

# Exhibit 1

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# Brunsting Trust Estate

C.A. No. 412249-401

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1<sup>ST</sup> Amended 2024 Estate Distribution Overview

In Support of a 2024 Distribution

# Brunsting Trust Estate

## Trust Background

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1996

Trust Established to  
Manage Assets

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### Trust Includes:

- ✔ Bank Accounts
  - ✔ Stocks
  - ✔ Bonds/Fixed Income
  - ✔ 144.37 acres of Iowa Farm Land
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# Brunsting Trust Estate

## Trust Development Timeline

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### Key Trust Events

2009



2011

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**“H” Dies - Trust splits into:**

- ☑ Decedent’s Trust (irrevocable)
  - ☑ Survivor’s Trust
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**“W” Dies - Survivors Trust becomes irrevocable**

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# Brunsting Trust Estate

## Total Trust Estate Value

Total Trust Estate as of 10/31/2024

### Iowa Farm

28.87 Acres x \$22,504.68/Acre  
= \$649,710.11

(Note: Value of Remainder after sale  
of 115.50 in July 2024).

### Cash, Stocks, & Bonds

(Liquid Investments):  
\$4,365,451.34



Total Value: \$5,015,161.45

# Brunsting Trust Estate

## Decedent's Trust Assets

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### Decedent's Trust Asset Breakdown As of 10/31/2024

Decedent's Trust - Edward Jones (27683)	\$3,026,480.59
Decedent's Trust - Edward Jones (27801)	\$ 525,257.49
Decedent's Trust - BOA Checking (3536)	\$ 147,571.53
Carole Brunsting / Partial Distribution	\$ 56,500.00
Carl Brunsting / Partial Distribution	\$ 56,500.00
Amy Brunsting / Partial Distribution	\$ 31,500.00
Anita Brunsting / Partial Distribution	\$ 31,500.00

**Total Value of Decedent's Trust.... \$3,875,309.61**

Note: The partial distributions were pursuant to a Court Order.

# Brunsting Trust Estate

## Survivor's Trust Assets

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### Survivor's Trust Asset Breakdown As of 10/31/2024

Survivor Trust - Edward Jones (26626)	\$ 132,886.78
Survivor Trust - BOA Checking (3523)	\$ 107,254.95
Carole Brunsting / Partial Distribution	\$ 50,000.00
Carl Brunsting / Partial Distribution	\$ 50,000.00
Amy Brunsting / Partial Distribution	\$ 75,000.00
Anita Brunsting / Partial Distribution	\$ 75,000.00

**Total Value of Survivor's Trust.....\$490,141.73**

Note: The partial distributions were pursuant to a Court Order.

# Brunsting Trust Estate

## Total Value Recap

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### Total Value of Entire Trust Estate

#### Liquid Investments:

Total Value of Decedent's Trust:	\$ 3,875,309.61
Total Value of Survivor's Trust:	\$ 490,141.73
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	\$4,365,451.34

#### Iowa Farm Land:

28.87 acres x \$22,504.68	\$ 649,710.11
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Total Value of Entire Trust Estate.....\$5,015,161.45



# Brunsting Trust Estate

## Net Estate After Deductions

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### Net Estate Calculation

**Assumed Net Value (95% Total Estate):** \$4,764,403.38  
(\$5,015,161.45 x 95%)

**Deductions:**

Legal Fees, Expenses, & Reserves: - (\$1,100,000.00)

Curtis Litigation Reserve: - (\$ 500,000.00)

**Assumed Distribution @ Conclusion . . . . .** \$3,164,403.38

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**Requested Distribution of 50%**

**As of November 25, 2024 . . . . .** \$1,582,201.69

# Brunsting Trust Estate

## Net Estate After Deductions

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### Net Estate Calculation Notes.

1. As of October 31, 2024, the total net estate for interim distribution purposes is hypothetically **\$3,164,403.38**.
2. By way of example, and assuming Candace Curtis prevails to a final nonappealable judgment, and the appellate trust share is used, all of which the Co-Trustees deny as a proper or probable outcome, then each sibling would hypothetically receive **\$632,880.16** ( $\$3,164,403.38 / 5$  Beneficiaries).
3. The assumed distribution at the conclusion of the case (per Note #2) is an estimate and assumes facts that have not occurred and, in reasonable probability are not believed to occur. Nevertheless, the actual value that might be distributed could be higher or lower depending on the outcome of the Curtis appeal and the fees associated with the defense of same and ongoing fees and expenses to administer the Trust.
4. If the above assumptions are correct, then the total acreage available to distribute to Carole Brunsting, whether now or at the conclusion of the case would be 23.39 acres. (See slide 11 for details).
5. At this time, the Trust cannot distribute Carole Brunsting's maximum desired acreage of 28.87 because the value of the 28.87 acres exceeds Carole Brunsting's total expected trust distribution by approximately \$123,325.65. Carole Brunsting can still potentially receive the estimated 28.87 acres (+/-), depending on what transpires during the appellate process, and/or if Carole Brunsting exercises her right of first refusal to the acreage.

# Brunsting Trust Estate

## Beneficiary Distribution Summary

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### Proposed 2024 Beneficiary Distributions

**Projected distributions per beneficiary (with prior distributions deducted):**

50% Interim 2024 Distribution: **\$1,582,201.69** (\$3,164,403.38 / 2) divided by 5:

			<u>Prior Distrib.</u>	<u>Partial 11/25 Distrib.</u>
Carl Brunsting .....	\$ 316,440.34	minus	\$106,500.00	\$ 209,940.34
Carole Brunsting .....	\$ 316,440.34	minus	\$106,500.00	\$ 209,940.34
Amy Brunsting .....	\$ 316,440.34	minus	\$106,500.00	\$ 209,940.34
Anita Brunsting .....	\$ 316,440.34	minus	\$106,500.00	\$ 209,940.34

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Appellate Reserve Pending Curtis Appeal \$ 316,440.34

# Brunsting Trust Estate

## Acreege Allocation Issues

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### Carole Brunsting's Proposed Distribution vs. Her Desired Acreege

**Carole Brunsting's Aggregate Trust Distribution . . . . \$632,880.68**  
(\$3,164,403.38 / 5 = \$632,880.68)(these figures remain hypothetical)

**\$632,880.68 less prior \$106,500.00 Court Ordered  
Distributions Leaves a Balance of . . . . . \$526,380.68**

**Acreege if Final Balance is Taken in Land . . . . . 23.39 Acres**  
(\$526,380.68 / \$22,504.58 Price/Acre = 23.39 Acres)

**Overpayment in Land . . . . . 5.48 Acres**  
(28.87 Desired Acres less 23.39 Distributable Acres)

**Value of Overpayment (\$22,504.68 x 5.48 Acres . . . . \$123,325.65)**

# Brunsting Trust Estate

## Curtis *In Terrorem* Violations

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### Impact of Appellate Court Affirmance

- ❖ Curtis lost her trust share under the *in terrorem* clause (see Court Order dated 02/25/2022).
- ❖ The Co-Trustees expect the Probate Court to be affirmed. If true, then the appellate trust share reserve of \$632,880.68 will pass pro rata to the four Remaining Beneficiaries, which equals a potential \$158,220.17 in additional funds per Remaining Beneficiary ( $\$632,880.68 / 5$ ).
- ❖ The \$500,000 in legal reserves, if not used, would pass pro rata to the four Remaining Beneficiaries, which equals a potential \$125,000.00 in additional funds per Remaining Beneficiary ( $\$500,000.00 / 4$ ).
- ❖ Based on the foregoing, the estimated value to each Remaining Beneficiary could potentially be an additional \$283,220.17 ( $\$1,132,880.68 / 4$ ), which makes the net distribution per Remaining Beneficiary potentially in the range of \$632,880.68 to \$916,100.84.

# Brunsting Trust Estate

## Severe Potential Tax Consequences

**Estimated possible outcomes if legal fees and expenses are not paid in 2024 or too little is paid in 2024.**

<u>Possible Outcomes</u>	<u>Gross Capital Gains</u>	<u>Legal Fees &amp; Exp.</u>	<u>Net Capital Gains</u>	<u>Est. Federal &amp; Iowa Taxes</u>	<u>Est. A.C.A. Invmnt Tax</u>	<u>Potential Taxes Due</u>
Opt. 1 – No Fees	\$ 1,518,040.12	\$ -	\$ 1,518,040.12	\$ 390,136.31	\$ 57,685.52	\$ 447,821.84
Opt. 2 - \$680k Pd	\$ 1,518,040.12	\$ (680,000.00)	\$ 838,040.12	\$ 215,376.31	\$ 31,845.52	\$ 247,221.84
Opt. 3 – \$933k Pd	\$ 1,518,040.12	\$ (933,027.95)	\$ 585,012.17	\$ 150,348.13	\$ 22,230.46	\$ 172,578.59
Opt. 4 – \$946k Pd	\$ 1,518,040.12	\$ (946,655.03)	\$ 571,385.09	\$ 146,845.97	\$ 21,712.63	\$ 168,558.60

Note: Potential Capital Gains are: Federal at 20.00% & Iowa at 5.7%; plus the 3.8% Affordable Care Act Tax. Actual results to be determined by the CPA for the Trust.

# Brunsting Trust Estate

## Distribution Conclusions

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- ❖ The failure to award legal fees and expenses could have a devastating impact on the final net distributions of the Remaining Beneficiaries when the case concludes.
- ❖ A \$200,000.00 interim 2024 distribution per Remaining Beneficiary is reasonable under the totality of the circumstances.
- ❖ An award of \$946,655 in legal fees and expenses, incurred from 2014 to 2024 is likewise reasonable and necessary and, if not paid now, could cause severe negative tax consequences to the Trust and each beneficiary.
- ❖ The foregoing distributions do not affect the reserves being held back, which remain necessary at this time, and which preserve a potential share for Curtis, in the event the appeal is successful.
- ❖ Note: the Trustees do not concede that Curtis would be entitled to a trust share, even if Curtis is successful on appeal.