

SURROGATE'S COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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Accounting of

ALVIN J. BURNETT and THE ESTATE OF
ARCHIBALD A. HILL, DECEASED,

as Trustees under the Will of

JESSICA M. HILL,

Deceased.

STATEMENT OF ISSUES

File No. 2197/1951

HON. RENEÉ R. ROTH,
Surrogate.

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The within document represents a Statement of Issues, pursuant to Uniform Rule §207.30 of the Surrogate's Courts of the State of New York. This Statement is limited solely to those issues which it is believed will affect in some manner the Estate of ARCHIBALD A. HILL, Deceased (hereinafter "PROFESSOR HILL"), a Co-Trustee of ALVIN J. BURNETT (hereinafter "BURNETT"), and the sole Income Beneficiary of the Trust created under the Will of JESSICA M. HILL, Deceased (hereinafter "the Decedent").

The undersigned is the attorney for MURIEL LYDIA WRIGHT, Residuary Beneficiary of PROFESSOR HILL'S Estate.

It would appear that no formal hearing or the taking of testimony should be required for the resolution of these issues for the reason that they represent issues of law, rather than issues of fact, and we desire that they be decided by the Surrogate.

ISSUES

1. Whether the ASSOCIATION FOR CHILDHOOD EDUCATION INTERNATIONAL (hereinafter the "ASSOCIATION"), as Remainderman of the Trust, has standing to file Objections to BURNETT'S Accounts or

to question the propriety of what are alleged to be improper payments by BURNETT, the bulk of which were charged to and paid out of Income, and not affecting Principal to any substantial degree.

2. The extent of income accrued, accumulated and/or received by the HILL FOUNDATION, INC. (hereinafter the "FOUNDATION") and/or the Trust under the Decedent's Will, which income was due and payable but undistributed to the Income Beneficiary, PROFESSOR HILL, as of the date of his death.

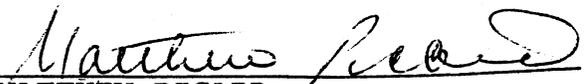
3. The extent of liability, if any, of PROFESSOR HILL'S Estate for the acts of his Co-Trustee, BURNETT, whether they be acts of commission and/or omission, i.e., malfeasance or nonfeasance.

(a) The distinction between an *active* as opposed to a *passive* Trustee, and the legal responsibility of PROFESSOR HILL, a layman who relied upon his Co-Trustee, an attorney experienced in trust administration.

(b) If PROFESSOR HILL'S Estate were to be found liable for any of the acts of his Co-Trustee, is his Estate similarly to be entitled to statutory commissions as such "Trustee" for the years of trust administration?

Dated: Mineola, New York
July 26, 1999.

Yours, etc.,


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