

**From:** Valeria Chomsky <[REDACTED]>  
**To:** "jeffrey E." <jeevacation@gmail.com>  
**Cc:** Noam Chomsky <[REDACTED]>  
**Subject:** Lawyer's reply  
**Date:** Tue, 08 Aug 2017 14:58:06 +0000

---

Below Noam's correspondence with one of our lawyers. Her answers are in blue.

We would like to know your ideas.

Best,

Valeria

PS. The last page of the quarterly report from Bainco where they disclose their management fees has not been included recently in the copies of the reports that come to Noam.

---

Here are a few things I'd like to have:

1. Account number of all the trusts

DPQ: The account numbers for all of the Bainco accounts appear within the Bainco quarterly reports on the page where they disclose their management fees, i.e. the last page of the Portfolio Appraisal relating to that particular account. For your convenience all account numbers at Bainco are as follows:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

2. According to a letter from Max, "under the term of the Trust all 'Distributable Net Income' ('DNI') is to be paid to Noam each year". DNI, he explains, is usually a mixture of interest and dividends earned. DPQ: Not exactly. DNI is a fiduciary income tax concept which represents the net profit of the trust as calculated on the trust's income tax return. This is the amount that flows through to the trust beneficiary's personal income tax return. This may or may not be the same as the amount that was actually distributed to the beneficiary. The amount that the marital trusts require to be paid to Noam annually is "the income" of the marital trusts. See

page 2 of the first trust attachment above, Paragraph 5.1. The definitions section at Paragraph 13.1 in the same attachment defines "income" as "net income" i.e. income earned (interest, dividends, etc.) less expenses allocable to that income. This is a fiduciary accounting concept. This net income must be distributed at least quarterly to Noam.

We were never notified about when or if there were such payments, or where they are being deposited if there are any. No DNI has been paid to me as far as I can ascertain. Could you look into this? DPQ: Yes. Bainco should be able to tell me. I will follow-up with Robert Katz.

3. Payments to the trust on the loan. We were never notified how or to whom to make payments, so have never made any, though we should because the interest is accumulating. DPQ: Under the terms of the note the payments need to be calculated based on the Applicable Federal Rate as in effect monthly. This is a calculation that needed to be done on an ongoing basis and you needed to be notified of the interest payment due. We may wish to consider re-writing this note to have a fixed interest rate since rates are low but I will review the rates since July, 2014. If we were to do this, the amount of accrued interest would be added to the principal indebtedness. This is something that I ought to discuss with Max as the trustee of the trust, and the trust ought to pay for these calculations. **Please let me know if you would like me to discuss this with Max.**

4. Primarily, I'm concerned to make sure that the apartment is ours to sell, unencumbered by any condition, and independent of the revocable trust. **DPQ: Please provide me with all Longview Corporation documentation that I have requested, so that I can complete my analysis of this issue.**