edward White meet secretly with Jean Nader and Sheila O'Connell and had them sign and predate a document that would recreate an accounting entanglement using the car.¹ If the May 1 date on the "Agreement confirming distribution of vehicle" is taken at surface look, it would undo my work in removing the obstacle using the car.

The family (Jean Nader, Sheila O'Connell, and Anthony O'Connell) meet in Virginia on May 15, 1992, for the dedication of the Knoll Garden designed by our mother, Jean O'Connell.²

I do not believe the May 1, 1992, date on the "Agreement confirming distribution of vehicle" was the actual date it was signed. I believe it was signed just after May 15, 1992, probably on May 16, 1992.³

- I do not believe Jean Nader would ask me to sign a document for the car⁴ on May 15 if she had already signed the "Agreement confirming distribution of vehicle" on May 1.
- If Jean Nader had already signed the "Agreement confirming distribution of vehicle" on May 1, I believe she would have mentioned it when I asked her to sign my document for the car. She signed my document for the car on May 15.
- If Sheila O'Connell had already signed the "Agreement confirming distribution of vehicle" on May 1, I believe she would have mentioned it when I asked her to sign my document for the car. Sheila O'Connell signed my document for the car on May 9.
- There is a history of predating.⁵ There is a history of bringing something outside of the estate into the estate to create an accounting entanglement.⁶ There is a history of secrecy; secrecy generally protects those who have something to hide. Secrecy is a flag.
- If the May 1 date on the "Agreement confirming distribution of vehicle" is taken at surface look, it would preempt the receipt signed by Sheila O'Connell on May 9 and the receipt sign by Jean Nader on May 15. The receipts of May 9 and May 15 do not create accounting entanglements. The "Agreement confirming distribution of vehicle" creates an accounting entanglement and is in conflict with the 1/3 each distribution instructions stated in the Will.
- I mailed the originals of the receipts signed by Sheila O'Connell and Jean Nader to Edward White.⁷ He did not respond.
- The "Agreement confirming distribution of vehicle" document dated May 1, 1992, was apparently signed by both Sheila O'Connell and Jean Nader at the same time with the same pen so they would have had to have been physically together. They were not physically together on May 1.

The secret meeting with innocent family members to sign secret⁸ documents with false dates that would undo my work is another reason I have not entered into a sales contract for Accotink in 19 years.

¹ This is my best guess of the sequence of events. Secrecy is an obstacle. Should the benefit of the doubt go to the party who creates the secrecy or to the party who tries to remove it?

² At Goodwin House Baileys Cross Roads, 3440 South Jefferson Street, Falls Church, Virginia, 22041.

³ Sheila O'Connell told me that she and Jean Nader meet with Edward White at some point but she does not remember when. I am guessing that it was just after the dedication of the Knoll Garden on May 15, 1992, probably on May 16, 1992, before Sheila O'Connell went back to Maine and Jean Nader went back to Pennsylvania.


⁴ Probably the unknown document for the car enclosed in Edward White's letter of April 22, 1992, to Jean Nader, that I have not seen.

⁵ See the false lost account with the instructions by an unidentified person to date it 1/3/85.

⁶ See Note 5 at Bk467p194 (The trust, not the estate, paid the appraiser).

⁷ This was a mistake. There is a long learning curve and a long acceptance curve

⁸ I believe innocent Jean Nader sent me a copy of the "Agreement confirming distribution of vehicle" when she was sending me other documents that I was not supposed to have seen, such as Edward White's letter's of April 22, 1992, May 4, 1992, and February 2, 1993.

AGREEMENT CONFIRMING DISTRIBUTION OF VEHICLE 

We, Jean M. Nader and Sheila O'Connell-Shevenell, hereby confirm that one 1988 Plymouth Van was distributed to our brother, Anthony M. O'Connell by the Estate of Jean M. O'Connell, and that we hereby confirm and agree to that distribution.

We further confirm and agree that this distribution shall not be charged against Anthony M. O'Connell's ~~share~~ of the estate and that the remaining net proceeds of the ~~estate~~ after settlement of all debts and obligations shall be divided in three equal shares.

DATE: May 1, 1992

I believe this was actually signed just after May 15, 1992.

* Jean M. Nader

* Sheila O'Connell