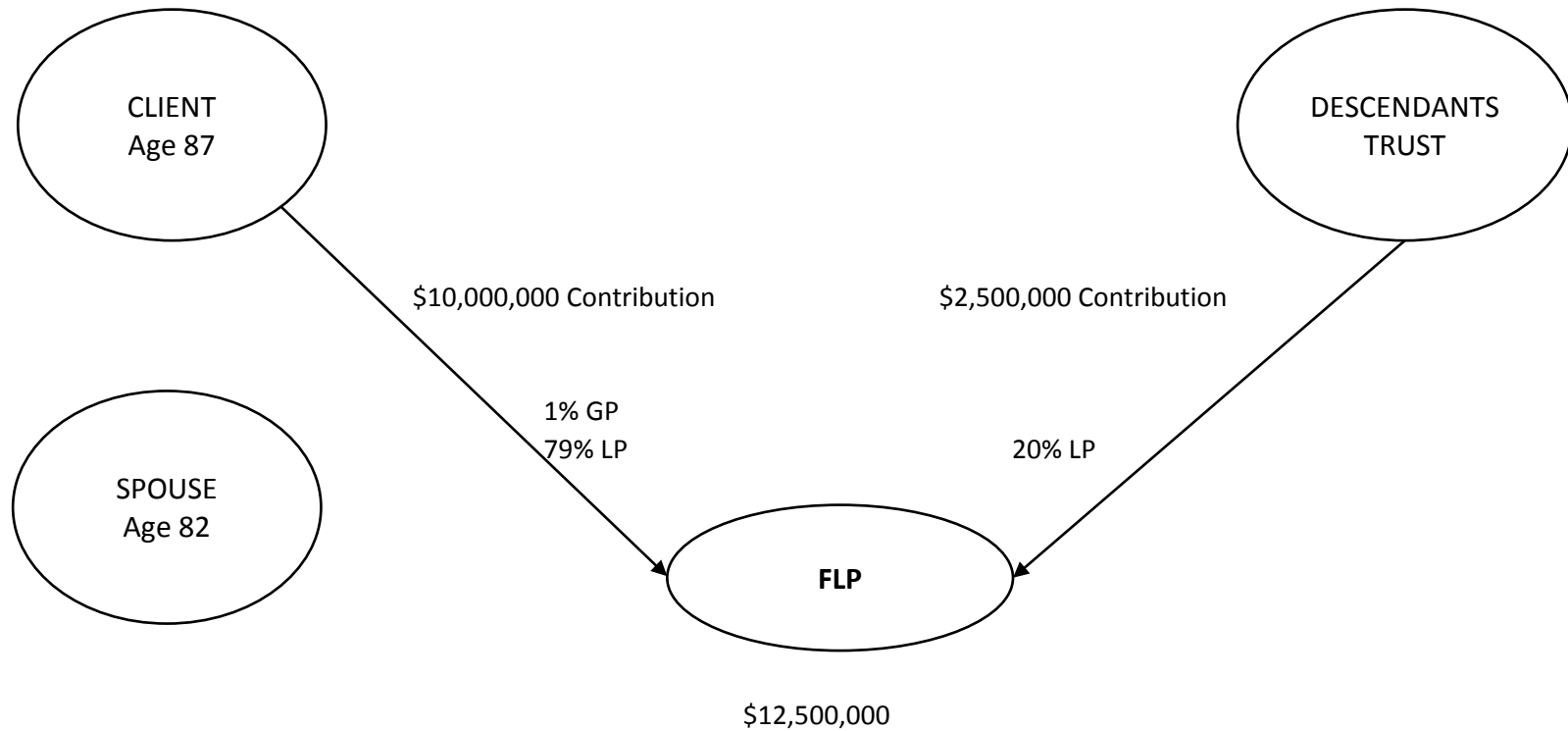


REMAINDER PURCHASE MARITAL PLANNING TECHNIQUE

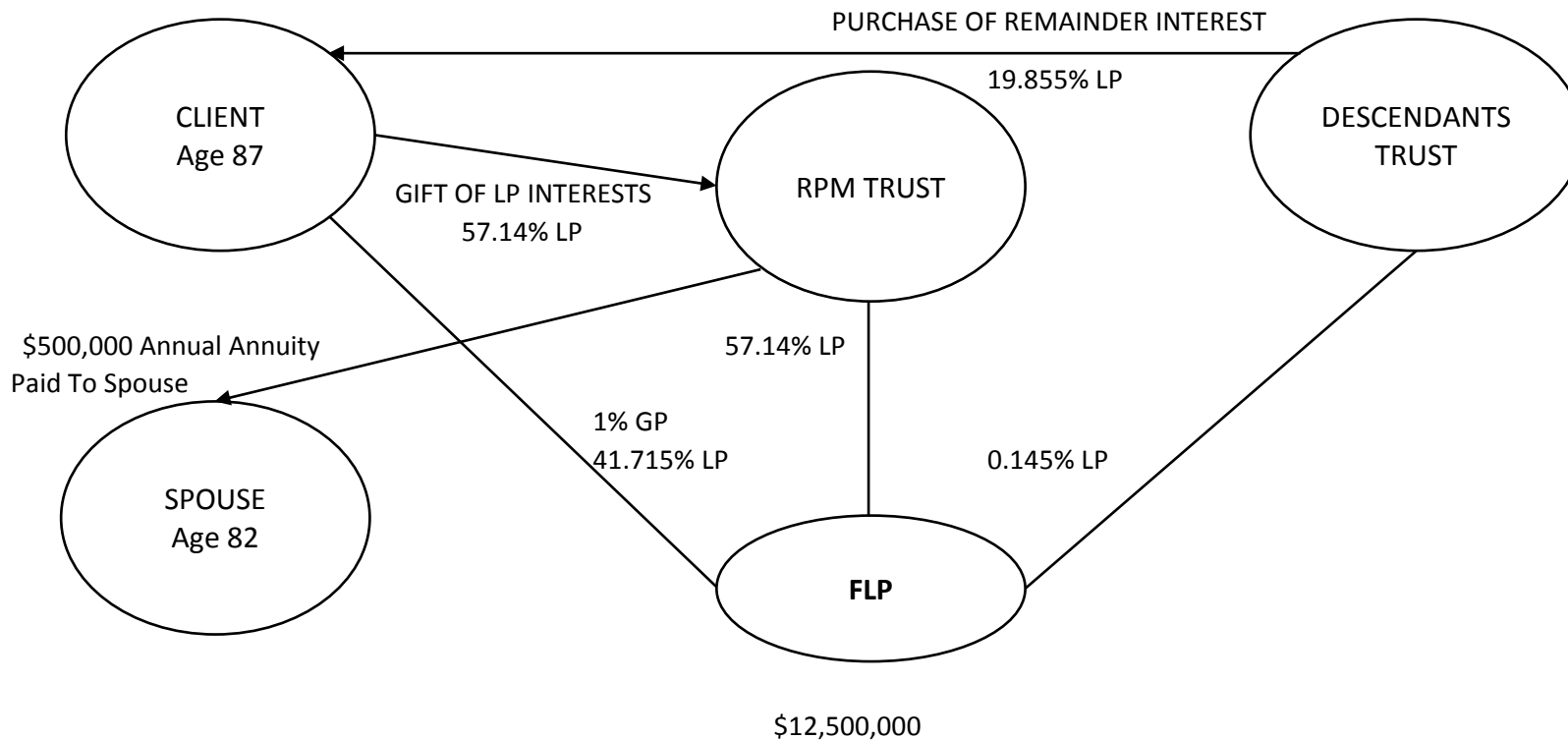
STEP ONE



- 1) Client contributes \$10,000,000 of assets and receives a 1% General Partner and a 79% Limited Partner Interest.
- 2) The Descendants Trust contributes \$2,500,000 and receives a 20% Limited Partner Interest.

REMAINDER PURCHASE MARITAL PLANNING TECHNIQUE

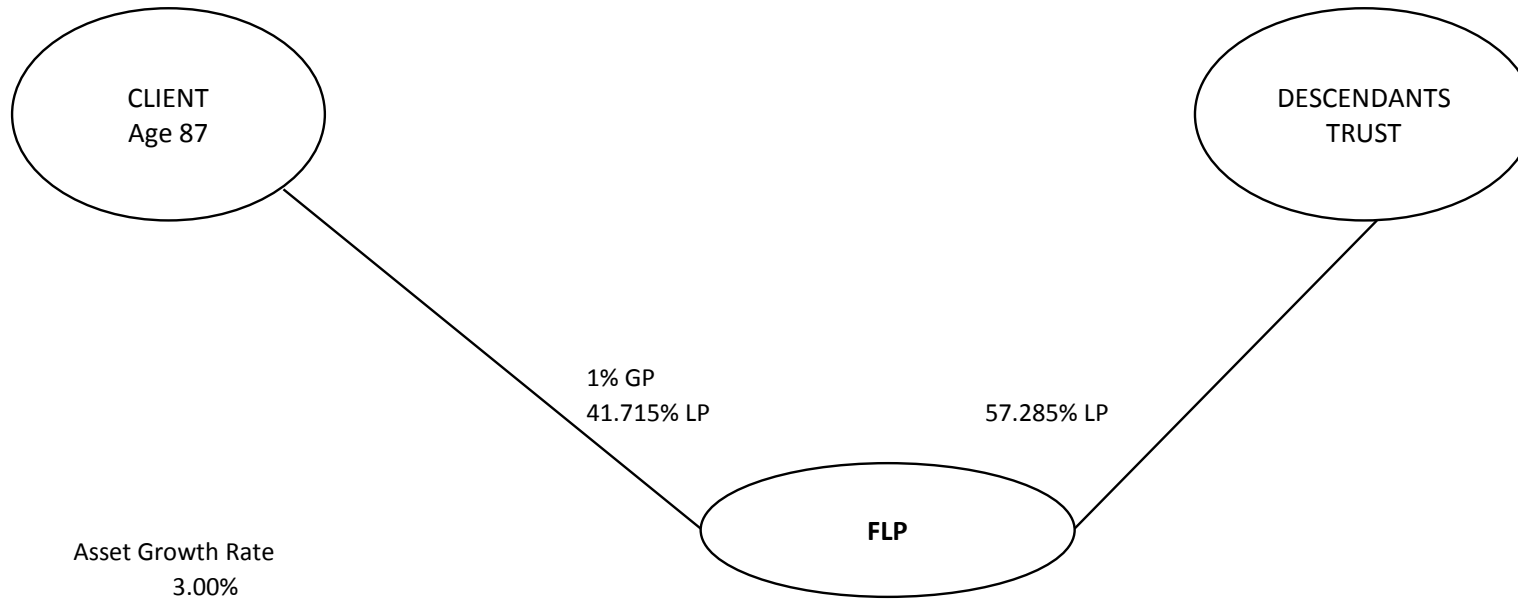
STEP TWO



- 1) Client gifts a 57.14% LP Interest to the RPM Trust. Applying a 30% discount, the gift is equal to \$5,000,000. If no discount is applied, the limited partner interest is worth \$7,150,000.
- 2) The RPM Trust provides that annual annuity payments of \$500,000 will be made to Spouse for her lifetime. The right to receive this annuity is worth \$3,262,700.
- 3) The Descendants Trust purchases the remainder interest in the RPM Trust for \$1,737,300 by transferring a 19.855% LP Interest to Client.
 $19.855\% \times \$12,500,000 = \$2,481,857$; $100\% - 30\% = 70\%$; $\$2,481,857 \times 70\% = \$1,737,300$

REMAINDER PURCHASE MARITAL PLANNING TECHNIQUE

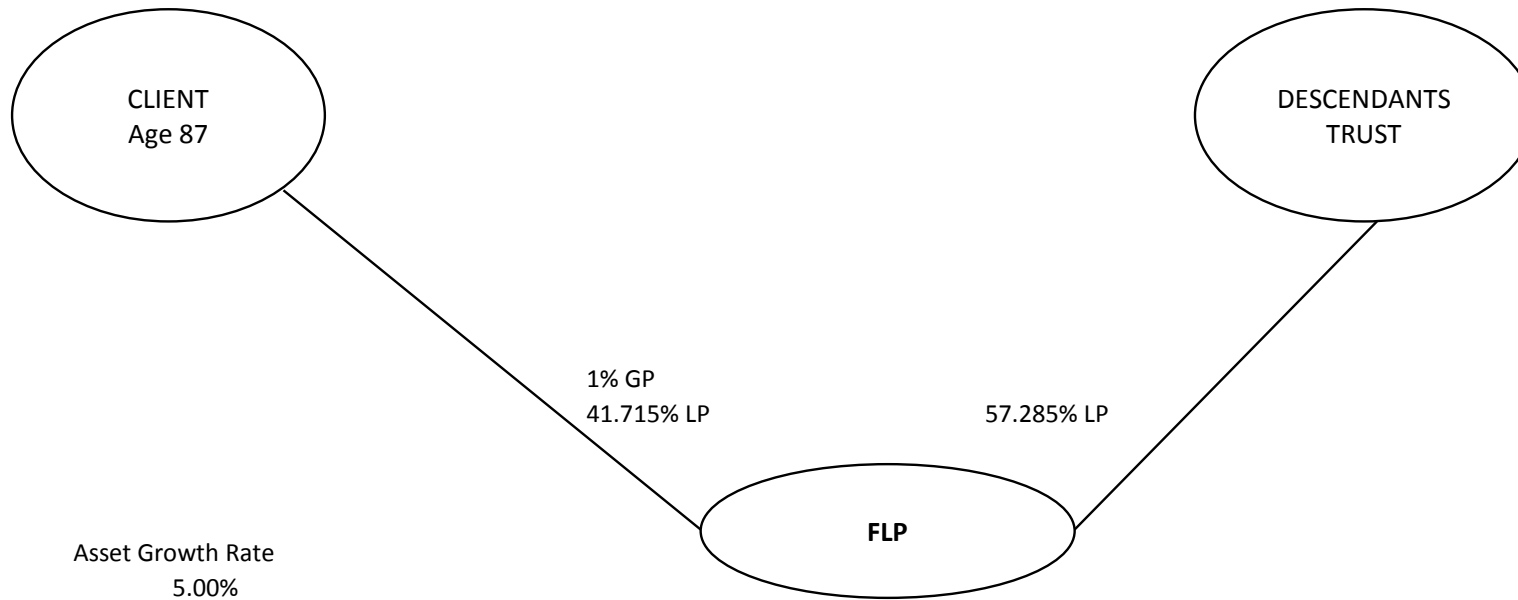
FINAL RESULT ASSUMING 3% GROWTH AND THAT SPOUSE DIES BEFORE END OF YEAR SHOWN BELOW



	Partnership Value Beginning of Year	Distribution to Spouse	Distribution to Client	Distribution to Descendants Trust	Growth of Partnership Assets	Ending Value of Partnership	Wealth Transferred	Estate Tax Savings Assuming 40% Rate
YEAR 1	\$12,500,000	\$0	\$0	\$0	\$375,000	\$12,875,000	\$2,393,587	\$957,435
YEAR 2	\$12,875,000	\$500,000	\$373,775	\$1,269	\$359,999	\$12,359,955	\$2,099,812	\$839,925
YEAR 3	\$12,359,955	\$500,000	\$373,775	\$1,269	\$344,547	\$11,829,458	\$1,797,186	\$718,874
YEAR 4	\$11,829,458	\$500,000	\$373,775	\$1,269	\$328,632	\$11,283,046	\$1,485,443	\$594,177
YEAR 5	\$11,283,046	\$500,000	\$373,775	\$1,269	\$312,240	\$10,720,242	\$1,164,310	\$465,724
YEAR 6	\$10,720,242	\$500,000	\$373,775	\$1,269	\$295,356	\$10,140,554	\$833,505	\$333,402
YEAR 7	\$10,140,554	\$500,000	\$373,775	\$1,269	\$277,965	\$9,543,476	\$492,737	\$197,095
YEAR 8	\$9,543,476	\$500,000	\$373,775	\$1,269	\$260,053	\$8,928,485	\$141,708	\$56,683
YEAR 9	\$8,928,485	\$500,000	\$373,775	\$1,269	\$241,603	\$8,295,044	(\$219,889)	\$0

REMAINDER PURCHASE MARITAL PLANNING TECHNIQUE

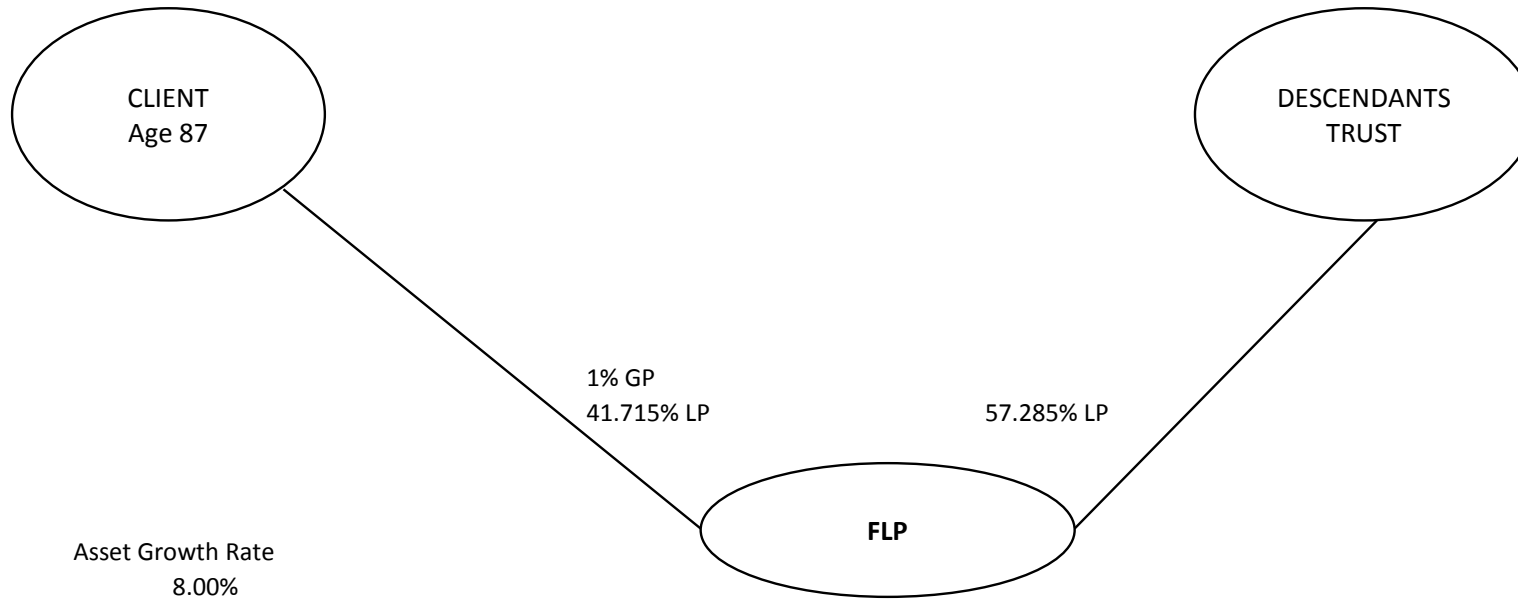
FINAL RESULT ASSUMING 5% GROWTH AND THAT SPOUSE DIES BEFORE END OF YEAR SHOWN BELOW



	Partnership Value Beginning of Year	Distribution to Spouse	Distribution to Client	Distribution to Descendants Trust	Growth of Partnership Assets	Ending Value of Partnership	Wealth Transferred	Estate Tax Savings Assuming 40% Rate
YEAR 1	\$12,500,000	\$0	\$0	\$0	\$625,000	\$13,125,000	\$2,536,799	\$1,014,720
YEAR 2	\$13,125,000	\$500,000	\$373,775	\$1,269	\$612,498	\$12,862,454	\$2,387,669	\$955,067
YEAR 3	\$12,862,454	\$500,000	\$373,775	\$1,269	\$599,370	\$12,586,780	\$2,231,018	\$892,407
YEAR 4	\$12,586,780	\$500,000	\$373,775	\$1,269	\$585,587	\$12,297,323	\$2,066,472	\$826,589
YEAR 5	\$12,297,323	\$500,000	\$373,775	\$1,269	\$571,114	\$11,993,393	\$1,893,634	\$757,454
YEAR 6	\$11,993,393	\$500,000	\$373,775	\$1,269	\$555,917	\$11,674,267	\$1,712,092	\$684,837
YEAR 7	\$11,674,267	\$500,000	\$373,775	\$1,269	\$539,961	\$11,339,184	\$1,521,408	\$608,563
YEAR 8	\$11,339,184	\$500,000	\$373,775	\$1,269	\$523,207	\$10,987,347	\$1,321,128	\$528,451
YEAR 9	\$10,987,347	\$500,000	\$373,775	\$1,269	\$505,615	\$10,617,918	\$1,110,769	\$444,308

REMAINDER PURCHASE MARITAL PLANNING TECHNIQUE

FINAL RESULT ASSUMING 8% GROWTH AND THAT SPOUSE DIES BEFORE END OF YEAR SHOWN BELOW



	Partnership Value Beginning of Year	Distribution to Spouse	Distribution to Client	Distribution to Descendants Trust	Growth of Partnership Assets	Ending Value of Partnership	Wealth Transferred	Estate Tax Savings Assuming 40% Rate
YEAR 1	\$12,500,000	\$0	\$0	\$0	\$1,000,000	\$13,500,000	\$2,751,618	\$1,100,647
YEAR 2	\$13,500,000	\$500,000	\$373,775	\$1,269	\$1,009,996	\$13,634,952	\$2,830,195	\$1,132,078
YEAR 3	\$13,634,952	\$500,000	\$373,775	\$1,269	\$1,020,793	\$13,780,701	\$2,914,956	\$1,165,982
YEAR 4	\$13,780,701	\$500,000	\$373,775	\$1,269	\$1,032,453	\$13,938,110	\$3,006,396	\$1,202,558
YEAR 5	\$13,938,110	\$500,000	\$373,775	\$1,269	\$1,045,045	\$14,108,111	\$3,105,050	\$1,242,020
YEAR 6	\$14,108,111	\$500,000	\$373,775	\$1,269	\$1,058,645	\$14,291,712	\$3,211,495	\$1,284,598
YEAR 7	\$14,291,712	\$500,000	\$373,775	\$1,269	\$1,073,333	\$14,490,002	\$3,326,355	\$1,330,542
YEAR 8	\$14,490,002	\$500,000	\$373,775	\$1,269	\$1,089,197	\$14,704,154	\$3,450,301	\$1,380,120
YEAR 9	\$14,704,154	\$500,000	\$373,775	\$1,269	\$1,106,329	\$14,935,439	\$3,584,061	\$1,433,625