

Richard Nixon Presidential Library
White House Special Files Collection
Folder List

| <u>Box Number</u> | <u>Folder Number</u> | <u>Document Date</u> | <u>Document Type</u> | <u>Document Description</u> |
|-------------------|----------------------|----------------------|----------------------|--|
| 9 | 7 | 08/14/1972 | Financial Records | Last Will and Testament of Patricia R. Nixon, with attachments. 11 pages. |
| 9 | 7 | n.d. | Memo | Administrative Procedure for implementing Estate Plan. 3 pages. |
| 9 | 7 | 09/29/1972 | Letter | Richard Ritzel to Dean re: disposition of all copies of the Nixon's wills and trust agreements. 1 page. |
| 9 | 7 | 08/14/1972 | Form | I.R.S. Exemption Application for The Richard M. Nixon irrevocable Literary Trust, with attachments. 10 pages. |
| 9 | 7 | 09/02/1972 | Form | Power of Attorney, I.R.S. Form 2848, appointing attorneys John Alexander and Richard Ritzel to represent the Trust with regards to tax matters. 2 pages. |
| 9 | 7 | n.d. | Letter | Jay Rotz to John Alexander re: request for additional information in order to process exemption application for the Nixon Literary Trust. 2 pages. |

| <u>Box Number</u> | <u>Folder Number</u> | <u>Document Date</u> | <u>Document Type</u> | <u>Document Description</u> |
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| 9 | 7 | 10/11/1972 | Letter | John Alexander to Dean re: Haldeman's response to the I.R.S. letter about the exemption application for the Nixon Literary Trust. 2 pages. |
| 9 | 7 | 11/08/1972 | Letter | J. F. Monahan to Nixon Irrevocable Trust via Mudge, Rose, Guthrie & Alexander re: approval of exemption application. 2 pages. |
| 9 | 7 | 05/08/1973 | Letter | John Alexander to Rose Mary Woods re: filing tax return for the Trust, and asking when the President will change the Trustee, with attachments. 3 pages. |
| 9 | 7 | 05/14/1973 | Letter | Mudge, Rose, Guthrie & Alexander to I.R.S. re: tax return of the Nixon Irrevocable Literary Trust, with attachments. 9 pages. |
| 9 | 7 | 10/23/1972 | Financial Records | Revision of Estate Plan to include transfer of San Clemente property to Federal Government, not scanned, see duplicate 9:1. 10 pages. |
| 9 | 7 | n.d. | Other Document | front of White House manila envelope marked "Personal - Private Estate Plan". Not scanned. 1 page. |

6

I, PATRICIA R. NIXON, a resident of the County of Orange, State of California, make, publish and declare this to be my Last Will and Testament, hereby revoking any and all other Wills and Codicils thereto by me at any time heretofore made.

FIRST: I declare that I am married to RICHARD M. NIXON, that the following children have been born of our marriage, both of whom are now living: PATRICIA NIXON COX, born February 21, 1946 and JULIE NIXON EISENHOWER, born July 5, 1948, and that I have no deceased children. I further declare that I have made no provisions for my said children in this, my will because other provisions have been made for their benefit by myself and my said husband during our lifetimes.

SECOND: I expressly refrain from exercising any power of appointment or other similar power exercisable by my Will, whether general or limited, granted to me under any Agreement of Trust executed by my husband and myself during our lifetimes.

THIRD: I direct that my Executor shall select, from among all of the tangible personal property owned by me or in which I have an interest and which is not held as part of the principal of that certain trust known as The Family and Literary Properties Trust created by myself and my husband, RICHARD M. NIXON, during my lifetime, and without regard to whether or not my said husband may have a community property interest or quasi-community property

right in the same, all of those items prepared by or for me or by or for my said husband during my lifetime which relate to the events of my official or personal life or the official or personal life of my said husband and which have historical or commemorative significance, including, without limitation, books, documents, papers, letters, correspondence, memoranda, pamphlets, pictures, photographs, plats, maps, films, television tape recordings, motion pictures and sound recordings, both on record and on tape, as well as items given to me during my lifetime which are commonly referred to as memorabilia, including, without limitation, awards, plaques, medals, membership or achievement certificates, gavels, symbolic currency, keys and figurines, commemorative and personal photographs, flags, banners, works of art, including sculptures, paintings, etchings and drawings, books, both inscribed by the author or donor and uninscribed and religious items, and I give and bequeath the items so selected by my said Executor to the then acting Trustee or Trustees of that certain trust known as The Family and Literary Properties Trust, created under an Agreement of Trust made and executed the same day as the date of this, my Last Will and Testament, by and between myself and my said husband, as Settlers and my said husband, as Trustee, to be added to the principal of said trust and thereafter held, managed, utilized and disposed of in accordance with all of the terms and provisions of said Agreement of Trust, including any modifications or amendments thereto made prior to or after my death. Any determination made by my Executor that an item of tangible

personal property owned by me or in which I have an interest at the time of my death relates to the events of my official or personal life or to the official or personal life of my said husband and has historical or commemorative significance shall be final, binding and conclusive upon all persons or entities interested in my estate.

FOURTH: I give and bequeath to my husband, RICHARD M. NIXON, if he shall survive me, all articles of tangible personal property owned by me or in which I have an interest and which are not held as part of the principal of The Family and Literary Properties Trust, and which are not disposed of under the provisions of Article THIRD of this, my Will, including, without limitation, my household furniture and furnishings, pictures, plate, rugs, china, silver, glass, ornaments, books, personal clothing, jewelry and other personal effects, automobiles and their accessories and all other similar items of tangible personal property, together with any and all policies of insurance on or in connection with any of such tangible personal property. If my said husband shall predecease me or if my said husband and I shall die under circumstances that make it impossible to establish the order of our deaths by proof, then I give and bequeath such tangible personal property and insurance policies to such of my children as shall survive me, to be divided among them as they shall agree, but as nearly as practicable into shares of equal value.

FIFTH: I give, devise and bequeath all the rest, residue and remainder of my estate, real, personal and mixed,

of every name, nature and kind whatsoever and wheresoever the same may be situated, including any legacy hereinbefore made which shall have lapsed (but excluding any property over which I have been granted a power of appointment or other similar power exercisable by my Will, whether general or limited, it being my intention to refrain from exercising any such power), all of which is sometimes hereinafter referred to as my residuary estate, to the then acting Trustee or Trustees of The Family and Literary Properties Trust, to be added to the principal of said trust and thereafter held, managed and disposed of in accordance with all of the terms and provisions of said Agreement of Trust, including any modifications or amendments thereto made prior to or after my death.

SIXTH: I direct that my Executor or Executors shall certify the amounts of any and all estate, transfer, inheritance or succession taxes, whether federal or state or other, including any and all interest and penalties assessed thereon, payable on any property which is devised and bequeathed under the provisions of this, my Will, or any Codicil thereto, or on any other property which shall constitute a part of my taxable estate, (i) if I shall have survived my husband, RICHARD M. NIXON, but not if my said husband and I shall die in or as the immediate result of a common accident or disaster, to the then acting Trustee or Trustees of that certain trust known as The Patricia R. Nixon Trust and created under an Agreement of Trust made and executed the same day as the date of execution of this my Last Will and Testament, by and between myself and my said hus-

band, as Settlers and JOHN D. EHRLICHMAN, as Trustee, or
(ii) if I shall not have survived my said husband or if my
said husband and I shall die in or as the immediate result
of a common accident or disaster, to the then acting Trustee
or Trustees of The Family and Literary Properties Trust.
The then acting Trustee or Trustees of either trust, as the
case may be, is or are authorized to rely upon any certifi-
cation from my Executor or Executors as to the amount of
such taxes, interest and penalties without further inquiring
into the accuracy or correctness of any such certification.

SEVENTH: I nominate, constitute and appoint my
husband, RICHARD M. NIXON, as Executor of this, my Will.
If my said husband shall fail to qualify as such Executor or,
having qualified, shall for any reason whatsoever cease to
act as such prior to the completion of the duties of said
office, then I nominate, constitute and appoint C. G. REBOZO
and JOHN D. EHRLICHMAN as successor Executors of this, my
Last Will and Testament to act in the place and stead of my
said husband. If either of said persons shall fail to qual-
ify as such Executor or, having qualified, shall for any
reason whatsoever cease to act as such prior to the comple-
tion of the duties of said office without a successor Execu-
tor having been named to act in his place and stead, as
provided herein, then I direct that no successor Executor
need be appointed to act in the place and stead of such
person, but that the person qualifying or continuing to act
as Executor hereunder may act as sole Executor of this, my
Last Will and Testament, with all of the rights, powers,
privileges, duties, exemptions and discretions conferred

upon my Executor or Executors under any of the provisions of this, my Will.

I authorize and empower any two Executors at any time acting hereunder, acting jointly, or any sole Executor at any time acting hereunder, to appoint a successor Executor or successor Executors to act in their, his or her place and stead or, in the case of a sole Executor, to appoint an additional Executor to act with him or her hereunder, any such appointment or appointments to take effect immediately or upon the happening of such future contingency as shall be specified in the instrument or instruments of appointment, and to revoke any contingent appointment prior to the happening of such future contingency as shall be specified in the instrument of appointment. Each additional or successor Executor appointed pursuant to the provisions hereof shall have all of the rights, powers, privileges, duties, exemptions and discretions conferred upon my Executor or Executors under any of the provisions of this, my Will. Each appointment of a successor Executor hereunder, and each revocation of a contingent appointment, pursuant to the provisions hereof shall be made by an instrument in writing executed by the persons empowered to make such appointment, duly acknowledged.

I direct that neither my husband, said C. G. REBOZO, said JOHN D. EHRLICHMAN nor any successor or additional Executor or Executors appointed pursuant to the provisions hereof shall be required to give or file any bond or other security for the faithful performance of his, her or their duties as such Executor, Executors or Executrix in

any jurisdiction whatsoever.

EIGHTH: (A) I authorize my Executor or Executors to sell, lease, mortgage, or encumber by deed of trust the whole or any part of my residuary estate at either public or private sale, with or without notice, subject only to such confirmation as may be required by law. I further authorize my Executor or Executors either to continue the operation of any property or business belonging to my estate for such time and in such manner as my Executor or Executors may deem advisable and for the best interest of my estate, or to sell or liquidate the property or business at such time and on such terms as my Executor or Executors may deem advisable and for the best interest of my estate. Any such operation, sale or liquidation by my Executor or Executors, in good faith, shall be at the risk of my estate and not at the risk of my Executor or Executors, and the profits and losses resulting therefrom shall inure to or be chargeable to my estate as a whole.

^{authorize}
(B) I further ^{authorize} my Executor or Executors to invest and reinvest the whole or any part of my residuary estate (including surplus cash and the proceeds from the sale or liquidation of any assets of my estate) in any investment which my Executor or Executors, in their sole discretion, may deem advisable and for the best interest of my estate, subject only to such court authorization as may be required by law.

(C) I authorize my Executor or Executors to file a joint return with my spouse for the year in which I passed away, even though my spouse, and not my estate, is

thereby benefited.

IN WITNESS WHEREOF, I have hereunto set my hand
and seal this 14th day of August, in the year One
Thousand Nine Hundred and Seventy-two.

Patricia R. Nixon [L.S.]

Signed and sealed by the above-named
Testatrix, PATRICIA R. NIXON,
in our presence, and published and
declared by her to us to be her
Last Will and Testament, and there-
upon we, at her request and in her
presence, and in the presence of
each other, have hereunto subscribed
our names as witnesses this 14th day
of August, 1972.

Lyndal Fitzel

residing at

23 Beechwood Road

Ho-Ho-Kus, New Jersey

Ann H. Blomker

residing at

Beekman Place

New York, New York 10022

Alexander Butterfield

residing at

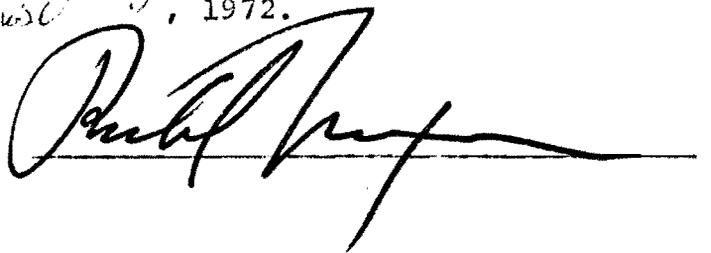
7416 Admiral Drive

Alexandria, Virginia 22307

ELECTION AND WAIVER

I, RICHARD M. NIXON, husband of PATRICIA R. NIXON, hereby certify that I have read the foregoing Will of my wife and fully understand that my wife by this Will disposes of some of our community property, including my one-half thereof, now owned or hereafter to be acquired, and not held as part of the principal of any trust created by my said wife and myself during our lifetimes. Being fully satisfied with its provisions, I hereby elect to accept and acquiesce in the provisions of the foregoing Will, waiving all claims to my share of any community property disposed of thereunder and all other claims that I may have upon any of the property disposed of by said Will, but not including property exempt from execution, my right to a probate homestead nor my right as a beneficiary under any insurance policies on my wife's life. This instrument is not a transfer or release of my right, title or estate in any of any community property disposed of under said Will now owned or hereafter to be acquired, is revocable by written instrument executed by me and delivered to my wife during her lifetime, and it shall be effective and valid for any purpose only after the decease of my wife upon the condition that the foregoing Will shall be duly admitted to probate by a court of competent jurisdiction and that it shall not be successfully contested or probate revoked.

Signed at *Washington D.C.*
this day, *14th August*, 1972.



On this 14th day of August, 1972, at
Washington D.C., RICHARD M. NIXON, husband
of PATRICIA R. NIXON, executed the foregoing instrument
in our presence and we, at his request and in his presence,
hereby sign below as witnesses to his signature.

Richard Tizel residing at 23 Beechwood Road
Ho-Ho-Kus, New Jersey

John H. Alexander residing at 1 Parkview Place
New York, New York 10022

Alexander P. Butterfield residing at 7416 Admiral Drive
Alexandria, Virginia 22307

LAST WILL AND TESTAMENT

of

PATRICIA R. NIXON

Dated: August 14, 1972

MUDGE ROSE GUTHRIE & ALEXANDER
20 BROAD STREET, NEW YORK, N. Y.

7

MEMORANDUM

Administrative Procedure for Implementing
Estate Plan

1. Prior to the execution of any of the documents, the assets to be transferred to each trust must be determined and the appropriate schedules prepared. With respect to The Family and Literary Properties Trust, it is expected that the initial transfer will encompass a large volume of Materials, using, in part, the lists of Memorabilia previously sent to us by John Dean, with additional transfers of Materials and Hard Assets to be made as soon as is reasonably possible. The Deeds to the various parcels of real property which will be transferred out of joint names into the name of the Trustee will have to be prepared by local counsel in the jurisdictions in which the respective properties are located. The Trustee should be described in each Deed as follows: "Richard M. Nixon and his successors, as Trustee of that certain trust known as The Family and Literary Properties Trust, created under an Agreement of Trust made and executed the day of , 1972, by and between said Richard M. Nixon and Patricia R. Nixon, as Settlers, and said Richard M. Nixon, as Trustee." None of the Deeds will, however, be recorded as that might require that the Trust Agreement likewise be recorded if the property covered by the Deed was

ever sold. Rather, delivery of the Deeds to the Trustee will be relied on for purposes of establishing passage of title. A trust bank account will be opened and, except for small amounts to be retained in existing bank accounts for convenience, all existing bank accounts closed and the balances deposited in the trust account. None of the household or office furniture or other like items of tangible personal property will be transferred to the trust, those items to be retained in individual names and disposed of by Will. With respect to The Irrevocable Literary Trust, only a token transfer of Materials will take place at the time it is executed. A ruling will then be obtained from the Internal Revenue Service that transfers to this trust are deductible for income, estate and gift tax purposes. The Materials selected for transfer to this trust should be such that it or they can immediately be made available for public display, study or research. The simplest procedure would seem to be for the Trustee to arrange to display the Materials transferred to this trust through government facilities made available by the Administrator of General Services. With respect to The Patricia R. Nixon Trust, only a token transfer of \$10.00 will take place at the time the trust is created. This trust will then remain dormant until after the President's death, when Hard Assets will be poured over into it for administration.

2. Once the Schedules showing the assets to be transferred in trust have been completed and attached to the Trust Instruments, the documents should be executed in the following order:

- (a) The Irrevocable Literary Trust.
- (b) The Patricia R. Nixon Trust.
- (c) The Family and Literary Properties Trust.
- (d) The Wills.

The signatures on all of the Trust Agreements must be notarized. None of the witnesses to the Wills should be members of the family or the Trustee or any potential Trustee of any of the three trusts.

3. Change of beneficiary designations must be obtained for all insurance policies, with the new designations to be as follows:

"The then acting Trustee or Trustees of that certain trust known as The Patricia R. Nixon Trust, created under an Agreement of Trust made and executed the day of , 1972, by and between Richard M. Nixon and Patricia R. Nixon, as Settlers, and John D. Ehrlichman, as Trustee."

4. On a periodic basis after the initial transfer of Materials (recommend every three months), those Materials which have come into existence since the last transfer should be transferred, by Deed of Transfer, to The Family and Literary Properties Trust for sorting and classification. Any Hard Assets acquired subsequent to the initial transfers will similarly have to be transferred to The Family and Literary Properties Trust.

8

September 29, 1972

Hon. John Dean
Counsel to the President
Executive Office Building
Pennsylvania Avenue
Washington, D. C.

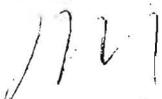
Dear John:

I am forwarding with this letter four sets of duplicate copies of the Wills, the Trust Agreements and the Instruments appointing Successor Trustees. We will hold the originals of these documents in a separate vault maintained in the name of the firm.

As is indicated, eight copies of the signed documents have been made. We plan to deliver one set of the copies to the attorney who acted as our California counsel in connection with the preparation of the final documents. He has arranged to hold his copies in a special safe deposit box with very limited access. Except for two copies of the Irrevocable Literary Trust Agreement, which had to be filed with the Internal Revenue Service in connection with the ruling that that Trust is exempt for income, estate and gift tax purposes, the remaining copies of all of the documents will be held at our office.

Best wishes.

Sincerely,



Richard S. Ritzel

RSR:kw
Enc.

| Enclosed By | Mailed By | Delivered By | Delivery No. |
|-------------|-----------|--------------|--------------|
| | | | |

9

For use of organizations applying for exemption under section 501(a) and described in section 501(c)(3) of the Internal Revenue Code, which are organized and operated (or will operate) exclusively for one or more of the following purposes (check purpose(s)):

- Religious Charitable Scientific Testing for Public Safety
 Educational For the prevention of cruelty to children or animals Literary

Every organization that claims to be exempt must furnish the information and data specified in duplicate. If any organization fails to submit the information and data required, this application will not be considered on its merits and the organization will be notified accordingly.

This application shall be open to public inspection in accordance with section 6104(c)(1) of the Internal Revenue Code. See separate instructions for Form 1023 to properly answer the questions below.

| | |
|---|-----------------------------------|
| 1a. Full name of organization The Richard M. Nixon Irrevocable Literary Trust | b. Employer identification number |
| 2. Complete address (number, street, city or town, State and Postal ZIP code) | |

| | |
|--|--|
| 3a. Is the organization incorporated? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | b. If "Yes," in which State and under which law (General corporation, not for profit, membership, educational, eleemosynary, etc.)? Cite statutory provisions. |
|--|--|

| | | |
|--|---|---|
| 4a. If not incorporated, what is form of organization? Trust | b. Date incorporated or organized 8/14/72 | c. Month and day on which annual accounting period ends |
|--|---|---|

| | | |
|--|---|------------------|
| 5a. Has organization filed Federal income tax return(s)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | b. If "Yes," form number of return filed and Internal Revenue District where filed. | c. Year(s) filed |
|--|---|------------------|

6. After July 1, 1960, did the director of your organization (if any), or a contributor to your organization, or a trustee or a member (with blood), spouse, or ancestor, or that of a descendant of such or other contributor, or a corporation controlled directly or indirectly by any of the above, enter into any of the transactions (or activities) enumerated below? NOTE: If you have any doubt as to whether you are a party to any of the transactions (or activities) enumerated in 6a through 6i, check "No" under applicable heading and cite provisions.

| | | | |
|--|-----|----|---|
| a. Borrow any part of your income or assets? | Yes | No | d. Purchase any securities or other property from you? |
| b. Receive any compensation from you? | Yes | No | e. Sell any securities or other property to you? |
| c. Have any part of your services made available to him? | Yes | No | f. Receive any of your income or assets in any other transaction? |

7. Have you issued or do you plan to issue membership, stock, or other certificates evidencing voting power in the organization?

- 8a. Are you the outgrowth or continuation of any form of predecessor(s)?
- b. Do you have capital stock issued and outstanding?
- c. Have you made or do you plan to make any distribution of your property to shareholders or members?
- d. Did you receive or do you expect to receive 10 percent or more of your assets from any organization, group of affiliated organizations (affiliated through stockholding, common ownership, or otherwise), any individual, or members of a family group (brother or sister whether whole or half blood, spouse, ancestor, or lineal descendant)?
- e. Does any part or will any part of your receipts represent payment for services of any character rendered or to be rendered by you?
- f. Are you now, have you ever been, or do you plan to be engaged in carrying on propaganda, or otherwise advertising or propagating a religion or precept or opinion?
- g. Do you participate or plan to participate in or carry on (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office?
- h. Have you made or do you plan to make any payments to members or shareholders for services rendered or to be rendered?
- i. Does any part or do you plan to have any part of your net income inure to the benefit of any private shareholder or individual?
- j. Are you now or are you planning to be affiliated in any manner with any organization(s)?
- k. Do you hold or plan to hold 10 percent or more of any class of stock or 10 percent or more of the total combined voting power of stock in any corporation?

Has any State or any court (including a Court of Probate, Surrogate's Court, etc.) ever declared whether you were or were not organized and operated for charitable, etc., purposes? Yes No. If "Yes," attach copies in duplicate of pertinent administrative or judicial decisions.

6. You must attach copies in duplicate of the following:

a. If incorporated, a copy of your articles of incorporation, or if not incorporated, a copy of your constitution, articles of association, declaration of trust, or other document whereby you were created setting forth your aims and purposes, a copy of all amendments thereto, and any other changes presently proposed.

b. A copy of your bylaws or other similar code of regulations, all amendments thereto, and any changes presently proposed.

c. A complete statement of assets and liabilities as of the end of each annual accounting period (or as of the date of the filing of this application, if you were in existence for less than a year).

d. A statement of receipts and expenditures for each annual accounting period of operation (or for the period for which you were in existence, if less than a year).

e. A statement which clearly indicates what State statutes or court decisions govern the distribution of assets upon dissolution. (This statement may be omitted if your charter, certificate, or other instrument of organization makes provision for such distribution.)

f. A brief statement of the specific purposes for which you were formed. (Do not quote from or make reference to your articles of incorporation, constitution, articles of association, declaration of trust, or other document whereby you were created for this question.)

g. A statement explaining in detail each fundraising activity and each business enterprise you have engaged in or plan to engage in, together with a copy of all agreements, if any, with other parties for the conduct of each fundraising activity or business enterprise.

h. A statement which describes in detail the nature of each of your activities which you have checked on page 1, activities which you sponsor, and discontinued activities.

i. A statement which explains fully any specific activities that you have engaged in or sponsored and which have been discontinued, together with the reasons for commencement and termination and the reasons for discontinuance.

j. A statement which describes the purposes, other than in payment for services rendered or supplies furnished, for which your funds are expended, and how they will be expended.

k. A schedule indicating the name and position of each officer, director, trustee, etc., of the organization and the relationship, if any, by blood, marriage, adoption, or employment, of each such person to the creator of the organization (if a trust), to any person who has made a substantial contribution to the organization, or to a corporation controlled (by ownership of 50 percent or more of voting stock or 50 percent or more of value of all stock), directly or indirectly, by such creator or contributor. The schedule shall also indicate the time devoted to position and compensation (including salary and expense account allowance), if any, of each officer, director, trustee, etc., of the organization.

l. A copy of each lease, if any, in which you are the lessee or lessor of property (real, personal, gas, oil, or mineral) or in which you own an interest under such lease, together with copies of all agreements with other parties for development of the property.

SIGNATURE AND VERIFICATION

Under penalties of perjury, I declare that I have examined this application, including accompanying statements, and to the best of my knowledge and belief it is true, correct, and complete.

Date

Signature of officer

Title

EXEMPTION APPLICATION
(Form 1023)

The Richard M. Nixon Irrevocable Literary Trust
c/o H. R. Haldeman, Trustee

Statement with respect to Question 8d:

It is expected that, except for such necessary cash and securities as may be contributed for the purpose of paying expenses, the only assets of this trust will be items of tangible personal property, such as books, papers, letters, photographic and sound reproductions and memorabilia which relate to the events of the official or personal life of Richard M. Nixon or of his wife, Patricia R. Nixon, and which have historical or commemorative significance. (See the definition of "Materials" in the attached Trust Instrument, which term will be used to describe such items hereinafter in this Application.) The major contributions to this trust will be made by Richard M. Nixon and Patricia R. Nixon. Other persons may, however, also make contributions to this trust from time to time in the future. In particular, it is anticipated that members of Richard M. Nixon's Presidential Cabinet and Staff and others may transfer Materials to this trust. At the present time, the sole asset of this trust is a letter dated July 27, 1972 from The Honorable Arthur F. Burns, Chairman of the Board

of Governors of the Federal Reserve System, to Richard M. Nixon, with the enclosure referred to in that letter, a copy of a statement made by Mr. Burns to the Joint Economic Committee on July 26, 1972, which letter and enclosure were contributed by the owner thereof, Richard M. Nixon.

EXEMPTION APPLICATION
(Form 1023)

The Richard M. Nixon Irrevocable Literary Trust
c/o H. R. Haldeman, Trustee

Statement with respect to Questions 10c and 10d:

The sole asset of this trust is a letter dated July 27, 1972 from The Honorable Arthur F. Burns, Chairman of the Board of Governors of the Federal Reserve System, to Richard M. Nixon, with the enclosure referred to in that letter, a copy of a statement made by Mr. Burns to the Joint Economic Committee on July 26, 1972. The aforementioned asset also is the only asset received by the trust since the date of its creation. The trust has no liabilities, nor has it made any expenditures since the date of its creation.

EXEMPTION APPLICATION
(Form 1023)

The Richard M. Nixon Irrevocable Literary Trust
c/o H. R. Haldeman, Trustee

Statement with respect to Question 10f:

This trust was created by Richard M. Nixon to serve as the legal receptacle for contributions of Materials, to be made by himself, his wife, Patricia R. Nixon, and by others, and, as the legal owner thereof, to make those Materials available to the general public for inspection, study or research. The Trustee is authorized to make suitable arrangements for public use of trust Materials with any public or private exempt organization, including a Presidential Library bearing Richard M. Nixon's name.

EXEMPTION APPLICATION
(Form 1023)

The Richard M. Nixon Irrevocable Literary Trust
c/o H. R. Haldeman, Trustee

Statement with respect to Question 10g:

This trust has not yet engaged in any fund-raising activities, nor has it any plan to engage in any such activities.

EXEMPTION APPLICATION
(Form 1023)

The Richard M. Nixon Irrevocable Literary Trust
c/o H. R. Haldeman, Trustee

Statement with respect to Question 10h:

The sole activity of this trust will be to accept contributions of Materials and, in turn, to make those Materials available for public inspection, study or research, probably through the facilities of some other exempt organization. There is no present intention of incurring any expenses in arranging for the care, preservation and exhibition of trust Materials. If, as presently contemplated, the trust Materials are made available to the public through some other exempt organization, it is expected that such organization will bear all costs involved. If, however, expenses are incurred, the trust itself will solicit funds for the purpose of paying the same. No decision has yet been made as to whether, if a solicitation of funds should become necessary, a public appeal would be made.

EXEMPTION APPLICATION
(Form 1023)

The Richard M. Nixon Irrevocable Literary Trust
c/o H. R. Maldeman, Trustee

Statement with respect to Question 10i:

This trust has not engaged in any activities
which have been discontinued.

EXEMPTION APPLICATION
(Form 1023)

The Richard M. Nixon Irrevocable Literary Trust
c/o H. R. Haldeman, Trustee

Statement with respect to Question 10j:

It is not anticipated that this trust will
expend funds; see Statement with respect to Question 10h.

EXEMPTION APPLICATION
(Form 1023)

The Richard M. Nixon Irrevocable Literary Trust
c/o H. R. Haldeman, Trustee

Information required by Question 10k:

| <u>Trustee</u> | <u>Relationship to Substantial Contributor</u> | <u>Compensation</u> | <u>Time Devoted to Position</u> |
|----------------|--|---|-------------------------------------|
| H. R. Haldeman | Assistant to the President | None during Richard M. Nixon's lifetime* | Time incident to duties |

*After the death of Richard M. Nixon, the Trust Instrument authorizes the payment of compensation to the Trustee, as allowed under the law of California by statute or custom, provided, however, that no Materials held by the Trustee can be sold for the purpose of generating revenues to pay his compensation.

10

Power of Attorney
(See Separate Instructions)

Name, address including ZIP code, and identifying number of taxpayer(s)
H. R. HALDEMAN, as Trustee under Agreement of
Trust dated August 14, 1972
1600 Pennsylvania Avenue, Washington, D.C. 20500

hereby appoints (name, address including ZIP code, and telephone number of appointee(s))

JOHN H. ALEXANDER and RICHARD S. RITZEL,
both of Mudge Rose Guthrie & Alexander,
20 Broad Street, New York, New York 10005;
Tel: 212-422-6767

as attorney(s)-in-fact to represent the taxpayer(s) before any office of the Internal Revenue Service with respect to (specify Internal Revenue tax matters and years or periods):

A request for ruling as to the deductibility under the provisions of sections 170, 2055 and 2522 of the Internal Revenue Code of contributions, bequests, legacies, devises, transfers and gifts to the trust created under the above described Agreement.

Said attorney(s)-in-fact (or either of them) shall, subject to revocation, have authority to receive confidential information and full power to perform on behalf of the taxpayer(s) the following acts with respect to the above tax matters:

(Strike through any of the following which are not granted.)

- ~~To receive, but not to endorse and collect, checks in payment of any refund of Internal Revenue taxes, penalties, or interest.~~
- ~~To execute waivers (including offers of waivers) of restrictions on assessment or collection of deficiencies in tax and waivers of notice of disallowance of a claim for credit or refund.~~
- ~~To execute consents extending the statutory period for assessment or collection of taxes.~~
- ~~To execute closing agreements under section 7121 of the Internal Revenue Code.~~
- ~~To delegate authority or to substitute another representative.~~

Other acts (specify) Any and all acts deemed necessary or appropriate in connection with the above matter.

Copies of notices and other written communications addressed to the taxpayer(s) in proceedings involving the above matters should be sent to (Name, address including ZIP code, and telephone number):

and JOHN H. ALEXANDER, Mudge Rose Guthrie & Alexander,
20 Broad Street, New York, New York 10005; Tel: 212-422-6767

This power of attorney revokes all prior powers of attorney and tax information authorizations on file with the same Internal Revenue office with respect to the same matters and years or periods covered by this instrument, except the following:

(Specify to whom granted, date, and address including ZIP code, or refer to attached copies of prior powers and authorizations)

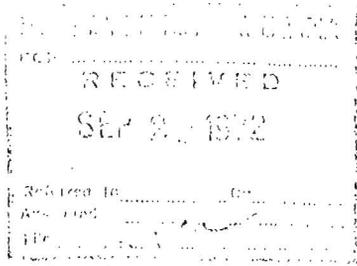
Signature of or for taxpayer(s)

If signed by a corporate officer, partner, or fiduciary on behalf of the taxpayer, I certify that I have the authority to execute this power of attorney on behalf of the taxpayer.

H. R. Haldeман (Signature) Trustee (Title, if applicable) Aug 2 1972 (Date)

(Signature) (Title, if applicable) (Date)

11



SEP 21 1972 T:MS:EO:R:3

Mr. John H. Alexander
Mudge, Rose, Guthrie & Alexander
20 Broad Street
New York, New York 10005

Re: The Richard M. Nixon
Irrevocable Literary Trust

Dear Mr. Alexander:

We are considering the application for recognition of exemption which you recently submitted on behalf of The Richard M. Nixon Irrevocable Literary Trust. We find that we need additional information before we can complete our consideration of the application.

Under section 508(b) of the Internal Revenue Code of 1954, as amended by the Tax Reform Act of 1969, all applicants for recognition of exemption under section 501(c)(3) of the Code are required to submit a declaration as to whether they are or are not a private foundation.

If you believe that the Trust is not a private foundation, indicate which subsection of section 509(a) applies to its situation and provide supporting information. This declaration should be accompanied by a statement from the Trustee that there is a reasonable basis in law and fact for the status claimed.

In addition, we need the following information over the signature of the Trustee:

1. The complete mailing address of the Trust and the location of its principal office.
2. The month and day on which the Trust's annual accounting period ends.

Please send the above information within 30 days so that we may complete our consideration of the Trust's application. When you reply, please include T:MS:EO:R:3-GVS as part of our address.

Mr. John H. Alexander

Re: The Richard M. Nixon Irrevocable
Literary Trust

If we do not hear from you within this time, we will assume that you do not want us to consider the application further, and will close the case. After that date, any inquiries should be addressed to the local District Director for the area in which the Trust has its principal office.

Thank you for your cooperation.

Sincerely yours,



Acting Chief, Rulings Section
Exempt Organizations Branch

12

October 11, 1972

John W. Dean, III, Esq.
Counsel to the President
The White House
Washington, D. C.

Dear John:

I am enclosing herewith a copy of the letter from the Internal Revenue Service, dated September 27, 1972, that Dick Ritzel and I spoke to you about, relating to the Irrevocable Literary Trust. In answer to the specific questions asked, along the lines of our talk yesterday, I suggest that Bob Haldeman sign a letter substantially as follows:

"Mr. Jay H. Rotz, Acting Chief
Rulings Section
Exempt Organizations Branch
Internal Revenue Service
Washington, D. C. 20224

Your Ref: T:MS:EO:R:3-GVS

Dear Mr. Rotz:

In answer to the requests for information contained in your letter of September 27, to Mr. John R. Alexander, I wish to advise as follows:

With respect to the status of the Richard M. Nixon Irrevocable Literary Trust I am advised that on the basis of the existing facts there does not appear to be any ground for claiming

| Enclosed By | Mailed By | Delivered By | Delivery No. |
|-------------|-----------|--------------|--------------|
| | | | |

that the trust is not a private foundation within the meaning of the applicable provisions of the Internal Revenue Code.

The complete mailing address of the trust and the location of its principal office are:

c/o Mudge Rose Cuthrie & Alexander
20 Broad Street
New York, New York 10005

The annual accounting period of the trust will be the calendar year and the period will accordingly end on December 31 of each year.

Very truly yours,"

I suggest that you send the letter to me for forwarding to the Internal Revenue Service.

Best regards.

Sincerely yours,

JHA:fj
Encl.


John H. Alexander

| Enclosed By | Mailed By | Delivered By | Delivery No. |
|-------------|-----------|--------------|--------------|
| | | | |

13



Internal Revenue Service
Washington, DC 20224

| | |
|---------------------|-----------------------------------|
| Date: NOV 8 1972 | In reply refer to: T:MS:EO:R:3 |
|---------------------|-----------------------------------|

DO 13 The Richard M. Nixon Irrevocable
 Literary Trust
 ▶ c/o Mudge, Rose, Guthrie &
 Alexander
 20 Broad Street
 New York, New York 10005

Gentlemen:

— We have considered your application for recognition of exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954.

Based on the information supplied, and assuming that your operations will be as stated in your application, we have determined that you are exempt under section 501(c)(3) of the Code. Any changes in your purposes, character, or method of operation must be reported to the District Director, Manhattan, which is your key district for exempt organization matters, so he may consider the effect of the change on your exempt status. You must also report any change in your name or address.

We have further determined that you are a private foundation as defined in section 509(a) of the Code. In this letter we are not determining whether you are a private operating foundation as defined in section 4942(j)(3) of the Code.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter we are not determining whether any of your present or proposed activities is unrelated trade or business as defined in section 513 of the Code.

— You are required to file the annual information return, Form 990, on or before the 15th day of the fifth month after the end of your accounting period, which ends December 31st. If you have assets of \$5,000.00 or more at any time during the year, you must also file an Annual Report. You may use Form 990-AR for this purpose. Failure to file Form 990-AR (if required) or Form 990 by this date may subject you and/or a principal officer to a penalty of \$10.00 for each day during which such failure continues, up to a maximum of \$15,000.00.

The Richard M. Nixon Irrevocable Literary Trust

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

You are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. You are not liable for the taxes imposed under the Federal Unemployment Tax Act (FUTA).

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

We are informing your key District Director of this action. Please keep this ruling letter in your permanent records.

Sincerely yours,

(signed) J. F. Monahan

ACT: Chief, Rulings Section
Exempt Organizations Branch

14

May 8, 1973

PERSONAL and
CONFIDENTIAL

Miss Rose Mary Woods
Personal Secretary to the President
The White House
Washington, D. C.

Dear Rose Mary:

Attached is a memorandum relating to the Wills of the President and Mrs. Nixon and the related trusts established as part of his Estate Plan. As you will note, our immediate problem is to file a return with the Internal Revenue Service, and this return must be signed by the Trustee of one of the Trusts. The Trustee is Bob Kaldeman. Dick Ritzel and I assume that, either now or later, the President will wish to consider whether to make any change in the choice of executors and trustees. I have talked briefly with Len Garment about it and he suggested that you take up the memorandum with him.

Best regards.

Sincerely,



JHA:fj
Encl.

| Enclosed By | Mailed By | Delivered By | Delivery No. |
|-------------|-----------|--------------|--------------|
| | | | |

MEMORANDUM

The President's
Estate Plan

May 8, 1973

(1) The Irrevocable Literary Trust. (a) Internal Revenue Service filing. By May 15, 1973 the trustee of this trust must file an annual information return for calendar year 1972 with the Internal Revenue Service. The attached Form 990-PF is the return which must be filed. It should be signed by the trustee and returned to us for routine filing. Mr. Haldeman is the trustee.

(b) Registration with the California Attorney General. California law requires the registration of this trust with the California Attorney General. As a practical matter this filing can be deferred for the time being, but ultimately will have to be effected. At that time the trust instrument will become a public document.

(2) Trustees, Executors and Successors. It occurs to us that either now or at some later point the President may wish to consider whether any changes should be made in the executors of his and Mrs. Nixon's Wills, and in the trustees of the three trusts created in connection with the Estate Plan. The attached list shows the executors and trustees. The acting trustees can resign at any time or be removed by the President. The designations of successor trustees can be revoked either by the acting trustees or by the President. Subject to the approval of the President, a resigning trustee, before actually resigning, may appoint his successor. If no successor is appointed then the President can appoint one.

A change of trustees would require the execution of appropriate written instruments. A change of executors can be accomplished by codicil or new wills. We usually recommend a new will to avoid public disclosure, through filing of the old will and the codicil, of the change.

John H. Alexander
Richard S. Ritzel



ESTATE PLAN

Trustees, Executors and Successors

The Family and Literary Properties Trust

Trustee - Richard M. Nixon
First Successor Trustee - H. R.aldeman
Second Successor Trustee - John D. Ehrlichman

The Irrevocable Literary Trust

Trustee - H. R.aldeman
Successor Trustee - John D. Ehrlichman

The Patricia R. Nixon Trust

Trustee - John D. Ehrlichman
Successor Trustee - H. R.aldeman

Will of Richard M. Nixon

Executors - C. G. Rebozo
John D. Ehrlichman

Will of Patricia R. Nixon

Executor - Richard M. Nixon
Successor Executors - C. G. Rebozo
John D. Ehrlichman

15

May 14, 1973

Internal Revenue Service Center
11601 Roosevelt Blvd.
Philadelphia, Pa. 19155

The Richard M. Nixon Irrevocable
Literary Trust
I. D. No. 23-7234829

Dear Sirs:

Enclosed herewith is the return of the above captioned trust (Form 990-PF) for calendar year 1972.

As is indicated in the return, the value of the Trust's assets do not exceed \$5,000, and hence no annual report (Form 990-AR) is required.

Please acknowledge receipt of the enclosed return by stamping and returning to us in the envelope provided the copy of this letter enclosed for such purpose.

Very truly yours,



WJK:sb

Enclosure

| Enclosed By | Mailed By | Delivered By | Delivery No. |
|-------------|-----------|--------------|--------------|
| | | | |

Return of Private Foundation Exempt from Income Tax Under Section 501(c)(3) of the Internal Revenue Code

1972

Department of the Treasury Internal Revenue Service

For the calendar year 1972, or fiscal year beginning 1972, and ending 19

Name of organization: The Richard M. Nixon Irrevocable Literary Trust; Address: c/o Mudge Rose Guthrie Alexander & Mitchell, 20 Broad Street, New York, New York 10005; Employer identification number: 23-7234929; Date of exemption letter: Nov. 8, 1972; Fair market value of assets: Statement Attached

Enter the name and address used on your return for 1971 (if the same as above, write "Same"). If none filed, give reason. None filed, Trust created August 14, 1972

If exemption application is pending, check this box

Part I.—Income and Charitable Distributions (Under Section 4942)

Table with columns for Income, Expenditures, and Distributions. Rows include Gross profit from all business activities, Interest, Dividends, Gross Rents, Gross Royalties, Net short-term capital gain, Amounts includible as income modifications, Other income, Gross income, Compensation of officers, directors, and trustees, Other salaries and wages, Other employee benefits, Investment, legal, accounting and other professional services, Interest, Taxes, Depreciation (straight line), Amortization and Depletion (cost), Rent, Other expenses, Total expenditures, Adjusted net income, Minimum investment return, Excise taxes, Distributable amount, Adjustments, Qualifying distributions, and Undistributed income.

Part II

1 Gross contributions, gifts, grants and similar amounts received—see instructions Statement Attached; 2 Gross dues and assessments from members and affiliates; 3 Enter your principal activity codes from last page of instructions; 4 The books are in care of Mudge Rose Guthrie Alexander & Mitchell Telephone No. 212-422-6767; 5 Located at 20 Broad Street, New York, New York 10005; 6 Excise taxes (see instructions) on investment income from Part VIII -0-

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. If prepared by a person other than taxpayer, his declaration is based on all information of which he has any knowledge.

5/12/73 Date; 5/7/73 Date; Mudge Rose Guthrie Alexander & Mitchell Signature and Emp. Ident. or Soc. Sec. No. of preparer; 13-5260370; 20 Broad Street, New York, New York 10005 Address

Part III.—Minimum Investment Return for 1971 and 1972 (Operating Foundations See Instructions)

| | 1971 | 1972 |
|---|-----------------------|------|
| 1 Fair market value of assets not used (or held for use) directly in carrying out exempt purpose (see section 4942(e) and the regulations thereunder): | | |
| (a) Monthly average of securities at fair market value | Statement Attached | |
| (b) Monthly average of cash balances (exclude cash held for charitable, etc., purposes) | | |
| (c) Fair market value of all other investment assets | | |
| (d) Total (sum of lines (a), (b), and (c)) | | |
| 2 Acquisition indebtedness with respect to line 1 assets | | |
| 3 Line 1 less line 2 | | |
| 4 Organizations organized after May 26, 1969: | | |
| (a) For 1971 enter 6% of line 3 | | |
| (b) For 1972 enter 5½% of line 3 | | -0- |
| 5 Organizations organized before May 27, 1969; for 1972, enter 4⅛% of line 3 | -0- | |

Part IV.—Qualifying Distributions (See Instructions)

| | 1970 | 1971 | 1972 |
|--|------|------|------|
| 1 Amounts paid (including administrative expenses) to accomplish purposes described in sections 170(c)(1) and 170(c)(2)(B) (For 1972—should agree with line 13, Part VI—see instructions) | | | |
| 2 Amounts paid to acquire assets used (or held for use) directly in carrying out purposes described in sections 170(c)(1) and 170(c)(2)(B) | | | |
| 3 Amounts set aside for specific projects which are for purposes described in sections 170(c)(1) and 170(c)(2)(B) | | | |
| 4 Total (add lines 1, 2, and 3) | N | O | N |

Part V.—Treatment of Qualifying Distributions (Under Section 4942(h) and (i))

| | Corpus | 1970 | 1971 | 1972 |
|--|--------|------|------|------|
| 1970 qualifying distributions applied under: | | | | |
| 1 4942(h)(1)(B) to the taxable year | | | | |
| 2 4942(h)(1)(C) to corpus | | | | |
| 1971 qualifying distributions applied under: | | | | |
| 3 4942(h)(1)(A) to immediately prior year | | | | |
| 4 4942(h)(2) to corpus (election required—see instructions) | | | | |
| 5 4942(h)(1)(B) to the taxable year | | | | |
| 6 4942(h)(1)(C) to corpus | | | | |
| 7 Excess distribution carryover from 1970 under 4942(i) applied to 1971 | | | | |
| 1972 qualifying distributions applied under: | | | | |
| 8 4942(h)(1)(A) to immediately prior year | | | | |
| 9 4942(h)(2) to other prior years or corpus (election required—see instructions) | | | | |
| 10 4942(h)(1)(B) to the taxable year | | | | |
| 11 4942(h)(1)(C) to corpus | | | | |
| 12 Excess distribution carryover from 1970 and 1971 under 4942(i) applied to 1972 | | | | |
| 13 Total qualifying distributions applied to 1970, 1971 and 1972 (add lines 1 through 12) | | | | |
| 14 Distributions included in lines 2, 4, 6, 9 and 11 that were treated by the private foundation filing this return as a distribution of corpus under section 4942(h) (see instructions): | | | | |
| (a) because of the application of section 4942(g)(3)(A) to the foundation as recipient of contributions from another private foundation | | | | |
| (b) because of the application of section 170(b)(1)(E)(ii) to the foundation as a recipient of contributions from an individual | | | | |
| Total—add (a) and (b) | | | | |

Part VI.—Analysis of Disbursements for Exempt Purposes for 1972

| | (a) Expenses Directly For Active Conduct Of Exempt Activities (see instructions) | (b) Administrative and Other Expenditures |
|--|--|---|
| 1 Compensation of officers, directors, and trustees (see instructions) | | |
| 2 Other salaries and wages | N | |
| 3 Other employee benefits | | |
| 4 Legal, financial and other professional services | | |
| 5 Interest | O | |
| 6 Taxes (see instructions) | | |
| 7 Rent | | |
| 8 Other (attach schedule) | N | |
| 9 Total—add lines 1 through 8 | | |
| 10 Enter total from column (a), line 9 | | |
| 11 Contributions, gifts, grants and similar amounts paid (see instructions) | | E |
| 12 Program related investment (as defined in section 4944(c)) | | |
| 13 Total—add lines 9, 10, 11 and 12 (must agree with Part IV, line 1 for 1972) | | |

Part VII.—Private Operating Foundations (See instructions and Question I, Part X)

1 Enter dates of rulings or determination letters (if any) that the organization is an operating foundation for taxable year beginning in (a) 1970 (b) 1971 (c) 1972

(Fill in the columnar headings applicable to the most recent taxable year of Operating Foundation status. If such status is claimed for more than one year, attach a schedule similar to schedule below for each such year.)

| Enter year(s) . . . > > > | Taxable Year | | | Prior Three Years | | | Total |
|---|--------------|--|--|-------------------|--|--|-------|
| | | | | | | | |
| 2 (a) Adjusted net income as defined in section 4942(f) | | | | | | | |
| (b) 85% of line (a) | | | | | | | |
| (c) Qualifying distributions directly for active conduct of exempt purposes | | | | | | | |
| 3 Complete the alternative test in (a), (b) or (c) on which the organization relies. | | | | | | | |
| (a) "Assets" alternative test—enter: | | | | | | | |
| (i) Value of all assets | | | | | | | |
| (ii) Value of assets qualifying under section 4942(j)(3)(B)(i) | | | | | | | |
| (iii) 65% of line (a)(i) | | | | | | | |
| (b) "Endowment" alternative test—enter 2/3 of minimum investment return | | | | | | | |
| (c) "Support" alternative test—enter: | | | | | | | |
| (i) Total support other than gross investment income | | | | | | | |
| (ii) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) | | | | | | | |
| (iii) Largest amount of support from an exempt organization (see instructions) | | | | | | | |
| (iv) Gross investment income | | | | | | | |

Part X.—Questions (Continued)

| | Yes | No |
|--|-----|----|
| D Have you filed a tax return on Form 990-T for this year? | | X |
| E Was there a substantial contraction during the year? If "Yes," attach a schedule for the disposition(s) for the year(s) showing type of asset disposed of, the date(s) disposed, the cost or other basis, the fair market value on date of disposition and the names and addresses of the recipients of the assets distributed. (See general instructions N) | | X |
| F Did you file the annual report required by section 6056 (see Form 990-AR for instructions)? | | X |
| G At the time of filing Form 990-PF for 1972, does the organization satisfy the requirements of section 508(e)? See General Instruction R If "Yes," have such requirements been satisfied by: (1) Language in the governing instrument (original or as amended), or | X | |
| (2) Enactment of State legislation effectively amending the governing instrument and the governing instrument contains no mandatory directions which are in conflict with such State legislation | | |
| H Has the organization attached the list of States (or entered the name(s) below, if enough space) referred to in general instruction P and furnished copies of Forms 990-PF and 990-AR (or equivalent report) to State officers as required by general instruction Q? Name of State(s) <u>California</u> (Situs of Trust) | | X |
| I Does the organization claim status as an operating foundation within the meaning of 4942(j)(3): (1) for calendar year 1972 or fiscal year beginning in 1972 | | X |
| (2) for calendar year 1971 or fiscal year beginning in 1971 Not Applicable | | |
| (3) for calendar year 1970 or fiscal year beginning in 1970 Not Applicable | | |
| If "Yes" for (1), (2) or (3), complete Part VII. | | |
| J Self-dealing (section 4941): (1) Have you engaged in any of the following acts during the year either directly or indirectly, with one or more disqualified persons (see instruction B, Part X, for definition)— (a) Sale, exchange, or leasing of property | | X |
| (b) Lending of money or other extension of credit | | X |
| (c) Furnishing of goods, services, or facilities | | X |
| (d) Payment of compensation (or payment or reimbursement of expenses) | | X |
| (e) Transfer of any part of your income or assets | | X |
| (f) Agreed to make any payment of money, or other property, to a government official (as defined in section 4946(c)) other than an agreement to employ such individual for any period after the termination of his government service if such individual is terminating his government service within a 90-day period | | X |
| (2) If any of questions 1(a) through 1(f) is answered "Yes," were all of such acts in which the foundation engaged excepted acts described in section C, Part X of the instructions? K Taxes on failure to distribute income (section 4942) (not applicable to an operating foundation as defined in 4942(j)(3)): (1) Did you at the end of taxable year 1972 have any undistributed income (line 28, Part I) with respect to the taxable year 1970 or taxable year 1971? | | X |
| (2) If "Yes," is the organization applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) with respect to such undistributed income for (a) 1970 | | |
| (b) 1971 | | |
| If "Yes," to (a) or (b), see General Instruction A for Part X. | | |
| L Taxes on excess business holdings (section 4943): (1) Did you hold more than a two percent direct or indirect interest in any business enterprise (see instructions—"Definitions") at any time during the year? | | X |
| (2) If "Yes," has the foundation purchased or have disqualified persons purchased stock in a business enterprise since May 26, 1969, which resulted in excess business holdings (direct or indirect) which are subject to tax under section 4943 and which was not reported on a prior year's return? | | |
| M Taxes on investments which jeopardize charitable purpose (section 4944): (1) Did you invest any amount in such a manner as to jeopardize the carrying out of your exempt purposes during the year? | | X |
| N Taxes on taxable expenditures (section 4945): (1) During the year did you pay, or incur a liability to pay for any of the following— (a) To carry on propaganda, or otherwise attempt to influence legislation by attempting to affect the opinion of the general public or any segment thereof or by communicating with any member or employee of a legislative body, or by communicating with any other government official or employee who may participate in the formulation of legislation | | X |
| (b) To influence the outcome of any specific public election, or to carry on, directly or indirectly, any voter registration drive | | X |
| (c) As a grant to an individual for travel, study, or other similar purposes by such individual | | X |
| (d) As a grant to an organization, other than a charitable organization described in paragraph (1), (2), or (3) of section 509(a) of the Code | | X |
| (e) For any purpose other than religious, charitable, scientific, literary or educational purposes or for the prevention of cruelty to children or animals | | X |
| (2) If any of questions 1(a) through 1(e) is answered "Yes," were all of such transactions excepted transactions described in section D, Part X of the instructions? | | |
| (3) With respect to Part 1(d) of this question, if you answered "Yes," did you apply the exception in item 9 of section D, Part X of the instructions? | | |
| If "Yes," attach the statement required for such exception. | | |

* See below

* No Form 990-AR or equivalent report required to be filed with I.R.S. as trust assets do not exceed \$5,000 in value. Accordingly, no Form 990-AR or 990-PF required to be filed with state officers under

Part XI.

A. Substantial Contributors (if more space is needed, attach schedule)

| Name | Address |
|------------------|-----------------------------------|
| Richard M. Nixon | The White House, Washington, D.C. |
| | |
| | |

B. Compensation of Officers, Directors and Trustees

| Name and address | Social security number | Title | Time devoted to position | Compensation |
|------------------|------------------------|---------|--------------------------|--------------|
| H. R. Haldeman | | Trustee | As required by duties | None |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Total ▶

C. Compensation of Five Highest Paid Employees (Other than included in B above—see instructions)

| Name and address of employees paid more than \$30,000 | Social security number | Title | Compensation |
|---|------------------------|-------|--------------|
| N O N E | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Total number of other employees paid over \$30,000 ▶

D. Five Highest Paid Persons for Professional Services (See instructions)

| Name and address of persons paid more than \$30,000 | Type of service | Compensation |
|---|-----------------|--------------|
| N O N E | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

Total number of others receiving over \$30,000 for professional services ▶

| Part XII.—Balance Sheets | Beginning of Taxable Year | | End of Taxable Year | |
|--|---------------------------|-----------|---------------------|-----------|
| | (A) Amount | (B) Total | (C) Amount | (D) Total |
| Assets | | | | |
| 1 Cash: (a) Savings and interest-bearing accounts | | | | |
| (b) Other | | | | |
| 2 Accounts receivable net | | | | |
| 3 Notes receivable net (attach schedule) | | | | |
| 4 Inventories | | | | |
| 5 Gov't obligations: (a) U.S. and instrumentalities | | | | |
| (b) State, subdivisions thereof, etc. | | | | |
| 6 Investments in nongovernmental bonds, etc. (attach schedule) | | | | |
| 7 Investments in corporate stocks (attach schedule) | | | | |
| 8 Mortgage loans (number of loans.....) | | | | |
| 9 Other investments (attach schedule) | | | | |
| 10 Depreciable (depletable) assets (attach schedule): | | | | |
| (a) Held for investment purposes | | | | |
| (b) Less accumulated depreciation | | | | |
| (c) Held for charitable purposes | | | | |
| (d) Less accumulated depreciation | | | | |
| 11 Land: (a) Held for investment purposes | | | | |
| (b) Held for charitable purposes | | | | |
| 12 Other assets (attach schedule) | | | | |
| 13 Total assets | | | | |
| Liabilities | | | | |
| 14 Accounts payable | | | | |
| 15 Contributions, gifts, grants, etc., payable | | | | |
| 16 Mortgages and notes payable (attach schedule) | | | | |
| 17 Other liabilities (attach schedule) | | | | |
| 18 Total liabilities | | | | |
| Net Worth (Fund Balances) | | | | |
| 19 Principal Fund | | | | |
| 20 Income Fund | | | | |
| 21 Total Net Worth (Fund Balances) | | | | |
| 22 Total liabilities and Net Worth (line 18 plus line 21) | | | | |

Statement Attached

| Part XIII.—Analysis of Changes in Net Worth | Statement Attached |
|--|--------------------|
| 1 Total net worth at beginning of year | |
| 2 Adjusted net income under section 4942 from Part I, line 20, for 1972 | |
| 3 Gross contributions, gifts, grants and similar amounts received from Part II, line 1 | |
| 4 Gross dues and assessments from members and affiliates from Part II, line 2 | |
| 5 Net gain from sale of assets not included in line 2 above (see instructions) | |
| 6 Other increases (itemize): | |
| | |
| | |
| 7 Total of lines 1 through 6 | |
| 8 Disbursements for exempt purposes from Part VI, line 13 | |
| 9 Taxes under: (a) Chapter 42 \$....., and (b) Subtitle A \$..... Total | |
| 10 Other decreases not included in line 8 or 9 (itemize) see instructions: | |
| | |
| | |
| 11 Total of lines 8, 9 and 10 | |
| 12 Total net worth at end of year (line 7 less line 11) | |

THE RICHARD M. NIXON IRREVOCABLE LITERARY TRUST

(Taxpayer I.D. No. 23-7234929)

Statement attached to and made a part
of Form 990-PF for calendar year 1972:

The sole asset of the trust, a letter dated July 27, 1972 from The Hon. Arthur M. Burns, Chairman of the Board of Governors of the Federal Reserve System, to Richard M. Nixon, with the enclosure referred to in that letter, a copy of a statement made by Mr. Burns to the Joint Economic Committee on July 26, 1972, was contributed upon the creation of the trust on August 14, 1972 by Richard M. Nixon. The letter and enclosure are of nominal value - certainly less than \$5,000.

Since the purpose of the trust is to hold books, papers, letters, photostatic and sound reproductions, memorabilia and other like items which relate to the events of the official or personal life of Richard M. Nixon or his wife, Patricia R. Nixon, and which have historical or commemorative significance, said letter and enclosure are being held by the Trustee directly for the exempt purpose of the trust.

16

Revision of Estate Plan To Include
Transfer of San Clemente Property
To Federal Government

Dated: October 23, 1973

MUDGE ROSE GUTHRIE & ALEXANDER
20 BROAD STREET, NEW YORK, N. Y.

SUMMARY

Revision of Estate Plan To Include Transfer of San Clemente Property To Federal Government

(1) Need for preservation of basic structure of plan. The present estate plan is structured to take full advantage of the interplay of the applicable rules dealing with California community property and the estate tax marital and charitable deductions. Because of this, the plan should result in a tax-free transfer of all family assets and Presidential memorabilia, papers, etc., upon the death of the first as between the President and Mrs. Nixon to die. If the plan is to be modified and the same tax result achieved, the modification should leave the basic structure of the present plan intact. Also, because questions involving California community property were involved, the present plan was reviewed and approved by California counsel. Approval of California counsel should likewise be obtained before any proposed modification of the plan is implemented.

(2) The San Clemente property under the existing plan. Upon the President's death, the San Clemente property will be transferred to The Patricia R. Nixon Trust. If Mrs. Nixon survives the President, the property will be made available to her for her exclusive use. All expenses relating to the property will be paid by the trust. After the President's death, Mrs. Nixon has the absolute power to direct a retention or sale of the property and, upon a sale, the purchase of a replacement residence. Mrs. Nixon also has the power to dispose of the property by Will. If she does not exercise the latter power, or if she does not survive the President, the property or the proceeds of sale will be held in separate continuing trusts for the benefit of Patricia and Julie. A minor amendment to the plan could be made to provide that if Mrs. Nixon does not exercise her power of appointment the San Clemente property would pass to the federal government. If this were done, however, Mrs. Nixon could still exercise her power and change the intended result.

(3) Alternate dispositions to include transfer to federal government. Two alternate dispositions of the San Clemente property to include a transfer to the federal government appear possible:

(a) Transfer with retained life estate. Upon the

President's death, the San Clemente property would be transferred to the federal government, subject to Mrs. Nixon's right to the exclusive use of the property during her lifetime. Mrs. Nixon or a family trust would remain responsible for payment of all expenses related to the property. A partial reduction in real estate taxes should result from such a transfer, and the transfer should generate a personal income tax deduction for Mrs. Nixon. Mrs. Nixon would, under this arrangement, lose a great deal of flexibility in her choice of a residence, in that if she abandoned her life estate she would have to look to other family assets to purchase a replacement residence. There are, however, historical precedents for such a transfer - the Eisenhower farm, the LBJ Ranch, and the Roosevelt residence in Hyde Park were all transferred to the government subject to arrangements to allow Mrs. Eisenhower, Mrs. Johnson and Mrs. Roosevelt to live on the respective residences for the duration of their lives.

(b) Option to purchase. The federal government would be granted the right to purchase the San Clemente property upon the death of the last survivor as between the President and Mrs. Nixon, or prior thereto if it was offered for sale to anyone. The purchase price would be set at an amount equal to the family cash investment. The option would not, however, become firm until the President's death. The family cash investment would thus be subject to eventual recovery for use by family members. Also, if the government declined to exercise the option, the full fair market value of the property would become available to family members. In any event, Mrs. Nixon would, under this arrangement, be provided with some flexibility as to her choice of a residence, in that if she decided that she no longer wished to live at San Clemente she would be provided with the proceeds of sale received from the federal government or, if the option was not exercised, from others, to purchase a replacement residence.

John H. Alexander

Richard S. Ritzel

Revision of Estate Plan To Include
Transfer of San Clemente Property
To Federal Government

(1) Need for Preservation of Basic Structure of Plan

The estate plan adopted August 14, 1972 by the execution of Wills and three separate Trust Agreements creating The Family and Literary Properties Trust, The Irrevocable Literary Trust and The Patricia R. Nixon Trust is structured to take full advantage of the interplay of the rules with respect to California community property and the estate tax marital and charitable deductions. Because of this, the transfer of family assets and Presidential memorabilia, papers, etc., upon the death of the first as between the President and Mrs. Nixon to die should not be subject to federal or California estate or inheritance taxes.

The essential elements of the plan are that (1) as to community property, since a theoretical possibility exists that the surviving spouse could reject the testamentary arrangements made for his or her benefit and could claim his or her community property outright, it is the surviving spouse who is transferring his or her share of the community property in trust, (2) as to property other than community property passing to or for the benefit of the surviving spouse, the same is received either outright or in trust subject to a general testamentary power of appointment and thus qualifies for the estate tax marital deduction, and (3) as to any property not passing to or for the benefit of the surviving spouse, the same passes for charitable purposes and thus qualifies for the estate tax charitable deduction. Therefore, under the plan, the family assets and Presidential memorabilia, papers, etc., passing to or for the benefit of the surviving spouse represent the surviving spouse's share of the community property or qualify for the estate tax marital deduction and the Presidential memorabilia, papers, etc., passing for charitable purposes represent the deceased spouse's community property and the balance of his or her other property after allowance of the estate tax marital deduction.

If the same tax result is to be sought upon any modification of the present plan, the modification should be

structured so that the above described interplay of the rules with respect to California community property and the estate tax marital and charitable deductions is preserved.

Also, it should be noted that the present plan was reviewed and approved by California counsel because of the fact that questions with respect to California community property law were involved in its formulation. Any proposed modification of the plan should likewise be reviewed and approved by California counsel before that modification is implemented.

(2) The San Clemente Property under the Existing Plan

Upon the President's death, the San Clemente property, together with all other family assets except Presidential memorabilia, papers, etc., will be transferred to The Patricia R. Nixon Trust. The property so transferred, representing a portion of Mrs. Nixon's share of the community property and, possibly, assets qualifying for the estate tax marital deduction, will be made available to Mrs. Nixon for her exclusive use. All real estate taxes, insurance costs and other expenses incurred in maintaining or improving the property will be paid out of the income generated by other trust assets, and, if necessary, out of the principal of the trust.

If the income and principal of the trust does not provide adequately for Mrs. Nixon and at the same time cover the San Clemente expenses, Mrs. Nixon can direct that a sale of certain Presidential papers or memorabilia be made and that the proceeds be used for such purposes. Certain nonsensitive Presidential memorabilia, papers, etc., also representing a portion of Mrs. Nixon's share of the community property and, possibly, assets qualifying for the estate tax marital deduction, will be retained in The Family and Literary Properties Trust upon the President's death for such purposes. Such sales will, however, be limited to \$100,000 per year and to an aggregate of \$2,000,000.

Mrs. Nixon will have the exclusive power to direct the retention or sale of the San Clemente property and, if a sale is made, the purchase of a replacement residence. Mrs. Nixon can also, in her Will, dispose of the San Clemente property in any manner she may desire, including a transfer to the federal government for public purposes.

If Mrs. Nixon does not exercise her power to dispose of the San Clemente property by Will, or if she is not living at the time of the President's death, the property will either be held by the Trustee of The Patricia R. Nixon Trust or be sold, with the property or the proceeds of sale to be held in separate trusts for the benefit of Patricia and Julie and their children. Federal and California estate and inheritance taxes will be imposed on the transfer of the property upon the death of the last survivor as between the President and Mrs. Nixon.

It should be noted that by a minor amendment to the trust agreement under which The Patricia R. Nixon Trust was created, it could be directed that the San Clemente property would pass to the federal government upon Mrs. Nixon's death if she failed to exercise the general power of appointment granted to her under that agreement. If this were done, however, Mrs. Nixon could always, by exercising her power of appointment, change the intended result. If Mrs. Nixon did not exercise her power and the property did pass to the federal government, no federal or California estate or inheritance taxes would be imposed on the transfer at her death.

(3) Alternate Dispositions to Include Transfer to Federal Government

(a) Transfer with Retained Life Estate.

Basic Plan. Upon the President's death, the San Clemente property would be transferred to the federal government, subject to Mrs. Nixon's right, if she is then living, to the exclusive use of the property during her lifetime. (It is assumed that if Mrs. Nixon is the first to die, the President would want to continue to exercise exclusive control over the San Clemente property.)

Mrs. Nixon's Obligations Subsequent to the Transfer. Absent any conditions in the instrument of transfer to the contrary, Mrs. Nixon would remain responsible for payment of real property taxes, ordinary maintenance expenses, interest on any outstanding mortgage, and a "just" proportion of any extraordinary assessments. In addition, if there was a mortgage on the property which had to be satisfied by the federal government during the term of her life estate, Mrs. Nixon would probably be required to reimburse the government, either by continuing to pay

interest on the amount of the mortgage satisfied or by the payment of a lump sum based on the current value to her of having been relieved of the obligation to pay interest on the outstanding mortgage.

The instrument of transfer can provide that the federal government, as remainderman, must assume some or all of the obligations normally imposed on the life beneficiary. Obviously, however, if too many obligations are shifted to the federal government, the cost of carrying the property would exceed the value of the remainder interest in the property and the gift might be rejected.

Impact on Real Estate Taxes. The California Constitution and Revenue and Taxation Code specifically exempt federal property used for public purposes from taxation. The Revenue and Taxation Code also recognizes that less than an entire interest in real property, e.g., a life estate, can be subjected to real property taxes. Accordingly, when real property is transferred to the federal government subject to an intervening life estate, the value of the remainder interest should be exempt from local real property taxes. (At Mrs. Nixon's current age, her life estate in the property, determined actuarially, would be worth approximately 61% of its current value. A 39% reduction in real property taxes should, therefore, result if the remainder interest was vested in the federal government.) This point will ultimately have to be confirmed by California counsel.

Impact on Family. A transfer with a retained life estate would have an adverse financial and personal impact on the family. Although Mrs. Nixon would be entitled to use the property during her lifetime, she would still be required to pay real estate taxes (although possibly at a slightly reduced rate) and to maintain the property. More importantly, she would forfeit a considerable amount of flexibility with respect to her choice of a residence. If she determined that she did not wish to continue to live at San Clemente, she could, of course, abandon her life estate, but she would receive no compensation for doing so to enable her to purchase a replacement residence. Having abandoned her life estate, the property

would become the federal government's exclusively, and Mrs. Nixon would have to look to other family assets to provide her with a residence. Finally, upon Mrs. Nixon's death, full ownership of the property would pass to the federal government, and thus, no portion of the family investment in the property, nor any appreciation resulting subsequent to that investment, would ever be recovered for use by family members.

Tax Considerations. The transfer should be considered for tax purposes to have been made by Mrs. Nixon. Thus, Mrs. Nixon should be entitled to a current income tax deduction in the year of the transfer and, to the extent not used in that year, for five years thereafter. Also, since the transfer will theoretically be made by Mrs. Nixon, it will have no bearing on the President's estate tax return. (If a transfer was made during the joint lives of the President and Mrs. Nixon, with both of them retaining joint and survivor life estates, a federal estate tax would be payable upon the death of the first to die. For this reason, the possibility of effecting a joint transfer has been rejected.)

The amount of the income tax deduction available to Mrs. Nixon would be the actuarial value of the remainder interest passing to the federal government. Thus, it would depend upon (1) the fair market value of the property transferred, (2) Mrs. Nixon's age at the time of the transfer, (3) the amount of any outstanding mortgage affecting the property, and (4) the obligations with respect to the property assumed by Mrs. Nixon and the federal government. For example, if the property had a fair market value of \$500,000 exclusive of any mortgage, if the normal rights and obligations were assumed, and if Mrs. Nixon was 65 years of age at the time of the transfer, the current income tax charitable deduction available to her would be approximately \$221,000.

Historical Precedents. General and Mrs. Eisenhower, after he left office, transferred their Gettysburg farm to the Interior Department as a national park site. They retained the right to live on the property transferred during their joint lives and the survivor for six months after the death of the

first to die. After the transfer, no change in the day-to-day operation of the farm occurred, and General Eisenhower continued to pay all expenses of maintenance. The property was, however, removed from the local tax rolls and no further real property taxes were paid. (In light of the California law on this subject, it would appear doubtful that a similar result could be obtained for the San Clemente property.) Subsequent to General Eisenhower's death, Mrs. Eisenhower decided that she wanted to continue to live on the property, and negotiations with the Interior Department resulted in the granting of a "Use Permit" permitting her to continue to occupy the residence and some surrounding acreage. Under the terms of the Use Permit, Mrs. Eisenhower pays all ordinary expenses relating to maintaining the residence. The balance of the property is maintained by the Interior Department.

Mr. Johnson, after he left office, similarly arranged for a transfer of the LBJ Ranch for eventual use as a national park site, but with Mrs. Johnson to have the right to live on the ranch for the term of her life. The transfer of Mr. Roosevelt's Hyde Park residence also was made during Mr. Roosevelt's lifetime, with arrangements being made to permit Mrs. Roosevelt to continue to occupy a cottage on the premises for the duration of her life.

(b) Option to Purchase.

Basic Plan. The federal government would be granted the right to purchase the San Clemente property upon Mrs. Nixon's death or prior thereto, if it is offered for sale to anyone. The option would not, however, become firm until the President's death since it is assumed that if Mrs. Nixon is the first to die, the President would wish to retain exclusive control over the property during his lifetime. The purchase price to the federal government would equal the family cash investment, including the cost of improvements paid for by the family.

Impact on Family. During Mrs. Nixon's life, assuming she is the survivor, real property taxes would have to be paid and the property would have to be maintained with family assets. Mrs. Nixon would,

however, be provided with much more flexibility with respect to her choice of a personal residence after the President's death than with a transfer with a retained life estate. If she decided that she no longer wished to live at San Clemente, she could offer the property for sale, thus triggering the option. Unlike the situation with the life estate, however, the proceeds of sale would be available to purchase a replacement residence. In any event, if the government exercised its option upon Mrs. Nixon's death, the cash investment in the property would be recovered for use by family members. If the government failed to exercise its option, the entire property or its proceeds upon sale would become available for use by family members.

Impact on Real Estate Taxes. The position could possibly be taken with local tax authorities that the option price established the fair market value of the property for the family's purposes and that the real property tax assessment on the property should, accordingly, be based on that price. Since the cash investment would presumably be lower than the fair market value, a reduction, or at least a stabilization, of real property taxes should follow if this position was accepted.

Tax Considerations. The underlying testamentary instruments would make it clear that the entire San Clemente property represented a portion of Mrs. Nixon's share of the community property and that she was the one who was granting the option. Thus, the grant of the option should have no effect on the President's estate for federal estate tax purposes. In Mrs. Nixon's estate, however, the property should be subject to estate taxation, at least at the option price. The option grant should also have no effect on Mrs. Nixon's income tax liability unless she offered the property for sale during her lifetime and the option was exercised. At that time, an income tax charitable deduction should become available to her.

John H. Alexander

Richard S. Ritzel

Personal - Private
Estate Plan