

SURROGATE'S COURT : NEW YORK COUNTY

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In the Matter of the Judicial Settlement of the Intermediate Account of December 31, 1960, of Proceedings of WILLIAM X. LEON, As Trustee of the Trust created by Paragraph Seventeenth: Subdivision (o) of the Last Will and Testament	P 555/1920 <u>ACCOUNT OF TRUSTEE</u> Intermediate Voluntary Account as of December 31, <u>1960</u>
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- of -

M. LUISA T. DE NAVARRO,	:
Deceased	:

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TO THE SURROGATE'S COURT OF THE COUNTY OF NEW YORK:

The undersigned, WILLIAM X. LEON, residing at Century Ridge Road, Town of Harrison, County of Westchester and State of New York, does hereby render the following intermediate account of his proceedings as trustee of the trust created in and by paragraph Seventeenth subdivision (o) of the Last Will and Testament of M. Luisa T. de Navarro, deceased, from the 1st day of January, 1960, to the 31st day of December, 1960.

On the 5th day of November, 1920, letters testamentary were issued to said William X. Leon by the Surrogate's Court, New York County; the said William X. Leon was named trustee of the aforesaid trust by said will, duly qualified and commenced to act as such, and still is acting as said trustee.

Decedent died a resident of No. 251 West 44th Street, Borough of Manhattan, City, County and State of New York, on the 8th day of July, 1920.

The trust funds accounted for herein were



established by the Will of said decedent and were first set up on or about the 17th day of October, 1923.

The decree of this Court under which the fund now accounted for came into the possession of said Trustee are as follows: First accounting by said William X. Leon as Executor under the Last Will and Testament of the said decedent were settled by decree dated the 25th day of May, 1925. The first accounting of said William X. Leon as Trustee of this trust created in and by paragraph Seventeenth subdivision (o), and his final accounting as said Executor, were settled by decree dated the 22nd day of June, 1927. Subsequent to said time further intermediate accountings have been rendered by said trustee which have been settled by the decrees of this Court dated April 3, 1929; February, 16, 1931; February 23, 1933; March 21, 1935; March 5, 1937; March 18, 1939; June 19, 1942; June 22, 1944; April 2, 1946; March 24, 1948; April 5, 1950; February 8, 1952; April 14, 1954; March 28, 1956; April 30, 1958 and March 2, 1960; the latter settling the intermediate account of said trustee rendered as of December 31, 1959.

The New York transfer tax was fixed by order dated the 19th day of June, 1922, and modified by order dated the 28th day of October, 1935.

AS TO PRINCIPAL

SCHEDULE A, hereto annexed, contains an itemized statement of all moneys and other property (including any item reported in Schedule B-1 as uncollectible) belonging to the estate or fund now accounted for which have come into the hands of said trustee, or which have been received

by any person for him or on his behalf as such trustee, together with all accrued income or interest thereon which at the time of receipt by him constituted principal in his hands.

SCHEDULE A-1, hereto annexed, contains a full and complete statement of all increases derived from capital assets whether due to sale, liquidation, distribution or for any other reason. This schedule shows (a) increases on the original principal assets set forth in Schedule A, (b) increases on exchanges (reported in Schedule G) for capital assets listed in Schedule A, and (c) increases on new investments or exchanges which are reported in Schedule G (other than exchanges for assets listed in Schedule A). In each instance, the date of realization of the increase and the amount thereof are given and the property from which the increase was derived is identified with the same property as listed either in Schedule A or in Schedule G.

SCHEDULE B, hereto annexed, contains a full and complete statement of all decreases in the value of capital assets, whether such assets are reported in Schedule A or in Schedule G, together with a statement of the cause for each such decrease and whether the decrease has been actually realized, and if so, the date of realization and whether it arose by reason of a sale, liquidation, distribution, physical loss, physical damage or any other reason. This schedule above (a) decreases on the original principal assets set forth in Schedule A, (b) decreases on assets reported in Schedule G as received in exchange for capital assets listed in Schedule A, and (c) decreases on new investments or

exchanged new investments which are reported in Schedule G (other than exchanges for assets listed in Schedule A).

SCHEDULE B-1, hereto annexed, contains a full and complete statement of all capital assets which have not been collected and are not collectible by said trustee together with a statement of the reason for such non-collection. This schedule shows (a) uncollectible items of original principal assets set forth in Schedule A, and (b) uncollectible items of principal assets obtained by new investments or by exchanges which are reported in Schedule G.

SCHEDULE C, hereto annexed, contains an itemized statement of all moneys chargeable as principal and paid by said trustee for administration, and other necessary expenses, together with the reason and object of each such expenditure and the date of each such payment.

SCHEDULE C-1, hereto annexed, contains an itemized statement of all unpaid claims for administrations, and other necessary expenses, together with a statement of the basis for each claim.

SCHEDULE D - inapplicable

SCHEDULE D-1 - inapplicable

SCHEDULE D-2 - inapplicable

SCHEDULE D-3 - inapplicable

SCHEDULE E - inapplicable

SCHEDULE E-1 - inapplicable

SCHEDULE F, hereto annexed, contains an itemized statement of all moneys paid and of property delivered out of the capital assets, the date of payment or delivery

of the person to whom payment or de-
actually made.

SCHEDULE G, hereto annexed, contains an itemized statement with respect to principal of (a) all new investments of cash made during the period accounted for, (b) all exchange transactions resulting in the substitution of any assets listed in Schedule A, and (c) all exchanges either of new investments or of property received in exchange therefor. This schedule states in each instance the date of each new investment of cash, the name of the security purchased and the cost thereof; and in the case of exchanges, the name of the security delivered in exchange and the name of the security received therefor.

SCHEDULE H, hereto annexed, contains an itemized statement showing all property constituting principal and remaining in the hands of your accountant, including a statement of all uncollected receivables and property rights due to the estate or fund as of the 31st day of December, 1961, the last day of this account as set forth above.

AS TO INCOME

SCHEDULE A-2, hereto annexed, contains a full and complete statement of (a) all income assets in the hands of the trustee as of the date of the last accounting (December 31, 1959), (b) all interest and dividends received by your accountant, with the date of each such receipt and the amount thereof, and the gains or losses realized on income assets. In this schedule the income on each asset has been separately accounted for. Any accrued income on any asset at date of receipt, if constituting income, has been reported

income collected from each asset has been reported in such manner as to identify the asset producing the income.

SCHEDULE B-3, hereto annexed, contains a full and complete statement of all decreases in the value of assets held in the income account whether such assets are reported in Schedule A-2 or in Schedule G-1, together with a statement of the cause for each such decrease and whether the decrease has been actually realized and if so the date of the realization and whether it arose by reason of a sale, liquidation, distribution, physical loss, physical damage or other reason. This schedule shows (a) decreases on income assets set forth in Schedule A-2 (b) decreases on assets reported in Schedule G-1 as received in exchange or in connection with assets reported in Schedule A-2 and (c) decreases on new assets or exchanged new assets which are reported in Schedule G-1 (other than exchanges for assets listed in Schedule A-2).

SCHEDULE C-2, hereto annexed, contains an itemized statement of all moneys chargeable to income and paid by said trustee for administration, maintenance and other necessary expenses, together with the reason and object of each such expenditure and the date of each such payment.

SCHEDULE F-1, hereto annexed, contains an itemized statement of all moneys paid and of property delivered out of income in execution of the trust, the date of payment or delivery thereof and the name of the person to whom payment or delivery was actually made.

SCHEDULE G-1, hereto annexed, contains an itemized

statement with respect to income of (a) all new investments of income cash made during the period accounted for, (b) all exchange transactions resulting in the substitution of any assets listed in Schedule A-2 (A) and (c) all exchanges either of new investments or of property received in exchange therefor. This schedule states in each instance the date of each new investment of cash, the name of the security purchased and the cost thereof and in the case of exchanges the name of the security delivered in exchange and the name of the security received therefor.

SCHEDULE H-1, hereto annexed, contains an itemized statement showing all property constituting income remaining in the hands of your accountant, including a statement of all uncollected receivables and property rights due to the trust estate or fund constituting income as of the 31st day of December, 1961, the last day of this account as set forth above.

AS TO GENERAL ESTATE MATTERS

SCHEDULE I, hereto annexed, contains the names of all persons entitled as legatee, trustee, surviving spouse, devisee, distributee or otherwise to a share of the estate or fund, with their post office addresses and the degree of relationship of each to the deceased, a statement showing the nature of and the value or approximate value of the interest of each such person; a statement listing separately each person so interested in the estate who is an infant or an incompetent, and in the case of such infant, listing the name and address of his father, mother, guardian or the person with whom he resides, and in the case of such incompetent, listing the name of his committee and the post office

address of the committee as far as known; a statement that the records of this Court have been searched for powers of attorney and assignments and encumbrances made and executed by any of the persons interested in or entitled to a share of the estate, and a list detailing each power of attorney, assignment and encumbrance disclosed by such search, with the date of its record and the name and address of each attorney in fact and of each assignee and of each person beneficially interested under the encumbrance referred to in the respective instruments, and also whether the accounting party has any knowledge of the execution of any such power of attorney or assignment NOT so filed and recorded.

SCHEDULE J - inapplicable.

SCHEDULE K. -hereto annexed, contains a computation of the amount of commissions due upon this accounting separately stated for principal and income. This schedule conforms to the directions and contains the information required by Rule X, subdivision 7, Rules of the Surrogate's Court, New York County.

SCHEDULE L, hereto annexed, contains a statement of all other facts affecting the administration of said estate or fund and the rights of those interested therein. The decedent left no real property not hereinbefore accounted for.

SUMMARY

The following is a summary statement of the
Trustee's account:

PRINCIPAL ACCOUNT

CHARGES:

Amount shown by Schedule "A" (Original capital of fund at beginning of this ac- counting period)	\$475,347.16
Amount shown by Schedule "A-1" (Increases on capital)	<u>- 0 -</u>
Total principal charges	\$475,347.16

CREDITS:

Amount shown by Schedule "B" (Realized decreases and losses on capital)	1,006.25
Amount shown by Schedule "B-1" (Uncollectible items)	- 0 -
Amount shown by Schedule "C" (Administration expenses actually paid)	2,000.00
Amount shown by Schedule "E" (Creditors' claims actually paid) (inapplicable)	- 0 -
Amount shown by Schedule "F" (Distribution of principal)	<u>- 0 -</u>
Total principal credits	\$ 3,006.25
Principal balance on hand as shown by Schedule "H"	\$472,340.91

INCOME ACCOUNT

CHARGES:

Amount shown by Schedule "A-2" (Total income in hand at beginning of this accounting and income received during this accounting period)	\$171,638.38
Total income charges	\$214,196.37

CREDITS:

Amount shown by Schedule "C-2" (Payments for administration and maintenance)	\$ 3,041.06
Amount shown by Schedule "F-1" (Distribution of income by way of execution of the trust)	<u>43,000.00</u>
Total income credits	\$ 46,041.06
Balance of undistributed income remaining on hand as shown in Schedule "H-1"	168,155.31

COMBINED ACCOUNTS

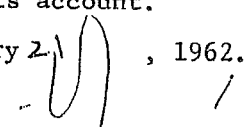
Principal remaining on hand	472,340.91
Income remaining on hand	<u>168,155.31</u>
Total on hand	\$640,496.22

The foregoing principal balance of \$472,340.91 consists of \$8,146.33 in cash and \$464,194.58 in other property on hand as of the 31st day of December, 1961. It is subject to deduction of estimated principal commissions amounting to NONE, as shown in Schedule K, and to the proper charge to principal of expenses of this accounting.

The foregoing income balance of \$168,155.31 consists of NONE in cash and \$168,155.31 (net) in other property on hand as of the 31st day of December, 1961. It is subject to deduction of estimated income commissions amounting to \$2,207.90 shown in Schedule K, and to the proper charges to income of expenses of this accounting.

The attached schedules, which are SEVERALLY signed by the Trustee, are part of this account.

Dated: New York, N.Y., February 2, 1962.



William X. Leon
As Trustee of the trust created by
paragraph Seventeenth sub-division
(o) of the Last Will and Testament
of M. Luisa T. de Navarro, deceased.

ACCOUNTANT

SCHEDULE L

STATEMENT OF ALL OTHER FACTS
AFFECTING THE ADMINISTRATION
OF THE TRUST ESTATE OR FUND
AND THE RIGHTS OF THOSE
INTERESTED THEREIN.

I

PERFORMANCE OF TRUST

This is a general charitable trust created by the Seventeenth paragraph of the Will which, after directing that the residuary estate be divided into one hundred equal shares, gave seventy-eight of such shares by sub-paragraph [o] as follows:

"[o] The remaining Seventy-eight (78) shares to my Trustee hereinafter named to be used by him in the establishment, whether by independent construction or otherwise, and in the endowment and maintenance of a hospital, to be situated in the Borough of Manhattan, City of New York, for indigent and needy Spanish-speaking people. I authorize and empower my said Trustee, in his discretion, to appoint other persons, not exceeding five, to act with him in the execution of the trust herein provided for as to the said Seventy-eight (78) shares; and I direct that the execution of said trust shall thereupon devolve upon all of the said Trustees jointly and upon the survivors of them. If my said Trustee WILLIAM X. LEON, deems it advisable, he may cause a corporation to be created for the purpose of executing the trust herein provided with respect to the said Seventy-eight (78) shares."

As stated in Schedule K of the account of December 31st, 1928, and as repeated in subsequent accountings, the Trustee gave careful consideration to the practicability of exercising the optional power conferred upon him by the above quoted paragraph to construct a building to be used as a hospital for indigent and needy Spanish-speaking people

in the Borough of Manhattan, and in the exercise of his best judgment determined that it would be inadvisable to attempt the construction of such a building since the cost of construction would so diminish the principal amount of the trust fund as to leave an inadequate amount with which to equip the building with modern surgical and medical devices and in all probability would leave no fund at all from which to derive an income for the maintenance of such a hospital after its establishment. As shown by the summary of this account, the aggregate balances of principal and income now in the hands of the Trustee has an inventory value of \$640,496.22 and as shown by the schedule hereto annexed a market value of \$552,116.05

The purpose of the testatrix was to provide a place in the Borough of Manhattan where indigent and needy Spanish-speaking people can obtain proper and adequate medical and surgical treatment and nursing. In the judgment of the Trustee the purpose of the testatrix could best be attained by the endowment and maintenance of a ward for the exclusive use of indigent and needy Spanish-speaking people in one of the already existing hospitals in the Borough of Manhattan.

Such a ward was therefore established and is still being maintained by the Trustee in the hospital situated at No. 153 West 11th Street, in the Borough of Manhattan, known as THE ST. VINCENT'S HOSPITAL OF THE CITY OF NEW YORK. This ward was established by a formal agreement between the Trustee and the hospital dated December 29th, 1924, which was approved by an order of Hon. James A. Foley, Surrogate, dated December 30th, 1924, in a proceeding entitled "In the Matter of the Trust Created by Paragraph Seventeenth,

sub-paragraph (o) of the Last Will and Testament of M. LUISA T. DE NAVARRO, DECEASED", filed with the Clerk of this Court under File No. P555/1920. A copy of said order is annexed hereto.

Before entering into such agreement the Trustee carefully investigated the ST. VINCENT'S HOSPITAL OF THE CITY OF NEW YORK and came to the conclusion, which he still holds, that this hospital maintains the highest standards of treatment and that the Board thereof would do everything in their power to carry out the charitable purposes of the testatrix.

The original agreement with the hospital covered a period of two years commencing January 1st, 1925, and ending December 31st, 1926. The arrangement was renewed for each successive two-year period commencing January 1st, 1927 through December 31, 1962 by seventeen separate agreements, each of which covered a separate successive two year period.

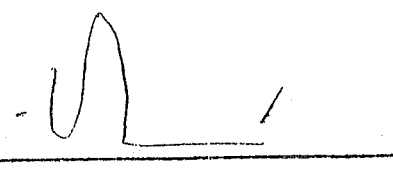
During the entire period of 1925-1954 the compensation payable to the hospital remained unchanged, i.e., \$17,000. per annum, with an additional charge of \$1000, per annum per bed should the Trustee determine to increase the number of beds on the ward, which amount in view of the increase in the cost of hospital care, was increased under the contract for the two periods commencing January 1, 1955 and ending December 31, 1956, to \$21,500. per annum, with an additional charge of \$1250. per bed per annum should the Trustee determine to increase the number of beds on the wards. The same allowances are provided for in a contract

effective for a term of two years beginning January 1, 1961, a copy of which is annexed hereto.

The ward established pursuant to the aforesaid agreements is known as "The Navarro-Moncada Ward". The name "Moncada" is joined to that of the testatrix because the bulk of the testatrix's estate was derived from the estate of one Emma Moncada, a foster daughter of the testatrix, who died a few months prior to the testatrix and under whose Will the testatrix was the sole beneficiary. The testatrix executed her Will subsequent to the death of Miss Moncada and from the conversations had with her subsequent to that date the Trustee knows that the testatrix desired Miss Moncada to have equal credit with her for the establishment of the present trust.

The payments made to THE ST. VINCENT'S HOSPITAL OF THE CITY OF NEW YORK, shown in Schedule F-1 of this account, are payments made in accordance with and under the terms of the said arrangement with the hospital, and the ward has been and is being maintained and operated by the hospital in accordance with the terms of said arrangement.

Unless there is some radical change requiring different action, the Trustee expects and intends to renew the contract with said hospital during 1962 for a further two-year period from January 1, 1963 to December 31, 1964.

A handwritten signature in dark ink, consisting of a large, stylized initial 'M' followed by a horizontal line and a short vertical stroke at the end.

SCHEDULE L (continued)

II

VALUE AS OF DECEMBER 29, 1961 (last trading day prior to January 1, 1962)
OF THE PRINCIPAL AND INCOME INVESTMENTS

<u>Security</u>	<u>Unit Value</u>	<u>Total Value</u>
\$100,000. p. v. <u>New York Central & Hudson River R. R. Co.</u> 1st mortgage of 3-1/2% registered bonds due 1997	53-3/4	\$53,750.00
\$12,000. p. v. <u>New York Central & Hudson River R. R. Company (Lake Shore)</u> collateral 3-1/2% registered bonds due 1998	48	5,760.00
\$20,000. p. v. <u>Atchison, Topeka & Santa Fe Railroad Company</u> gen. mtge. 4% registered bonds due 1995	88-1/2	17,700.00
\$25,000. p. v. <u>Morris Essex Railroad Company</u> 1st mortgage 3-1/2% registered bonds due 2000	34-5/8	8,656.25
\$10,000. p. v. <u>New York City</u> 3% registered bonds due June 1, 1980	91.27	9,127.00
\$7,000. <u>U. S. Treasury</u> 2-1/2s of 1962/67	92.22	6,455.40
\$10,000. <u>U. S. Treasury</u> 2-1/2s of 12/15/63-68	90.14	9,014.00
\$3,000. <u>U. S. Treasury</u> 2-1/2s of 6/15/64-69	89.18	2,675.40
\$45,000. <u>U. S. Treasury</u> 2-1/2s of 3/15/65-70	88.22	39,699.00
\$8,000. <u>U. S. Treasury</u> 2-1/2s due 1967/72	85.26	6,208.00
\$35,000. <u>U. S. Treasury</u> 2-1/2s due 1967/72	85.26	29,841.00

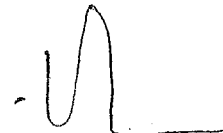
SCHEDULE L (continued)

II.

<u>Security</u>	<u>Unit Value</u>	<u>Total Value</u>
\$315,000. U. S. Treasury 3s due Feb: 15, 1995	84.18	\$265,167.00
\$20,000. U. S. Treasury 3s due 1995	84.18	16,836.00
\$25,000. U. S. Treasury 4s due Oct. 1, 1969	100.22	25,055.00
300 shares American Telephone & Telegraph Co. capital stock \$100 par	136-1/8	40,837.50
U. S. Treasury Notes - Series A 4-3/8 due May 15, 1965	102.23	<u>15,334.50</u>
		<u>\$552,116.05</u>

III.

All other facts and data concerning the trust fund, the administration thereof and the rights of all of those interested therein have been fully hereinbefore set forth.



Trustee