

From Ben Bershad <bbershad@srr.com>
To B. Andrew Rifkin <bar@lfjfs.com>
Cc Justin Cherfoli <jcherfoli@srr.com>; Kelly Ahn <kahn@srr.com>
Subject RE: Greenbury Schedules
Date Mon, 25 Feb 2013 11:21:46 -0500

Geist seems to have little or no value. We don't have statements, but there was no taxable income or distributions in 2011 and only \$6 of taxable income in 2010.

To avoid a double-dip, HRF could either be used for income purposes (approximately \$8,500 per year, and included in our income analysis) or we could perhaps apply a multiple of 4 or 5 times that income for a value of \$34,000 to \$42,500.

Roger owns 44% Air Monitors. This entity appeared to be winding down operations in 2011, but one of its bank accounts still had activity in 2012 that looked partially personal in nature. If we annualize the 7 months of bank statements we have for 2012, Roger's income from this entity seems similar to 2010 and 2011 (which is included in our income analysis). If we instead (to avoid a double-dip) apply a rough range of multiples to the bank activity we see at Air Monitors, we may be looking at value between \$65,000 and \$80,000 for Roger's interest.

Please feel free to contact me with questions.

Regards,

Benjamin I.S. Bershad, CVA
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From: B. Andrew Rifkin [<mailto:bar@lfjfs.com>]
Sent: Monday, February 25, 2013 10:23 AM
To: Ben Bershad
Cc: Justin Cherfoli; Kelly Ahn
Subject: RE: Greenbury Schedules

Thanks, Ben. I appreciate it. Final thoughts as to:

Geist Pharmaceuticals

HRF

Air Monitors (which I assume is \$0)

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From: Ben Bershad [<mailto:bbershad@srr.com>]

Sent: Monday, February 25, 2013 10:16 AM

To: B. Andrew Rifkin

Cc: Justin Cherfoli; Kelly Ahn

Subject: Greenbury Schedules

Andy,

Attached are our personal income analysis and valuation of Smith Spyglass. In addition, according to a September 30, 2012 statement prepared by The Pacific Corporate Group Private Equity Fund, Mr. Smith's 244 shares therein are worth \$34,396.68.

Please feel free to contact me with any questions or concerns.

Regards,

Benjamin I.S. Bershad, CVA

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Attached Message

From Ben Bershad <bbershad@srr.com>
To B. Andrew Rifkin <bar@lfjfs.com>
Cc Justin Cherfoli <jcherfoli@srr.com>; Kelly Ahn <kahn@srr.com>
Subject Greenbury Schedules
Date Mon, 25 Feb 2013 10:16:06 -0500

Andy,

Attached are our personal income analysis and valuation of Smith Spyglass. In addition, according to a September 30, 2012 statement prepared by The Pacific Corporate Group Private Equity Fund, Mr. Smith's 244

shares therein are worth \$34,396.68.

Please feel free to contact me with any questions or concerns.

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Smith Spyglass LTD
Adjusted Book Value Method
Conclusion of Value

In U.S. Dollars

	Book Value As of 12/31/2011	Current Fair Market Value	Explanation of Fair Market Value
1 Cash	\$ 31,041	\$ 10,990	12/31/12 Statement
2 AEA Investments	940,492	2,206,052	6/30/12 Statement
3 Kovitz Securities	256,377	276,062	12/31/12 Statement
4 GMAC Demand Note	529,317	460,037	1/31/13 Statement
5 Total Current Assets	<u>1,757,227</u>	<u>2,953,141</u>	
6 Total Assets	<u>\$ 1,757,227</u>	<u>\$ 2,953,141</u>	
7 Total Liabilities	<u>0</u>	<u>0</u>	
8 Total Partners' Equity	<u>\$ 1,757,227</u>	<u>\$ 2,953,141</u>	[a]
9 Pro-Rata Value of Mr. Smith's Equity	20.09%	\$ 591,000	

[a] The resulting value of partners' equity is the difference between the Fair/Market Value of the assets and the Fair Market Value of the liabilities.

DRAFT

Smith/Greenbury Divorce
 Detailed Summary of the Smith/Greenbury 1040s

Information Scheduled From the Smith/Greenburys' 1040s

	2010		2011	
	Tax-Basis	Cash-Basis	Tax-Basis	Cash-Basis
1 Wages, Salaries, Tips				
2 Mr. Smith/Greenbury's Wages (Box 1)	\$ 22,266	\$ 22,266	\$ 0	\$ 0
3 Taxable Interest (Sched. B)				
4 General Motors Acceptance Corp.	0	0	0	0
5 State Farm Life Insurance Company	340	340	330	330
6 Wells Fargo 8250	4	4	0	0
7 Wells Fargo 7080	9	9	2	2
8 Wells Fargo 9222	1	1	3	3
9 Ally	340	340	404	404
10 Ally Demand Notes	244	244	405	405
11 HRF Exploration & Production, LLC	18	18	16	16
12 Alliance Capital Management Holdings - K-1 Flow-through	0	n/a	0	n/a
13 The Pacific Corporation Group - K-1 Flow-through	215	n/a	131	n/a
14 Smith Spyglass LTD - K-1 Flow-through	371	n/a	2,531	n/a
15 Alliance Capital Management Corporation - K-1 Flow-through	0	n/a	0	n/a
16 Alliance Bernstein Holding LP - K-1 Flow-through	10	n/a	21	n/a
17 Air Monitors, Inc. - K-1 Flow-through	0	n/a	4	n/a
18 Roger B. Smith GST Exempt Non-Marital Trust - K-1 Flow-through	0	n/a	30	n/a
19 Tax-Exempt Interest	n/a	275	n/a	876
20 Ordinary Dividends (Sched. B)				
21 Wells Fargo 8250	9,089	9,089	0	0
22 Wells Fargo 7080	6,280	6,280	0	0
23 Wells Fargo 9222	2,160	2,160	9,000	9,000
24 Wells Fargo 7006	0	0	9,010	9,010
25 Alliance Capital Management Holdings - K-1 Flow-through	0	n/a	0	n/a
26 The Pacific Corporation Group - K-1 Flow-through	88	n/a	398	n/a
27 Smith Spyglass LTD - K-1 Flow-through	2,375	n/a	281	n/a
28 Alliance Bernstein Holding LP - K-1 Flow-through	29	n/a	67	n/a
29 Roger B. Smith GST Exempt Non-Marital Trust - K-1 Flow-through	0	n/a	1	n/a
30 Business Income (Loss) - Fruehauf	9,249	9,249	8,273	8,273
31 Capital Gain or (Loss)	(3,000)	n/a	32,722	n/a
Other Gains or (Losses)	0	n/a	(4)	n/a
S-Corp, Rental Real Estate, Partnership, Royalties, etc. (Sched. E)				
Smith Spyglass LTD - K-1 Income / Net Distributions	(119)	0	(9,011)	47,000
The Pacific Corporate Group - K-1 Income / Net Distributions	(19)	not provided	53	4,399

Smith/Greenbury Divorce
 Detailed Summary of the Smith/Greenbury 1040s

	2010		2011		
	Tax-Basis	Cash-Basis	Tax-Basis	Cash-Basis	
Information Scheduled From the Smith/Greenburys' 1040s					
32	Avalon Farms, Inc. - K-1 Income / Net Distributions	(25,857)	not provided	(13,225)	0
33	Air Monitors, Inc - K-1 Income / Net Distributions	24,700	22,000	(52)	10,000
34	Alliance Bernstein Holding, LP - K-1 Income / Net Distributions	0	not provided	(1,692)	590
35	Geist Pharmaceuticals, LLC - K-1 Income / Net Distributions	6	not provided	0	0
36	Roger B. Smith GST Exempt Non-Marital Trust - K-1 Income / Net Distributions	0	not provided	13,217	0
37	Farm Income (Loss)	0	0	0	0
38	Other Income (Loss)	(57,154)	1,200	(41,570)	1,200
39	Subtotal Income	(8,355)	73,475	11,345	91,508
Adjustments to Total Income					
40	One-Half of Self-Employment Tax	(422)	n/a	(584)	n/a
41	Self-Employed Health Insurance Deduction	(3,276)	n/a	0	n/a
42	Penalty on Early Withdrawal of Savings	0	n/a	0	n/a
43	Total Adjustments to Total Income	(3,698)	n/a	(584)	n/a
44	Adjusted Gross Income	(12,053)	n/a	10,761	n/a
45	Less: Total Itemized Deductions	(37,493)	n/a	(32,325)	n/a
46	Less: Other Deductions	(7,300)	n/a	(7,400)	n/a
47	Total Taxable Income / Cash Flow	\$(56,846)	\$ 73,475	\$(28,964)	\$ 91,508
48	Total Tax Payments	n/a	18,507	n/a	12,663
49	Less: Total Tax	(844)	(844)	(1,016)	(1,016)
50	Less: Amount Applied to Following Year's Return	n/a	(2,663)	n/a	(4,647)
51	Tax Refund (Payment)	n/a	15,000	n/a	7,000

