

SAMPLE LAW FIRM, LLC - INCOME ALLOCATION FY 2014

<u>Last Name</u>	<u>OA Fee Credits</u>	<u>PR Cost OA</u>	<u>OH Cost OA</u>	<u>Client Net</u>	<u>T-Keeper Credit</u>	<u>Formula Credit</u>	<u>Net WO REC</u>	<u>Adjusted Total</u>	<u>Percent Total</u>
2013									
Partner 1	4,200,000	1,806,000	1,134,000	1,260,000	112,000	1,372,000			
Partner 2	1,900,000	817,000	513,000	570,000	144,000	714,000			
Partner 3	750,000	322,500	202,500	225,000	144,000	369,000			
Partner 4 etc.	350,000	150,500	94,500	105,000	160,000	265,000			
2014									
Partner 1	3,500,000	1,505,000	945,000	1,050,000	112,000	1,162,000			
Partner 2	1,600,000	688,000	432,000	480,000	144,000	624,000			
Partner 3	900,000	387,000	243,000	270,000	144,000	414,000			
Partner 4 etc.	375,000	161,250	101,250	112,500	160,000	272,500			
2 Year Total									
Partner 1	7,700,000	3,311,000	2,079,000	2,310,000	224,000	2,534,000			
Partner 2	3,500,000	1,505,000	945,000	1,050,000	288,000	1,338,000			
Partner 3	1,650,000	709,500	445,500	495,000	288,000	783,000			
Partner 4 etc.	725,000	311,750	195,750	217,500	320,000	537,500			
Average									
Partner 1	3,850,000	1,655,500	1,039,500	1,155,000	112,000	1,267,000	(40,000)	1,227,000	49%
Partner 2	1,750,000	752,500	472,500	525,000	144,000	669,000	(20,000)	649,000	26%
Partner 3	825,000	354,750	222,750	247,500	144,000	391,500	(15,000)	376,500	15%
Partner 4 etc.	362,500	155,875	97,875	108,750	160,000	268,750	(2,000)	266,750	11%
						2,596,250	(77,000)	2,519,250	100%

		Income Allocation 2014							
		Member	Objective	Subjective	Minimum	Other	Total	% CNI *	% CNI **
Cash Net Income Net	<u>2,200,000</u>	Partner 1	983,232	42,500		75,000	1,100,732	84%	80%
Less Minimum Compensation		Partner 2	520,063	32,500			552,563	85%	80%
Less managing partner comp	<u>75,000</u>	Partner 3	301,701	20,000			321,701	85%	80%
Distributable Income	<u>2,125,000</u>	Partner 4 etc.	213,755	11,250		-	225,005	84%	80%
Percent objective	95%		<u>2,018,750</u>	<u>106,250</u>	-	75,000	2,200,000	84%	80%
Percent subjective	5%								
Amount objective	2,018,750					Objective	2,018,750		
Amount subjective	106,250					Min Comp	-		
	<u>2,125,000</u>					MP Comp	75,000		
						Subective	106,250		
							<u>2,200,000</u>		
Total income to allocate	<u>2,200,000</u>								

* Excluding managing partner (MP) compensation

** Excludes all subjective and MP compensation