

# Power

The family is powerless to stop the accountants from creating accounting entanglements and making them appear as if they came from the family if one or more members of the family trust the accountants instructions.

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

August 18, 1988

Mrs. Harold O'Connell  
#1128 Goodwin House, West  
3440 South Jefferson St.  
Falls Church, Va. 22041

Re: Power of Attorney

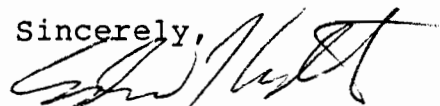
Dear Mrs. O'Connell,

I tried to return your call several times but could not reach you.

Enclosed is the power of attorney which is limited to my obtaining a cashiers' check for your bills at Goodwin House. I think this is the best way to handle their requirement, since I do not think it would appear proper for me as your attorney, to hold your general power of attorney.

Please sign this before a Notary Public and return it to me. In addition I would need to know the name of your bank and the applicable account number.

Sincerely,



Edward J. White

EJW/e  
Encl.

# 1

The family does not have the power to remove the accounting entanglement.

Anthony O'Connell  
6541 Franconia Road  
Springfield, Virginia 22150  
January 18, 1991

Ms. Jean O'Connell  
Room 1128  
Goodwin House West  
3440 South Jefferson Street  
Falls Church, Virginia 22041

Dear Mother:

I could not resolve your title problem with Sovran Bank in a follow up phone call. I was reminded that they could not permit me access to your financial information, but they did agree to send you a complete financial history of the loan for the van.

If it is not resolved to your satisfaction, I suggest that you call your attorney and power of attorney, Mr. Ed White.

Love,

Anthony O'Connell



January 16, 1991

Jean M. O'Connell  
3440 S. Jefferson St., #1128  
Falls Church, Virginia 22041

RE: Sales Finance Account No. 203-06-1850-102210

Dear Ms. O'Connell:

Our records reflect receipt of a payment on November 02, 1988 in the amount of \$11,547.89 on the above-referenced account.

The current balance is \$958.68 with a net payoff amount owing of \$1,225.15, effective through January 15, 1991, with the interest daily thereafter at \$ 0.33¢ per day.

The original terms are:

Date Of Security Agreement:	September 29, 1988
Total Payments:	\$ 16,735.80
Amount Financed:	\$ 12,370.31
Finance Charge:	\$ 4,365.49
Terms Of Loan:	60 months @ \$278.93

A copy of the Security Agreement is enclosed for your review.

As shown on the Security Agreement, the amount borrowed without the finance charge added was \$12,370.31. The amount credited was only \$11,547.89, which was decreased by \$136.26 for interest accruals.

Amount Financed (without Interest):	\$ 12,370.31
<u>Payment (less Interest of \$136.26):</u>	<u>- 11,411.63</u>
Balance (without Interest accruals):	\$ 958.68

The interest has been accruing daily from November 02, 1988 at the rate of \$ 0.33 bringing the net payoff amount as referenced above.

On December 14, 1988, our records show you spoke with our employee Ms. Patricia Conley, and the above information was relayed to you at that time. The reason we have not contacted you for payment is the account is not due until March 29, 1992 as the last payment advanced the due date.



Should you need further assistance, please contact me at (703) 749-1577.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sue McMillion".

Sue McMillion  
Staff Supervisor  
Northern Sales Finance  
Sovran Bank, N.A.

Enclosure

SM/rwh

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7777 Leesburg Pike, Falls Church, Virginia 22043

## **Jean M. O'Connell, 79, prominent gardner**

Jean M. O'Connell, 79, of Falls Church, died of a heart attack Sept. 15 at Alexandria Hospital.

Born in Grand Junction, Colo., to James and Olga Miner, Mrs. O'Connell attended Cornell University.

She moved to Northern Virginia nearly 50 years ago, living in Oak Grove, a pre-Civil War home in Springfield. In 1988, she moved to Falls Church.

Mrs. O'Connell was a member of the Council of Accredited Flower Show Judges, and was a master judge with the council. She was also a member of the Landscape Design Critics Council, the Daughters of the American Revolution and the Museum of Women in the Arts.

She was a charter member of the Springfield Acres Garden Club; and, as a volunteer, helped design gardens for churches, schools, hospitals, and median strips throughout Northern Virginia.

Her husband, Harold A. O'Connell, died in 1975.

Survivors include a son, Anthony M. O'Connell of Springfield; two daughters, Sheila O'Connell of Portland, Maine, and Jean Nader of New Kensington, Pa.; eight grandchildren and a great-grandchild.

Friends may call from 2 to 4 p.m. and 7 to 9 p.m. tomorrow at De-maine Funeral Home, at Backlick and Edsall roads in Springfield, where funeral services will be at 10 a.m. Thursday.

# 2

I don't understand why the accountants brought the accounting entanglement into the estate rather than resolve it when Jean O'Connell would have asked them to resolve it.



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

TELEPHONE 836-5444

February 18, 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 to prepare your mother's 1991 income tax returns, I need the amount that the Harold O'Connell Trust paid her during 1991. In the event the payment was not made in 1991, I will need to file the amount which was due as "income with respect to a decedent" on the estate tax and fiduciary tax returns. The cutoff date for your computation will be September 15, 1991. After that date the trust technically terminated, and the income belongs to the beneficiaries of that trust.

Jean and I are making progress on the estate. We have decided to leave the A. G. Edwards accounts in place since they are earning a better rate of return than a bank can give.

I am trying to get to the bottom of the car problem with Sovran and should be able to get the title soon so that it can be transferred to you before the insurance expires.

Jean has informed me that you and your sisters have decided that it is best to try and list the Accotink property at its actual value as of the of death rather than a higher value based on its future value. Since you have worked so diligently on this problem in the past, could you give me the name of an appraiser who could do a valuation which will take into account all of the county inspired problems. It seems to me that the county value of \$600,000.00 is too high based on the hurdles you have run into in trying to develop it.

Could you also send me the address of Lynch Properties?

Sincerely,



Edward J. White

EJW/e  
Copy to: Jean M. Nader

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

TELEPHONE 836-5444

February 25, 1992

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

Re: Estate of Jean M. O'Connell

Dear Mr. O'Connell,

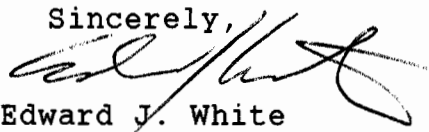
I have received your letter of February 24, 1992 in which you request that I reconsider my refusal to resign as co-executor of your mother's estate.

Once more I decline to take such action.

When your mother approached me about changing the co-executors of her will, we discussed the matter at length. She specifically desired to make the changes which are in effect now, and was quite firm in her decision. It would be clearly disloyal of me to dishonor her intentions.

If you are represented, I will be glad to discuss this matter with your counsel.

Sincerely,



Edward J. White

EJW/e

Copy to: Jean M. Nader

# 3

The family does not have the power to stop the accountants from using the accounting entanglement.

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

TELEPHONE 836-5444

April 4, 1992

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

Re: Estate of Jean M. O' Connell

Dear Mr. O'Connell,

I have received your letter of March 30, 1992.

The answers are:

Question 1. As soon as the money is received, the tax liabilities evaluated and upon consultation with the Co-Executor.

Question 2. Paid. It is not my decision as to what it will cost you, though I have been informed that you know full well.

Question 3. 2 1/2% of the receipts into the probate estate if approved by the Commissioner of Accounts.

I would call to your attention that on two separate occasions I drove to Sovran and spent a lengthy period of time on the question of the car loan. I did this in person since: I knew that you had the vehicle, that your sisters wanted you to have it, that the insurance and tags were due to expire soon and I did not want you to be inconvenienced. I could have done all of this by mail and it probably would have taken about three months, knowing the nature of the loan problem. I assumed I was doing you a favor.

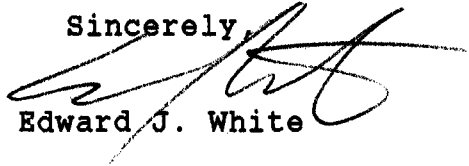
Now I receive your letter asking that I "simply pay them the interest" I paid the interest and principal in one check on March 12, received the title on March 22 and mailed it to Mrs. Nader to sign over to you on March 23. Have you any suggestions as to how it could have gone faster?

The information of the commission was given to you previously by Mrs. Nader.

I do not know what your problem is, but in the future, please address all correspondence to Mrs. Nader.

I am trying to be patient with you, but I find that this estate is time consuming enough without having to deal with letters such as the last two that I have received.

Sincerely,

A handwritten signature in black ink, appearing to be 'E. J. White', written in a cursive style.

Edward J. White

EJW/e

Copy to: Jean M. Nader

**Missing**

**\$545,820**

**April 21, 1992**

The accountants do not mention the cash payment of \$545,820 to the Estate from the payoff of Lynch Note 1 on April 21, 1992, and the payment does not show in the accountings or tax returns.

When the accountants told the beneficiaries that the Lynch note would not produce any capital gain, I told them that it would and the taxes were paid. At that time I did not know that they were not reporting the \$545,820 payment. So strangely, the payment was not reported but the taxes on the payment were paid.

Can we expose the accounting trails of the \$545,820 payment?

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.



SH. NOTES. STOCKS & BONDS

ck Wash Gas Light Co. 8/1/91	105.00
ck Signet 8/5/91	39.60
ck A. G. Edwards 8/15/91	2,346.63
ck Kemper Mun Bond Fund 4/30/91	162.86
ck Kemper Mun Bond Fund 5/31/91	162.86
ck Kemper Mun Bond Fund 7/31/91	162.86
ck Kemper Mun Bond Fund 8/30/91	162.86
Ck Nuveen Fund 3/1/91	63.00
Ck Nuveen Fund 5/1/91	63.00
ck Nuveen Fund 6/3/91	63.00
ck Nuveen Fund 8/1/91	66.50
ck Nuveen Fund 9/3/91	66.50
ck American Funds 9/9/91	424.76
Sovran Bank #4536-2785	3,310.46
First Virginia Bank #4076-1509	22,812.52
Fx Co. Ind Dev Bond	109,587.00
Franklin Va. Fund 4556.001 sh	50,507.84
Investment Co. of America 3861.447 sh	65,663.91
Kemper Mun Bond Fund 2961.152 sh	30,396.23
Nuveen Premium Inc Mun Fund 700 sh	6,450.50
Washington Gas Light Co. 200 sh	6,375.00
Signet Banking Corp 198 sh	4,331.25
Lynch Properties note	518,903.26
Travelers Check	20.00
1988 Plymouth Van	8,000.00
Am Funds 5/10/91	326.60
USAA Subscriber savings acct	25.10
SUB TOTAL	830,599.10

OTHER ASSETS

1990 Virginia Tax refund	1,605.58
Debt from Harold O'Connell Trust	659.97
Blue Cross refund	88.78
SUB TOTAL	2,354.33

JOINT ASSETS

Hallmark Bank #1107849600	40,796.81
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REAL ESTATE

15 acres Fairfax Co. Va. 53.9006% interest	323,403.60
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TOTAL ASSETS	1,197,153.84
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DEBTS

Colonial Emerg Phys (med bill)	10.40
Fairfax Circ Ct. letters	14.00
Jean M. Nader probate tax reimb	1,269.00
Sovran Bank Car loan payoff	1,364.97
Checks	15.89
Commissioner of accounts Inventory	61.00
IRS 1991 1040 return	15,332.00
Va. Dept Tax 1991 return	2,856.00
Jean M. Nader, bills pd	8,559.00
Sheila Ann O'Connell-Shevenell, cem bill	475.00
Co-Executors' Commission	41,529.96
Commissioner of Accounts fee for Accounting	1,048.25

TOTAL DEBTS AND EXPENSES	72,535.46
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TAX COMPUTATION

GROSS ESTATE		1,197,153.84		
DEBTS & EXPENSES		72,535.46		
		-----		
TAXABLE ESTATE		1,124,618.38	ACC 75% 1,043,767.48	ACC 60% 995,256.94
				3 1/2% BRACKET
TENTATIVE TAX 41% bracket		396,893.53	363,744.67	343,950.21
Unified Credit before gift comp	192,800			
Unified Credit used for gifts	9,784			
UNIFIED CREDIT		183,016.00	183,016.00	183,016.00
CREDIT FOR VIRGINIA TAX		40,375.58	35,201.12	32,934.39
NET FEDERAL TAX		173,501.96	145,527.55	127,999.82
VIRGINIA TAX		40,375.58	35,201.12	32,934.39
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TOTAL ESTATE TAXES		213,877.53	180,728.67	160,934.21



Edward White's document 3 of 3 for the car  
(Unknown; I have not seen it.)

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

May 4, 1992

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

Dear Jean,

Enclosed is the form for appealing the tax assessment of the Accotink property. On page 2, it states that there is a June 1 deadline. I do not think we can make a claim of a lesser value on the estate tax return if we do not file an appeal with the county. To fail to do appeal it would hurt our argument with the IRS.

The summary of the estate tax computation and the interplay of the gift tax is as follows:

1. In computing the estate tax, the gross estate (which includes anything which passes due to death whether in the probate estate or not) is figured, the debts subtracted and the "taxable estate" is ascertained.
2. The tax is then computed on the taxable estate. From this figure is subtracted a "unified credit" of \$192,800 (equivalent to a taxable estate of \$600,000).
3. Lifetime gifts in excess of \$10,000 to any one individual are taxable at the estate/gift tax rates. Each year the donor should have filed a gift tax return, though no tax is due unless the entire \$192,800 credit has been used in making the gifts.
4. Each gift over \$10,000 uses a portion of the unified credit, thus reducing the amount of that credit available to apply to the estate tax.

In our case the lifetime gifts used up \$9784.00 of the available credit. A list of the gifts is enclosed. Returns for 1989 and 1991 must be filed. As fiduciaries we must certify to the IRS that the return is true and correct. We have personal liability in that regard. If we have knowledge of a gift to Tony of \$15,000, we must report it. Tony is going to have to answer that question before we can be satisfied. If he claims he did not receive the money, he will have to supply us with an affidavit to that effect.

As far as the management of an estate undergoing the probate process is concerned, the Executors are entitled to some latitude

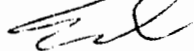
Page 2  
Ltr to Mrs. Jean M. Nader  
May 4, 1992

within the confines of their fiduciary duty. The decisions about the estate are theirs.

My personal operational mode in these matters is to keep the heirs fully supplied with the paperwork of the estate, and consult with them fully as to strategic and long range issues, such as the valuation of property in the Accotink situation. The day to day matters and the justification for tactical positions taken such as the contents of forms and accountings are the prerogative of the Executors and subject to the scrutiny and approval of the Commissioner of Accounts or the taxing authorities only.

With regard to the filing of the income tax return, my file indicates that I received a fax copy of the K-1 from the Harold O'Connell Trust on April 9, 1992, only six days before the tax return was due.

Sincerely,



Edward J. White

EJW/e  
Encl.

# 4

Sale of car means no accounting entanglement.

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.

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



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

# 5

The family does not have the power to stop the accountants from creating a new accounting entanglement. This document was probably signed the day or so after the sale of the car on May 9, 1992, and back dated to May 1, 1992, which would be before the sale.

The date of May 1, 1992, for Edward White's document 3 of 3 for the vehicle would be out of context between Edward White's letters to innocent Jean Nader of April 22, 1992, and May 4, 1992.


For both sisters to have signed this same document at the same time means that they would have had to be physically together on May 1, 1992. On May 1, 1992, I believe Jean Nader would have been in Pennsylvania and Sheila O'Connell in Maine. We all did not get together until around May 9, 1992, when we meet for the dedication of Jean O'Connell's garden at Goodwin House West in Fairfax County, Virginia. Perhaps it was back dated to before the sale to justify the accounting entanglement at Bk467p194, note 7.

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 

\* Jean M. Nader

\* Sheila O'Connell

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

TELEPHONE 936-5444  
April 13, 1994

The Hon. Jesse B. Wilson, III  
Commissioner of Accounts  
Fair Oaks Plaza, Ste. 500  
11350 Random Hills Rd.  
Fairfax, Va. 22030

Re: Estate of Jean M. O'Connell  
Fiduciary #49160

Dear Mr. Wilson,

Enclosed is the Second and Final Accounting in this estate with vouchers, financial account statements, closing letters and the affidavit as to tax payments.

I hereby request that compensation to me as Co-Executor in the amount of \$23,580.89 (2 1/2% of the adjusted gross receipts of the estate \$943,235.84) be approved. A calculation sheet is attached.

Duties of the Co-Executor since October 1991, have consisted of meeting with heirs, consulting with the broker handling certain of the estate assets as to investments and making decisions on asset management and sale, personally closing out the decedent's bank accounts, resolving the matter of an unpaid bank loan to free the title to a vehicle, assisting in a successful appeal of the county assessment of real estate, managing the estate bank account, personal research as to asset value, preparation of all necessary administration documents, preparing decedent's federal and state income tax returns, preparing several years gift tax returns for decedent, preparing state and federal estate tax returns and amendments, personally contacting IRS to obtain closing letters, preparing financial data for the accountant to file three federal and state fiduciary income tax returns, responding to numerous letters of one of the heirs, closing and transferring a brokerage account and court appearance and pleadings for the Order of Distribution.

The time is estimated to be about 127 hours which is probably conservative. A time sheet is enclosed. Included is at least 4.75 hours which were spent in preparing an answer to a complaint filed with the Virginia State Bar by Anthony M. O'Connell which complaint was dismissed without a hearing.

COPY

Any questions concerning Mrs. Nader's (the other Co-Executor) commission should be addressed the other heirs. Mrs. Nader conducted all liason with the family members which was demanding and invaluable.

Sincerely,

Edward J. White

EJW/e

Encl.

Copy to: Jean M. Nader  
Sheila Ann O'Connell  
Edgar A. Prichard, Esq.  
Counsel for Anthony M. O'Connell

