

| <i>TABLE 1</i> | FEDERAL "EXEMPTION" | MN EXEMPTION | DIFFERENCE | MN TAX ON DIFFERENCE |
|----------------|------------------------|-----------------|-------------|-------------------------|
| 2001 | \$675,000 | \$675,000 | \$0 | \$0 |
| 2002-2003 | \$1,000,000 | \$700,000 | \$300,000 | \$33,200 |
| 2004 | \$1,500,000 | \$850,000 | \$650,000 | \$64,400 |
| 2005 | \$1,500,000 | \$950,000 | \$550,000 | \$64,400 |
| 2006-2008 | \$2,000,000 | \$1,000,000 | \$1,000,000 | \$99,600 |
| 2009 | \$3,500,000 | \$1,000,000 | \$2,500,000 | \$229,200 |