

EXHIBIT 2

QUESTION AND ANSWER #11

THE PENALTIES FOR TAX EVASION ARE STRICT AND VERY SEVERE

Yes, I agree that the penalties for tax evasion are strict and severe, as are the penalties in many other areas where the laws are broken, and you are to be complimented on your concern about avoiding that type of situation. Your foundation methods of operation have been tried and tested in the law, and precedences have been established that are as old as corporation law. As you know there are no penalties for keeping taxes as low as possible, as long as it is done within the law --

"Anyone may arrange his affairs that his taxes shall be as low as possible; he is not bound to choose that pattern which best pays the treasury; there is not even a patriotic duty to increase one's taxes.

"Over and over again courts have said that there is nothing sinister in so arranging affairs as to keep taxes as low as possible. Everyone does it, rich and poor alike and all do right; for nobody owes any public duty to pay more than the law demands.

"Taxes are an enforceable exaction, and not a voluntary contribution." Judge Learned Hand, Halvering vs. Gregory
69 Federal (2nd) 809

Every state in the union has laws designed to promote the operation of not-for-profit foundations for worthy causes, and this permits you to do so if you wish.