

6.3.2
TRUSTEE'S ACCOUNT

[SEE CAPTION AT 1.3.2]

FIRST AND FINAL ACCOUNT

For the "Residual Trust" Established under the Will of John H. Doe, Deceased

Stated by UPSTANDING TRUST COMPANY, Surviving Trustee
and Mary W. Doe (Deceased Trustee Died December 30, 1999)
presented on her behalf by
UPSTANDING TRUST COMPANY,
as Executor of her Estate

John H. Doe, Died	January 30, 1975
Date of Trustee's first receipt of funds	February 11, 1977
Account Stated for the Period	February 11, 1977 to May 15, 2000
Tax I.D. No.	00-000000

Purpose of Account: The Trustees offer this account to acquaint interested parties with the transactions that have occurred during their administration of the Trust.

It is important that the Account be carefully examined. Requests for additional information or questions can be discussed with:

[Name of Trustee, Counsel or other
appropriate person]
[address and telephone number]
[ID## of all counsel listed above]

6.3.2

TRUSTEE'S ACCOUNT

SUMMARY OF ACCOUNT

	<i>Page</i>	<i>Value as of 11/30/2002</i>	<i>Fiduciary Acquisition Value</i>
❖ Proposed Distribution to Beneficiaries	17	<u>\$293,572.79</u>	<u>\$ 261,006.44</u>
Principal			
Receipts	3		\$ 158,259.02
Net Gain (or Loss) on Sales or Other Disposition	4-5		<u>113,549.47</u>
			\$ 271,808.49
General Disbursements:	6	\$ 77.36	
Fees	6	<u>4,300.00</u>	<u>4,377.36</u>
Balance before Distributions			\$ 267,431.13
Distributions to Beneficiaries	7		<u>10,703.79</u>
Principal Balance on Hand	8		\$ 256,727.34
For Information:			
Investments Made	9		
Changes in Investment Holdings	10-12		
Income			
Receipts (see note on page 13 about waiver)	13		\$ 5,907.25
Less Disbursements	14		<u>227.96</u>
Balance before Distributions			\$ 5,679.29
Distributions to Beneficiaries	15		<u>\$ 1,400.19</u>
Income Balance on Hand	16		\$ 4,279.10
Combined Balance on Hand			<u>\$ 261,006.44</u>
Affidavit	18		
❖ <i>Optional - for use if applicable</i>			

6.3.2
TRUSTEE'S ACCOUNT

RECEIPTS OF PRINCIPAL

Assets awarded to Trustee by Adjudication dated January 30, 1977, of Smith, J., upon the First Account of the Executors and the Schedule of Distribution pursuant thereto:

1. Premises 789 Main Street Media, PA	\$ 10,000.00	
2. \$7,000 face value, Bethlehem PA General Bonds, 1.75%, due 4/1/1978	6,965.00	
3. \$20,000 face value, Ohio Turnpike Commission Project One Bonds, 3.25%, due 6/1/2000	18,025.00	
4. 352 Shs. American Telephone & Telegraph Co., capital	54,340.00	
5. 703 Shs. XYZ & Co., common	67,663.75	
6. 5 Shs. Southwest Rodeo Oil Co., common	1.00	
7. Checking Account, Upstanding Trust Company	<u>264.27</u>	\$157,259.02
Other Receipts:		
03/15/77 Adjustment of Sewer Assessment		<u>1,000.00</u>
TOTAL RECEIPTS OF PRINCIPAL		<u>\$ 158,259.02</u>

Note: *To facilitate preparation, the accountant may prefer to detail the starting balance by attaching as an exhibit a copy of the closing balance from the last Account, Schedule of Assets in the Deed, etc., as appropriate. The opening entry would then read:*

"Assets awarded by Adjudication dated January 30, 1977, of Smith, J., upon the First Account of the Executors per Schedule of Distribution pursuant thereto, copy attached, \$157,259.02"

6.3.2

TRUSTEE'S ACCOUNT

GAINS AND LOSSES ON SALES OR OTHER DISPOSITIONS

		<i>Gain</i>	<i>Loss</i>
07/02/77	103 Shs. XYZ & Co., common		
	Net Proceeds	\$ 25,614.54	
	Fiduciary Acquisition Value	<u>9,913.75</u>	\$ 15,700.79
07/11/77	5 Shs. Southwest Rodeo Oil Co., common		
	Company declared bankrupt	0.00	
	Fiduciary Acquisition Value	<u>1.00</u>	\$ 1.00
04/06/78	100 Shs. XYZ & Co., common		
	Net Proceeds	22,226.25	
	Fiduciary Acquisition Value	<u>9,625.00</u>	12,601.25
12/29/84	\$20,000 face value, Ohio Turnpike Commission Project One Bonds, due 6/1/2000		
	Net Proceeds	18,450.00	
	Fiduciary Acquisition Value	<u>18,025.00</u>	425.00
06/19/88	500 Shs. XYZ & Co., common		
	Net Proceeds	56,337.21	
	Fiduciary Acquisition Value	<u>1.00</u>	56,336.21
08/09/88	\$50,000 Commercial Credit Co., demand note		
	Repaid	50,000.00	
	Fiduciary Acquisition Value	<u>50,000.00</u>	
09/22/88	852 Shs. American Telephone & Telegraph Co., capital		
	Net Proceeds	39,503.92	
	Fiduciary Acquisition Value	<u>19,816.70</u>	19,687.22
11/17/88	\$70,000 U.S. Treasury Bills		
	Matured	70,000.00	
	Fiduciary Acquisition Value	<u>70,000.00</u>	
	FORWARD	\$104,750.47	\$ 1.00

6.3.2
TRUSTEE'S ACCOUNT

GAINS AND LOSSES ON SALES OR OTHER DISPOSITIONS (Continued)

		<i>Gain</i>	<i>Loss</i>
	FORWARD	\$104,750.47	\$ 1.00
11/17/88 Premises 789 Main Street, Media, PA Sold, receiving:			
Purchase Money			
Mortgage	\$ 15,000.00		
Cash	<u>5,000.00</u>		
Total	20,000.00		
Less expenses of Sale:			
Commission	\$1,000.00		
Transfer Tax	<u>200.00</u>	<u>1,200.00</u>	
Balance		18,800.00	
Fiduciary Acquisition Value	<u>10,000.00</u>	<u>8,800.00</u>	<u> </u>
TOTAL GAINS AND LOSSES		<u>\$113,550.47</u>	<u>\$ 1.00</u>
NET GAIN TRANSFERRED TO SUMMARY			<u>\$ 113,549.47</u>

6.3.2

TRUSTEE'S ACCOUNT

DISBURSEMENTS OF PRINCIPAL

General Disbursements	
05/15/88 Acme Fire Insurance Co., 789 Main Street, Media, PA	\$ 50.00
06/15/99 Reimbursement to Smith, Jones and Brown, Esquires, for Miscellaneous expenses, 2/11/77 to date	
Postage and Insurance	\$ 26.21
Telephone	<u>1.15</u>
	<u>27.36</u>
TOTAL	\$77.36
 Fees	
06/15/99 Smith, Jones and Brown, Esquires Attorneys' Fee	<u>\$ 4,300.00</u>
TOTAL DISBURSEMENTS OF PRINCIPAL	<u>\$ 4,377.36</u>

6.3.2

TRUSTEE'S ACCOUNT

DISTRIBUTIONS OF PRINCIPAL TO BENEFICIARIES

	TO: Mary W. Doe		
07/01/77	\$7,000 face value, Bethlehem, PA General Bonds, 1.75%, due 4/1/85	\$ 6,965.00	
07/02/77	Cash	<u>238.79</u>	\$ 7,203.79
	TO: XYZ Charity		
05/04/99	Advance Distribution, cash		<u>3,500.00</u>
	TOTAL DISTRIBUTIONS OF PRINCIPAL TO BENEFICIARIES		<u>\$ 10,703.79</u>

6.3.2**TRUSTEE'S ACCOUNT**

PRINCIPAL BALANCE ON HAND

	<i>Value as of 11/30/02 or as noted</i>	<i>Fiduciary Acquisition Value</i>
\$20,000 face value, Indiana Toll Road Commission East/West Revenue Bonds, 3.5%, due 1/1/2002	\$ 13,600.00	\$ 17,275.00
1,260 Shs. American Telephone & Telegraph Company, capital	50,015.00	29,306.40
680 Shs. ABC Corp., common	56,355.00	48,124.00
Mortgage, 789 Main Street, Media, PA, face amount \$15,000 reduced to	14,750.00	14,750.00
\$120,000 face value, ABC Corp., demand note	120,000.00	120,000.00
Checking Account, Upstanding Trust Company	<u>27,271.94</u>	<u>27,271.94</u>
TOTAL PRINCIPAL BALANCE ON HAND	<u>\$281,991.94</u>	<u>\$256,727.34</u>

6.3.2
TRUSTEE'S ACCOUNT

INFORMATION SCHEDULES - PRINCIPAL

	<i>Fiduciary Investment Value</i>
Investment Made	
12/28/84 \$20,000 Indiana Toll Rd. Comm. East/West Revenue Bonds, 3.5%, due 1/1/2002; bought at face value	\$ 17,275.00
06/29/88 \$50,000 Commercial Credit Co., demand note	50,000.00
08/18/88 \$70,000 U.S. Treasury Bills, due 11/1/98	68,000.00
09/28/88 \$120,000 ABC Corp., demand note	120,000.00

6.3.2**TRUSTEE'S ACCOUNT****CHANGES IN PRINCIPAL HOLDINGS**

			<i>Fiduciary Investment Value</i>
American Telephone & Telegraph Company, common			
02/11/77	352 Shs.	Awarded	\$ 55,340.00
04/24/77	<u>704</u> Shs.	Received in three-for-one split	<u>0.00</u>
	1,056 Shs.	Carried at	54,340.00
03/22/79		1,056 Rights to subscribe to additional stock sold for ❖	<u>1,484.41</u>
			\$ 52,855.59
03/12/82		1,056 Rights to subscribe to additional stock sold for	<u>2,507.00</u>
			\$ 50,348.59
06/22/82	<u>1,056</u> Shs.	Received in two-for-one split	<u>0.00</u>
	2,112 Shs.	Carried at	\$ 50,348.59
05/05/88		2,112 Rights to subscribe to additional stock sold for ❖	<u>1,225.49</u>
			\$ 49,123.10
09/22/88	852 Shs.	Sold for	\$ 39,503.92
		Less Gain on Sale	<u>19,687.22</u>
	<u>1,260</u> Shs.	Carried at	<u>\$ 29,306.40</u>
XYZ & Co., common			
02/11/77	703 Shs.	Awarded	\$ 67,663.75
07/02/77	<u>103</u> Shs.	Sold for	\$ 25,614.54
		Less Gain on Sale	<u>15,700.79</u>
	600 Shs.	Carried at	\$ 57,750.00
04/06/78	<u>100</u> Shs.	Sold for	\$ 22,226.25
		Less Gain on Sale	<u>12,601.25</u>
	500 Shs.	Carried at	48,125.00

❖ *Proceeds of sale of rights may be applied in reduction of carrying value as illustrated here, or may be treated as an additional receipt, as illustrated in the Executor's Account. Either method, consistently applied, is acceptable.*

6.3.2

TRUSTEE'S ACCOUNT

CHANGES IN PRINCIPAL HOLDINGS (Continued)

			<i>Fiduciary Investment Value</i>
XYZ & Co., common (Continued)			
07/09/80	250 Shs.	ABC Corp., common received @ 47.6875 in one-half-for-one divestment distribution	<u>11,921.88</u> \$ 36,203.12
01/06/82	180 Shs.	ABC Corp., common received @79 in a 0.36 share-for-one divestment distribution	<u>14,220.00</u> \$ 21,983.12
01/04/83	250 Shs.	ABC Corp., common received @ 96.0625 in a one-half-for-one divestment distribution, normally \$24,015.62, of which the following was applied to account value ❖❖	<u>21,982.12</u> \$ 1.00
06/19/88	<u>500</u> Shs.	Sold for	\$ 56,337.21
		Less Gain on Sale	<u>56,336.21</u>
	<u>0</u>	No Longer Held	<u>\$ 0.00</u>
ABC Corp., common			
07/09/80	250 Shs.	Received in distribution on 500 Shs. XYZ & Co., common	\$ 11,921.88
01/06/82	180 Shs.	Received in similar distribution	<u>14,220.00</u>
	430 Shs.	Carried at	26,141.88
01/04/83	250 Shs.	Received in similar distribution	<u>\$ 21,982.12</u>
06/15/89	34 Shs.	Received as 5% stock dividend, transferred to income	
	<u>680</u> Shs.	Carried at	<u>\$ 48,124.00</u>

❖❖ This example is included to illustrate treatment of a case where the value of distribution exceeds carrying value.

6.3.2

TRUSTEE'S ACCOUNT

CHANGES IN PRINCIPAL HOLDINGS (Continued)

		<i>Fiduciary Investment Value</i>
789 Main Street, Media, PA		
02/11/77	Awarded	\$ 10,000.00
11/17/88	Sold for purchase money mortgage of \$15,000 and cash of \$5,000	\$ 20,000.00
	Less settlement costs itemized in principal account	<u>1,200.00</u>
	Balance	\$ 18,800.00
	Less Gain on Sale	<u>8,800.00</u> <u>\$ 10,000.00</u>
	No Longer Held	<u> 0.00</u>
Mortgage on 789 Main Street, Media, PA		
11/17/88	\$15,000 Mortgage received on sale of said premises	\$ 15,000.00
06/15/89	<u>250</u> Principal received on account	<u>250.00</u>
	\$14,750 Balance remaining	<u>\$ 14,750.00</u>
Southwest Rodeo Oil Co., common ABC Corp., common		
12/11/77	5 Shs. Awarded	\$ 1.00
07/11/77	Company Declared Bankrupt	<u>1.00</u>
	<u>0</u>	<u>\$ 0.00</u>

6.3.2**TRUSTEE'S ACCOUNT**

RECEIPTS OF INCOME**Waiver of Income Accounting**

An income accounting having been waived for the period February 11, 1977 to May 30, 1999, a limited schedule of receipts of income follows:

06/01/99	Balance per last income statement rendered	\$ 1,773.25
Dividend		
06/08/02	ABC Corp. on 680 Shs.	578.00
06/15/99	34 Shs. ABC Corp., 5% stock dividend @ \$79.00	2,686.00
Interest		
06/01/99	Indiana Toll Road Commission	350.00
06/15/02	ABC Corp., demand note	<u>520.00</u>
	TOTAL RECEIPTS OF INCOME	<u>\$ 5,907.25</u>

6.3.2

TRUSTEE'S ACCOUNT

DISBURSEMENTS OF INCOME

06/01/02	Patrick Green, Tax Collector 1994 Personal Property Tax	\$	155.00	
06/15/02	Upstanding Trust Co., 5% commission on income collected 3/30/02-05/31/02		<u>72.40</u>	\$ <u>227.96</u>
	TOTAL DISBURSEMENTS OF INCOME			\$ <u>277.96</u>

6.3.2
TRUSTEE'S ACCOUNT

DISTRIBUTIONS OF INCOME TO BENEFICIARIES

06/01/02	TO: Upstanding Trust Co., Executor under the Will of Mary w. Doe, Deceased, on income arising before 01/01/2002		
	Cash	\$ 650.19	
06/15/99	TO: XYZ Charity		
	Cash	<u>750.00</u>	<u>\$ 1,400.19</u>

6.3.2

TRUSTEE'S ACCOUNT

BALANCE OF INCOME ON HAND

	<i>Current Value</i>	<i>Fiduciary Acquisition Value</i>
06/15/02 Cash	\$ 1,593.10	\$ 1,593.10
06/15/02 34 Shs. ABC Corp., common	<u>2,987.75</u>	<u>2,686.00</u>
TOTAL BALANCE OF INCOME	<u>\$ 4,580.85</u>	<u>\$ 4,279.10</u>

6.3.2
TRUSTEE'S ACCOUNT

PROPOSED DISTRIBUTIONS TO BENEFICIARIES

Per Article FIFTH of Will:

Mary W. Doe, not having exercised her general power of appointment granted to her over the assets of the Marital Trust, the entire fund on hand is to be distributed pursuant to the terms of Article FIFTH of the Will to XYZ charity.

	<i>Current Value 11/30/02 or as noted</i>	<i>Fiduciary Acquisition Value</i>
PRINCIPAL:		
\$20,000 face value, Indiana Toll Road Commission East/West Revenue Bonds, 3.5%, due 1/1/2002	\$ 13,600.00	\$ 17,275.00
1,260 Shs. American Telephone & Telegraph Company, capital	57,015.00	29,306.40
680 Shs. ABC Corp., common	56,355.00	48,124.00
Mortgage, 789 Main Street, Media, PA, face amount \$15,000, reduced to	14,750.00	14,750.00
\$120,000 face value, ABC Corp., demand note	120,000.00	120,000.00
Checking Account, Upstanding Trust Company	<u>27,271.94</u>	<u>27,271.94</u>
TOTAL PRINCIPAL	\$288,991.94	\$256,727.34
INCOME:		
06/15/02 Cash	\$ 1,593.10	\$ 1,593.10
06/15/02 34 Shs. ABC Corp.	<u>2,987.75</u>	<u>\$ 2,686.00</u>
TOTAL INCOME	\$ 4,580.85	\$ 4,279.10
COMBINED PRINCIPAL AND INCOME TOTAL	<u>\$293,572.79</u>	<u>\$261,006.44</u>

6.3.2
TRUSTEE'S ACCOUNT

Waiver of Income Accounting

[SEE CAPTION AT 1.3.2]

WAIVER OF INCOME ACCOUNTING
FROM 02/11/97 TO 03/30/00

For the "Residual Trust" Established under the Will of John H. Doe, Deceased

Upstanding Trust Company, Executor under the Will of Mary C. Doe, Deceased, the income beneficiary, has reviewed the periodic statements of the Trust provided by the Trustees and the First and Final Account of the Trust and hereby waives an income accounting from February 11, 1997, the date of the prior Adjudication of Judge Goodenov of the Orphans' Court of Philadelphia County, Pennsylvania, to December 31, 1999, the date of the last trust statement provided, through her death on December 30, 1999.

Upstanding Trust Company,
Executor under the Will of
Mary C. Doe, Deceased,

Walter Trust, Vice-President

Note: *A more common example follows. Corporate trust administrators often procure waivers without assistance of counsel. Like any waiver, applicability to the situation at hand is always an appropriate inquiry, even though review, let alone restatement of many years of income receipts and disbursements could be burdensome.*

6.3.2

TRUSTEE'S ACCOUNT

Another Form of Income Waiver

[SEE CAPTION AT 1.3.2]

**WAIVER OF INCOME ACCOUNTING
FROM 02/11/97 TO 03/30/00**

For the "Residual Trust" Established under the Will of John H. Doe, Deceased

The undersigned, being the Executive Director of XYZ Charity, and being authorized to do so on behalf of XYZ Charity, successor beneficiary, hereby waive an Accounting of Income receipts, disbursements and distributions with respect to the referenced Deed of Trust, for the period of December 30, 1999, the date of the death of the life tenant, and March 30, 2000, having been satisfied that all such income was accounted for and distributed to it during this period.

XYZ Charity

By: _____
Ivan Dungoody, Executive Director