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**From:** jeffrey E. <jeevacation@gmail.com>  
**Sent:** Sunday, September 20, 2015 12:19 PM  
**To:** Halperin, Alan S  
**Subject:** Re:

could you call me [REDACTED]

On Sun, Sep 20, 2015 at 8:13 AM, Ha=perin, Alan S <[REDACTED]> >>  
wrote:

Hi Jeff. As you know, we must consider these questions in the context of ot=er facts, such as:

1. The grantor does not have other assets readily available to use=as currency to buy the GRAT assets at today's value (and then start ov=r); 2. The grantor already has ensured the success of early GRATS (created by C=rlyn) via purchase; 3. We still need to address the \$1.6 b note; 4.=The GRAT rules prohibit commutation and a purchase of the GRAT assets in e=change for a note may be viewed as a commutation; and 5.=We should assume that, at some point, the GRATS will be examined.</=iv> A =RAT, as you know, is riskless from an estate planning perspective: if asse=s appreciate, the appreciation passes outside the estate without gift or e=tate tax; if the assets do not appreciate, they are returned to the grantor, with little impact. With thi= in mind, you counseled that we should create two-year GRATs, with quarter=y payments. This plan accelerates the opportunities to capture the ups (an= minimize drag caused by downside movement) and provides cashflow to the grantor at a faster pace. The plan =till makes sense if the stock cooperates. In=light of the circumstances, including those noted in your email, I would n=t have the grantor acquire or swap assets from the GRATS, particularly for=a note. I therefore would leave the existing GRATS in place.  
As=additional assets become available, via annuity payments, we could use the=distributed interests as currency to repay part of the debt (particularly =f the price has gone up), but being mindful of 16b. (However, he the grantor would lose the cash flow=with respect to the transferred interest.) We also could consider longer t=rm GRATs. And we also may want to explore techniques to get a stepped up b=sis. And finally, we might want to re-visit the freeze partnership idea.

Alan S. Halperin | Partner  
Paul, Weiss, Rifkind, Wharton & Garrison =LP  
1285 Avenue of the Americas | New York,=C2 NY 10019-6064  
[REDACTED]

From: jeffrey E.  
Sent: Sunday, September 20, 2015 6:43 AM  
To: Halperin, Alan S  
Subject:

obviously his grats are all underwater,, =gap grats.? installment sale outright sway. etc. m=re likely than not he will sell stock during the next two years. windows? =isclosures. restrictions on exchange and tax triggers?

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please note

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