

PRO MEMO.

Free interest LOANS to David & Christine up to 25 February 2009.

David: total HK\$4,000,000.

30-03-06: 200,000 (from HSBC/D)
23-05-06: 100,000 (from HSBC/D)
19-09-06: 3,700,000 (from DBS/D) (*)

4,000,000
=====

(*) David withdraw HK\$4,700,000.

HK\$1,000,000 was paid into my City B. savings account on same day.

Christiene: total HK\$4,000,000.

05-11-04: 600,000 (from my HSBC savings book)
02-02-05: 400,000 (from HSBC/David)
01-08-05: 100,000 (from HSBC/Mam) (**)
20-09-06: 700,000 (from DBS/David)
11-01-07: 680,000 (from HSBC/David)
16-01-08: 760,000 (from City Bank /US\$98,000)
25-02-09: 760,000 (from HSBC/US\$99,000)

4,000,000
=====

(**)

The HSBC Unit Trust was BOUGHT through my HSBC Savings Book for HK\$500,000.
When it was SOLD on 26-7-05 Mam's HSBC account was CREDITED for 500,000.
On 26-7-05 only 400,000 was transferred to HSBC/David. The remaining 100,000 was transferred to Christine on 30-7-05 by HSBC/Mam.

Therefore Mam's HSBC account was DEBITED as follows:

26-07-05: 400,000
30-07-05: 100,000

FREE interest LOANS to David & Christine.

David (Total: HK\$4,000,000)

| | | | |
|-----------|-----------|---------------|-----|
| 30-03-06: | 200,000 | (from HSBC/D) | |
| 23-05-06: | 100,000 | (from HSBC/D) | |
| 19-09-06: | 3,700,000 | (from DBS/D) | (*) |
| | ----- | | |
| | 4,000,000 | | |
| | ===== | | |

(*) David withdraw 4,700,000. The HK\$1,000,000 EXTRA was paid into my savings account with City Bank on the same day.

Christine (Total: HK\$2,480,000)

| | | | |
|-----------|-----------|-------------------------------|------|
| 05-11-04: | 600,000 | (from my HSBC savings book) | |
| 02-02-05: | 400,000 | (from HSBC/David) | |
| 01-08-05: | 100,000 | (from HSBC/Mam) | (**) |
| 20-09-06: | 700,000 | (from DBS/David) | |
| 11-01-07: | 680,000 | (from HSBC/David) | |
| 16-01-08: | 764,831 | (from City Bank (US\$98,000)) | |
| | ----- | | |
| | 3,244,831 | = HK\$3,245,000 (incl. DSL) | |
| | ===== | | |

(**)

When the HSBC Unit Trust was BOUGHT, my HSBC savings account was DEBITED for 500,000.

When it was SOLD on 26-7-05 Mam's account with HSBC was CREDITED for 500,000.

On 26-7-05 only 400,000 was transferred to HSBC/David. The remaining 100,000 was transferred to Christine on 30-7-05 by HSBC/Mam.

Therefore HSBC Mam's account was DEBITED as follows:

| | |
|-----------|---------|
| 26-07-05: | 400,000 |
| 30-07-05: | 100,000 |

Balance sheet.

OPENING Balance 1-12-2004 HK\$16,500,000

NON-refundable **Debits** from 1-12-04 through 23-06-11:

| | | |
|---|---------------------------------------|-----------------------|
| 162,500: | Real Estate Agents | |
| 17,500: | Accountant firm | |
| 11,000: | Bank charges etc. | |
| 10,000: | Charity (Tsunamies) | |
| 400,000: | Gifts to Mam + 3 children | |
| 200,000: | Gifts to 4 grandchildren. | |
| 745,000: | Life insurance Mam | |
| 100,000: | Car (Mazda) | |
| 60,000: | London trip (Sept. '07) | |
| 60,000: | London trip (March '08) | |
| 85,000: | Seattle trip (July '08) | |
| 100,000: | HSBC shares Mam (March'09) | |
| 119,000: | Car (BMW) | |
| 960,000 | Charities/Church/East Timor | |
| ----- | | HK\$ 3,030,000 |
| - | | ----- |
| | Book balance left on 1-6-2011: | HK\$13,470,000 |
| | | ===== |
| Minus: | | HK\$ 8,000,000 |
| Interest free loan David = HK\$4,000,000) | | |
| “ “ “ Chris = “ 4,000,000) | | |
| | | ----- |
| BOOK Balance on 16 June 2011: | | HK\$ |
| 5,470,000 | | ===== |

Available on 23 June 2011 (noon):

| | |
|-----------------------------|---------------|
| CASH: | HK\$ 65,000 |
| HSBC shares 76518 at 75.60: | HK\$5,785,000 |
| Debt Mam as at 1 June 2011: | HK\$ 50,000 |
| | ----- |
| Total | HK\$5,900,000 |
| | ===== |

Balance sheet.

OPENING Balance 1-12-2004 HK\$16,500,000

NON-refundable **Debits** from 1-12-04 through 1-09-12:

| | | |
|---|--|-----------------------|
| 162,500: | Real Estate Agents | |
| 17,500: | Accountant firm | |
| 11,000: | Bank charges etc. | |
| 10,000: | Charity (Tsunamies) | |
| 400,000: | Gifts to Mam + 3 children | |
| 250,000: | Gifts to 5 grandchildren. +) | |
| 745,000: | Life insurance Mam | |
| 100,000: | Car (Mazda) | |
| 60,000: | London trip (Sept. '07) | |
| 60,000: | London trip (March '08) | |
| 85,000: | Seattle trip (July '08) | |
| 100,000: | HSBC shares Mam (March'09) | |
| 119,000: | Car (BMW) | |
| 993,000 | Charities/Church/East Timor *) | |
| ----- | | HK\$ 3,113,000 |
| - | | ----- |
| | Book balance left on 1-9-2011: | HK\$13,387,000 |
| | | ===== |
| Minus: | | HK\$ 8,000,000 |
| Interest free loan David = HK\$4,000,000) | | |
| “ “ “ Chris = “ 4,000,000) | | |
| | | ----- |
| BOOK Balance on 1 September 2012: | | HK\$ |
| 5,387,000 | | |
| | | ===== |
| Balance in A/C 608-174181-888 with HSBC: | | HK\$ 5,600,000 |
| | | ===== |
| Breakdown at 1 September 2012: | | |
| HSBC shares: 80001 at 68 (assumed average): | | HK\$ 5,440,000 |
| CASH (real) | | “ 160,000 |
| | | ----- |
| | | HK\$5,600,000 |
| +) 1-9-2012: | HK\$50,000 transferred to Mam's HSBC A/C for Adrian Moyer. | |

*) Charity: I calculate 10% of selling price flat = HK\$1,650,000
(Balance still to be paid: HK\$657,000)