

# **EXHIBIT 2**

Message

**From:** Law Firm 1  
**Sent:** 8/6/2012 10:31:42 PM  
**To:** roserver@memorydealers.com  
**Subject:** Followup to call - action plan for expatriation

Roger,

Good talking to you. Here is the action plan.

ROUGH GUESS ON EXIT TAX

Get an order of magnitude guess of what the exit tax will be.

Pretend you sell everything on the day before you terminate your citizenship, at fair market value. Break it down to long term capital gain (asset held more than 1 year), short term capital gain (asset held less than 1 year). The first \$651K of gain is exempt from tax, and everything above that is taxable. You have to allocate the exemption among the long term capital gain assets and short term capital gain assets. IRAs and other retirement funds are treated as if they decanted to you in full, so that's ordinary income and inescapable.

For long term capital gain use 15% tax rate. For short term, use 35%. For ordinary income, use 35%.

We can help you do this, if you want.

The purpose of this is to be able to make an estimated tax payment that will be sufficient to pay the exit tax. We don't have to be exact. But if you underpay there will be late payment penalties and interest.

APPRAISALS

Start getting appraisals on all of your assets. Get them written to the level of being worthy of an estate tax return (Form 706) -- this is language that a competent appraiser will understand.

Again, if you want help with this, let me know.

Right here is where you are going to exit the USA wearing a clove of garlic around your neck to ward off the vampires. We want to do this right. The objective is to exit the USA cleanly.

RE-ENTRY TO THE USA

Other Lawyer is an immigration lawyer. Talk to him about this. Other Lawyer It's worth buying a bit of time to fully understand how it will work for you.

SET THE APPOINTMENT

Set the appointment at the Consulate or Embassy of your choice. Prepare the paperwork, go to the meeting. I'll tell you what to expect. It's not much.

PAY ESTIMATED TAX

Once you've formally terminated your U.S. citizenship, you will make an estimated tax payment.

PREPARE 2012 INCOME TAX RETURNS

Sometime in 2013 you will file your final U.S. income tax return. We will do these for you.

SEPARATELY BUT IN PARALLEL -- RESTRUCTURE YOUR BUSINESS

Separately, we will look at your business operations so we can restructure it. You will end up with a foreign corporation and (probably) a U.S. corporation as its subsidiary. We want to be sure that the bulk of your profit is earned by your foreign corporation. This is a transfer pricing (that's the jargon) exercise. Foreign corporation buys widget at \$2, sells it to California corporation for \$4, and the California corporation sells it to the end user at \$5. That's the idea.

The sooner we jump on this, the better. Ideally we will be able to flip the switch on your new structure so it becomes operational on the same day you cease to be a U.S. citizen.

ALSO SEPARATELY, WITH NO FIXED DATE REQUIRED

We talked about another passport. I mentioned **Other Law Firm** in Zurich. If you want an introduction let me know. If anyone knows what to do, they will know.

NEXT ACTION STEP @ ME

I will stand by to hear from you. There is nothing for me to do at the moment.

**Law Firm 1**