Borrower: Chea Yi

Date: 19-07-2016

Dear All,

**1. Deviation**

-  NA

**2. Additional document to be obtained (with reason)**

-  Please furnish the 6 months bank statement with us.

Kindly find the attached file

- Please furnish signed copy of HRC form by BM.

Kindly find the attached file

- Please furnish business latest patent/license

The latest patent will provide after get a certificate form the authority while the borrower has lost the receipt of Tax payment.

**3. Additional information**

1. P2 is not attractive at all, please obtained other collateral or I not willing to support at USD40K only instead.

There is no other collateral besides the existing property.

1. Please update the valuation by KRE and all additional loan required at least fresh one page valuation. Please insert as condition.

Based on the indicative with KEY in June 2016, the existing property is remained unchanged from 2015. So no need to update fresh one page valuation; however, all additional loan are required.

1. Who is their main debtor? Please obtain the debtor list.

The main debtor is also a goldsmith who purchased gold from the borrower. And debtor list is not made since there are a few debtors who have a good relationship with the borrower for long time ago.

1. the summarized of purchase invoices at USD184K while the average COGS for the first 5 months at USD431K which is not justifiable on the borrower’s reported revenue. Please obtain more justification.

As the borrower confirmed, invoices are not properly kept. It almost always destroyed when the payment is fully paid.

1. What is the mechanism for money transfer between all the money exchanger? Please provide some in sight of their operation i.e. how they settle payment between each other etc.

So far, money transfer service is connected to money exchangers located in the location operating such as Phnom Penh, Kandal, Battambong, and Siem Reap with first deposit of USD5K for each. The settle payment will be serviced in end of every month based on verbally disclosed by the borrower. Since it is family business and have a strong relationship with the partners for more than 18 years, the proper invoices/notes are not made.

1. Please provide comparison of profit margin among our other existing borrower in the same line of business.

The profit margin of Gold revenue is acceptable compared to other existing customers, Mr. I Heng and Eng Kheang Impex who have the same business (Jewelry) with profit margin between 9% and 11% respectively.

1. All the services with collection period provided? Noted bulk of the business revenue is coming from money transfer and exchange which should have no stockholding or debtor? Please recompute your WC by using the business with collection & stocks only.

Please refer to CA for business with collection and stocks.

**4. Others**

-  Please amend CA with above incorporated.

Yes

- Please amend KYC & BIR.

Yes