

## Robert Spallina

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From: Donald Tescher  
Sent: Friday, August 30, 2013 9:25 AM  
To: Ted Bernstein; Pam Simon; Jill Iantoni; Lisa  
Cc: Robert Spallina  
Subject: Estates and Trusts of Shirley & Simon Bernstein and Related Entities

All -

Sorry for the delay in getting this to you as I had promised when I participated on our recent conference call. It takes me a little longer to turn around matters as I work from Cape Cod in the Summer.

In reviewing our billings to date, which encompass virtually a year, over the year we have billed your father's estate and trust a total of \$105,000 from Sep 2012 thru Aug 2013. For this purpose, the estate and trust includes unreimbursed fees on the Shirley Trust (approximately \$ 15-20K), the 1995 Insurance Trust (approximately \$20-25K) and Bernstein Family Realty, LLC (\$10,000). As a result, our fees on Si's estate and trust matters over the last year have been approximately \$50K-\$60K. In that regard we have opened the estate and filed the relevant documents, have consulted and met with outside counsel on the Stansbury litigation (and Eliot matters) and on another claim in litigation, dealt with Eliot and his counsel on all of his matters, worked with the accountants on tax return matters and related items, worked with JP Morgan on the asset management and loan matters, dealt with creditor issues, dealt with appraisers and potential purchaser of the jewelry, and communicated with Ted on a very regular basis as liaison for all of you in addition to our conference calls and individual calls over the last year. Unfortunately, your father's affairs were not left in the best order and the business litigation has spilled over to the trusts and estate making normal administration more difficult. Furthermore, his decision to by-pass you children in favor of his grandchildren has exasperated the issues in trying to deal with Eliot which has become a continuing, ongoing process with no resolution in site. I believe that we have adequately expressed our concerns in this regard to you.

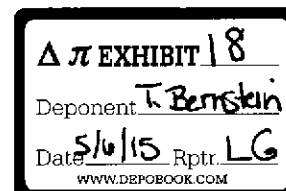
As we discussed, under normal circumstances the Shirley Trust assets would have already been distributed to the Grandchildren's Trusts created under Si's Trust (based upon the exercise of his power of appointment under his will) but for the fact that the Shirley Trust is still a party in the Stansbury litigation and as to distributions to trusts for Eliot's children, we have advised Ted that the trustee of those trusts needs to sign off on a Receipt, Release and Refunding Agreement (or alternatively, Ted needs to prepare a formal accounting and serve it on all to commence the running of the 6 month statute of limitations to cut off a beneficiary's right to sue him).

It is not our usual practice to serve as fiduciaries for our clients; however, in certain limited situations we have undertaken that role. Under the Florida Statutes, an attorney serving as a Personal Representative or Trustee can be compensated for both legal and fiduciary fees. We have not, nor do we intend to bill for Personal Representative fees or Trustee fees and have been conservative in our billing of the estate out of respect for your parents with whom we enjoyed a very nice relationship, and have attempted to minimize duplication of Robert's and my time. At the appropriate time we will provide a complete accounting of our fees and all estate expenses to date.

Having said that, we need to reign your brother in before he single handedly depletes the estate and trust assets with all of his nonsense. The amount of time, energy and effort that he is expending and the lies he is telling are incredible. We don't necessarily have an answer for this yet but we hope that somehow that one or more of you is able to reason with him and put an end to this. Your parents would certainly not appreciate the mockery he has made of their estates.

Again, sorry for the delay in getting this information to you. Going forward we will provide you with monthly bills so there is no further misunderstanding and better transparency.

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