

**LB REVOCABLE TRUST**  
**LB HERITAGE AND LEGACY TRUST**

Open Items

**I. LB Revocable Trust Agreement (the “Revocable Trust”)**

A. Artwork and Book Collection. The Revocable Trust currently provides that artwork and collectible books includible in Leon’s estate will pass to a Marital Trust, for Debra. Upon Debra’s death, such items will pass to the Foundation, subject to a power of the Trustees to “appropriate” and distribute selected works of art and books, to a child’s Legacy Trust under the LB Heritage and Legacy Trust Agreement. *Will Leon identify certain works of art and collectible books to pass, in trust, to his children?*

B. Residences. Most all of the residential property is owned by Leon and Debra jointly and 190 Narrows Road, Bedford is owned by Debra. If Debra survives Leon, under the Revocable Trust only 750 Meadow Lane, Southampton will pass to the Marital Trust and eventually to the Heritage Trust. *Does Leon wish to leave Debra 750 Meadow Lane outright, rather than have a single lot held in the Marital Trust?*

C. Residue. If the power to direct art is exercised (as described in paragraph A), so art is subject to estate tax, the residue will be reduced significantly by estate tax. To the extent art instead passes to the Foundation, the residue will be larger. *Assuming we expect a substantial residuary estate, does Leon wish to employ the zeroed-out CLAT strategy?*

**II. LB Heritage and Legacy Trust Agreement**

A. Entrepreneurial Ventures. The LB Heritage and Legacy Trust Agreement currently provides that the Trustees have discretion to invest principal of the Heritage Trust in one or more entrepreneurial ventures of Leon’s descendants. However, the Trustees may not invest more than 10% of the Heritage Trust principal in any such ventures if the entrepreneur is a child and not more than 5% if the entrepreneur is a grandchild. The Trustees also may not invest in more than 3 ventures per descendant over such descendant’s lifetime. Profits of such entrepreneurial ventures are paid 50% to the Heritage Trust, 25.5% to the Legacy Trust of the entrepreneur and 24.5% is divided among the other Legacy Trusts equally by family lines of your children. *Explore whether Leon wants to (i) change the percentage of Heritage Trust principal that may be invested in entrepreneurial ventures to not more than 5% for a child’s venture and not more than 2.5% for a more remote descendant’s venture; (ii) permit the Trustees to invest in an unlimited number of ventures per descendant (removing the 3 ventures per descendant limit) and (iii) reconsider the ratio for sharing profits from entrepreneurial ventures?*