RE: Principal of the trust was invaded?

From: Balback, Ann (ann.balback@rbc.com)

To: benjy.martin@yahoo.com

Cc: erinbingham88@yahoo.com; suzmart@live.com; bmb414@gmail.com; safiaetahiri@hotmail.com; zachhonda4@gmail.com

Date: Monday, September 21, 2015, 2:31 PM PDT

Ben,

We have not invaded principal for your mother's income distribution. We have only distributed income to your mother. In fact, we distribute less income than what normally constitutes income as she specifically requested that we deduct 100% of the fees from income, thus reducing her income distribution. (We normally deduct the fees 50% from income and 50% from principal.)

We did make a distribution of principal to pay for the annual life insurance premium in the amount of $26,928 on 9/5/2014 and the taxes are paid from principal.

In 2014 the trust earned $143,453.37 in income (dividends and interest). We deducted $25,144.13 in Investment Management Fees and $26,530.38 in Trustee fees. The income that was distributed to your mother was $91,778.86 (143,453.37 – 25,144.13 – 26,530.38 = $91,778.86).

	Income	IM Fee	Ttee Fee	Distributions to Joyce (AKA NET INCOME)
Q1	$ 26,522.76	$ (6,108.31)	$ (7,579.79)	$ 12,834.66
Q2	$ 32,262.97	$ (6,217.01)	$ (6,234.61)	$ 19,811.35
Q3	$ 28,332.83	$ (6,467.69)	$ (6,415.34)	$ 15,449.80
Q4	$ 56,334.81	$ (6,351.12)	$ (6,300.64)	$ 43,683.05
Total 2014	**$ 143,453.37**	**$ (25,144.13)**	**$ (26,530.38)**	**$ 91,778.86**

Total Income

Ann J. Balback, CTFA, TEP