

From: Valeria Chomsky <[REDACTED]>

To: Vincent Pisegna <[REDACTED]>

Cc: Noam Chomsky <[REDACTED]>

Bcc: jeevacation@gmail.com

Subject: Promissory Note from the Trust

Date: Tue, 21 Aug 2018 16:12:39 +0000

Attachments: scan0037-2_(1).pdf

Dear Vincent,

I think Noam has mentioned to you that he was advised by Max and Bainco to take a loan (in the amount of \$516,000) from one of the Marital Trusts through a promissory note (that I am attaching here), as part of the equation to purchase the apartment we decided to move to be closer to MIT and that provided more safety to Noam (no steps), than the house in Lexington. We bought the apartment for \$1.1.

In addition, they advised Noam to establish a mortgage with Boston Private Bank for the other half.

We sold the apartment in Cambridge and paid the mortgage with Boston Private Bank.

We haven't been informed about where or how to deposit payments for the loan, that has a 9 year term, and I understand that there are interests being accrued over interests for the lack of payments.

Below are some e-mails from 2014 and the attachment for the promissory note just for your information, in case the loan is brought into the conversation.

Thanks.

Valeria

----- Forwarded message -----

From: Noam Chomsky <[REDACTED]>

Date: Fri, Apr 18, 2014 at 11:42 PM

Subject: RE: Chomsky purchase

To: Jacki Malloy <[REDACTED]>

Many thanks for all the trouble that you and Sam have taken with this. Turns out now that there's a snag. The sellers are hoping to move to an assisted living place, but it hasn't worked out yet, so they added an "amendment" which delays sale until they're settled. We checked it with Max, and he says it's OK for us to sign it, so we did. But if it's not settled soon, we'll keep looking.

Noam

From: Jacki Malloy [mailto:[REDACTED]]

Sent: Thursday, April 17, 2014 12:18 PM

To: [REDACTED]; Noam Chomsky

Cc: Katie Clark; Emily O'Connor; Sam Bain; Isabel Scharmer; Robert Katz; Jacki Malloy

Subject: Chomsky purchase

Max,

Yesterday at 5:00PM we talked with Noam. They will know within 48 hours whether they bought the place - \$1.2 million ask - they offered \$1.0 million.

We went over how to pay for it:

- 1) 2014 Required Minimum Distributions from IRA's is about \$300,000 to Noam, not yet taken.
- 2) Take an extra \$200,000 as a loan from the IRA's to meet closing if needed. THIS MUST BE REPAID IN LESS THAN 60 DAYS TO AVOID IT BEING A DISTRIBUTION.
- 3) Noam agreed to consolidate EW assets to Pershing.
 - A. Chomsky N-Ex Mar/I ~ \$270k (with unrealized gain approx. \$63k)
 - B. Chomsky Ex Mar Trust ~\$760k (with \$233k unrealized again) (plus home \$872k) = \$1,632k
- 4) When 3) above \$270k + \$760k plus Bainco Chomsky Trust \$750k = \$1,789k of liquid assets against which we can borrow \$890k (and maybe more) on margin.
- 5) To close we can, depending on purchase price, use borrowing power of trusts (\$890k) and IRA proceeds (may not take extra 200?) and close. Concurrently, Robert Katz will pursue a mortgage (probably a 10 or 15 year ARM with a 30 year amortization schedule). The positives are Noam's planned income before honorariums and royalties is \$60k/ year salary and social security plus \$300k/year RMD IRA income should easily support a mortgage. The negatives are applying for a mortgage with a trust entity and asset dissipation rules may apply.
- 6) No matter what, between borrowing against the liquid assets of the trust and IRA distributions - closing should be easy. Once Lexington sells any loans or extra IRA distributions can be repaid. We have copied Noam on this but please call so that we can quickly get things in place for the closing (although the time from acceptance to closing should be sufficient.)

Thanks,
Sam and Jacki

[cid:image001.png@01CD7496.F9D3DBE0]

Jacki Malloy Executive Assistant to the CEO

Bainco International Investors
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