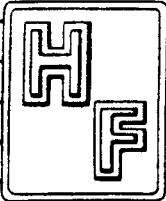


RECEIVED

MAR 28 2005

ESTATE OF WILLIAM P. LEAR, DECEASED
CHARGE AND DISCHARGE STATEMENT
FOR THE FISCAL YEAR
MAY 1, 1987 TO APRIL 30, 1988



HOLLANDER, FREEDMAN, HARRISON & FINE

CERTIFIED PUBLIC ACCOUNTANTS

8383 WILSHIRE BOULEVARD, SUITE 610, BEVERLY HILLS, CALIFORNIA 90211

TELEPHONE (213) 655-4190 FAX (213) 651-2385

Mrs. Moya Olsen Lear, Executrix
of the Estate of William P. Lear, Deceased
P.O. Box 61000
Reno, Nevada, 89506-1060

Dear Mrs. Lear:

We have compiled the accompanying charge and discharge statement of the Estate of William P. Lear, Deceased, from May 1, 1987 through April 30, 1988, and the related supporting schedules for the period then ended on a cash basis, in a format for submission to the District Court, in accordance with standards established by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the District Court information that is the representation of the Executrix. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or other form of assurance on them.

These statements are presented in accordance with requirements of the District Court, which differ from generally accepted accounting principles. Accordingly, these statements are not designed for those who are not informed about such differences.

Hollander, Freedman, Harrison & Fine

Hollander, Freedman, Harrison & Fine
Certified Public Accountants

Beverly Hills, California
February 9, 1990

ESTATE OF WILLIAM P. LEAR, DECEASED

CHARGE AND DISCHARGE STATEMENT

FOR THE FISCAL YEAR

MAY 1, 1987 to APRIL 30, 1988

CHARGES:

Property on Hand, May 1, 1985 (Schedule A)	\$ 3,308,819.43
Interest Income (Schedule B)	70,406.87
Dividend Income (Schedule C)	9,314.60
Income from Oil Leases (Schedule D)	27,724.65
Partnership Distributions received (Schedule E)	11,812.50
Increase in Amounts due to William P. Lear Family Trust B	3,929.70
Income from Royalties on Aircraft (Schedule F)	653,487.45
Amount due to Birr, Wilson Securities, Inc.	1,941.50
Amount due to Moya Corp.	<u>1,640.50</u>
<u>Total Charges</u>	<u>\$ 4,089,077.20</u>

CREDITS:

Expenses of Administration (Schedule G)	\$ 69,878.92
Estate taxes paid by William P. Lear Family Trust B	80,000.00
Federal and California Income Taxes paid	823,642.00
Expenses of Operation of Oil Leases (Schedule H)	14,172.13
Losses on Sales of Securities (Schedule I)	16,110.07
Reduction in Amounts due to Moya Olsen Lear	392.15
Payment of Amount due to Estate of Marjorie H. Golde	215.39
Property on Hand, April 30, 1988 (Schedule J)	<u>3,084,666.54</u>
<u>Total Credits</u>	<u>\$ 4,089,077.20</u>

Unaudited
See Accountants' Compilation Report

ESTATE OF WILLIAM P. LEAR, DECEASED

PROPERTY ON HAND MAY 1, 1987

Cash in Banks, etc. - per Schedule A-1	\$ 708,109.18
Securities - per Schedule A-2	773,723.42
Notes receivable - per Schedule A-3	15,500.00
Other Miscellaneous Propety per Schedule A-4	<u>1,811,486.83</u>
<u>Total Property on Hand May 1, 1987</u>	<u>\$ 3,308,819.43</u>

Unaudited
See Accountants' Compilation Report

SCHEDULE A-1

ESTATE OF WILLIAM P. LEAR, DECEASED

CASH IN BANKS, ETC. MAY 1, 1987

Security Bank of Nevada - Checking Account	\$ 355,542.14
Certificate of Deposit	50,000.00
Birr, Wilson Securities, Inc.	300,000.00
Birr, Wilson Money Fund	<u>2,567.04</u>
<u>Total Cash in Banks, etc.</u>	<u>\$ 708,109.18</u>

SCHEDULE A-2

SECURITIES ON HAND MAY 1, 1987

(Estate's One-Half Community Share)

	<u>Number of Shares</u>	
Investment Portfolios - Government Plus	10,100.448	\$ 85,200.90(*)
Aerocar, Inc., Washington	10	-0-
First Commercial Title, Inc., Nevada	25	1,950.00
Tax Specialists, Inc., New	1,500	-0-
Incline Lake Corp.	1,250	12,500.00
Laser Technology	5	-0-
Nuveen Tax-Exempt Unit Trusts		669,046.41
Accrued interest at date of purchase		<u>5,026.11</u>
<u>Securities on Hand, May 1, 1987 (at cost)</u>		<u>\$ 773,723.42</u>

(*)Market value approximately \$82,117.

Unaudited
See Accountants' Compilation Report

ESTATE OF WILLIAM P. LEAR, DECEASED
NOTES RECEIVABLE AS OF MAY 1, 1987

Unsecured note of July 8, 1983 of North Valley Homes, Inc. with principal payments of \$7,000 being due at the sale of each lot of Unit #1	\$ 21,000.00
Less: Community interest of surviving spouse	<u>10,500.00</u>
Estate's interest in note receivable	10,500.00
Unsecured demand note of June 23, 1983 of Leareno Development Co. bearing interest of 10% p.a. until paid	<u>5,000.00</u>
<u>Total Notes Receivable, May 1, 1987</u>	<u>\$ 15,500.00</u>

Unaudited
See Accountants' Compilation Report

ESTATE OF WILLIAM P. LEAR, DECEASED
OTHER MISCELLANEOUS PROPERTY ON HAND MAY 1, 1987

Oil and Gas Royalties: East and West Brorson Fields, Richland County, Montana, operated by S & J Operating Co. (per appraisal)	\$ 110,295.00
Ella Lee Kerlick Lease, DeWitt County, Texas .68939% working interest	-0-
Stecker "A" Lease, Kansas 1.25% working interest	<u>2,970.00</u>
Total	113,265.00
Less: Community interest of surviving spouse	<u>56,632.50</u>
Estate's interest	56,632.50
Amount due from S & J Operating Co.	1,068.98
Office equipment	486.35
Advances to Silver Lake Water Distribution Co.	111,251.00
Loans to William P. Lear Trust A (funds received from Canadair, Ltd., plus \$200)	1,634,698.00
Escrow deposit for Moya Boulevard improvements	<u>7,350.00</u>
<u>Total Miscellaneous Property as of</u> <u>May 1, 1987</u>	<u>\$ 1,811,486.83</u>

Unaudited
See Accountants' Compilation Report

ESTATE OF WILLIAM P. LEAR, DECEASED

INTEREST INCOME

MAY 1, 1987 to APRIL 30, 1988

North Valley Homes, Inc. - Leareno Estates Unit #1	\$ 2,510.64
Valley Bank of Nevada	16,210.82
Birr, Wilson Securities, Inc.	137.62
Nuveen Tax - Exempt Unit Trusts	51,479.87
Internal Revenue Service	<u>67.92</u>
<u>Total Interest Income</u>	<u>\$ 70,406.87</u>

SCHEDULE C

DIVIDEND INCOME

MAY 1, 1987 to APRIL 30, 1988

Investment Portfolios - Government Plus	\$ 8,631.37
CEF Money Market Fund	67.00
Birr Wilson Money Fund	<u>616.23</u>
<u>Total Dividend Income</u>	<u>\$ 9,314.60</u>

Unaudited
See Accountants' Compilation Report

SCHEDULE D

ESTATE OF WILLIAM P. LEAR, DECEASED

INCOME FROM OIL LEASES

(Estate's One-Half Community Share)

MAY 1, 1987 to APRIL 30, 1988

Thomas Allison #1 Lease	\$ 19,651.79
Dynneson A #1 Lease	7,438.66
Ella Lee Kerlick Lease	330.08
Strecker "A" Lease	292.37
Cizek Lease - Heider Unit	<u>11.75</u>
<u>Total Income from Oil Leases</u>	<u>\$ 27,724.65</u>

SCHEDULE E

PARTNERSHIP DISTRIBUTIONS RECEIVED

MAY 1, 1986 to APRIL 30, 1987

Capistrano Industrial Park, Ltd.,
San Juan Capistrano, California:

<u>Estate's share of Partnership Distributions Received</u>	<u>\$ 11,812.50</u>
---	---------------------

Unaudited
See Accountants' Compilation Report

ESTATE OF WILLIAM P. LEAR, DECEASED
INCOME FROM ROYALTIES ON AIRCRAFT
(Estate's One-Half Community Share)
MAY 1, 1987 to APRIL 30, 1988

Royalties on sales of Challenger Aircraft paid by Canadair Limited		\$ 775,000.00
Less: Canadian Withholding Tax (10%)	\$ 77,500.00	
Additional tax withheld	\$ 35,250.00	
Tax refunds received from government of Canada	<u>36,237.45</u>	
Gain caused by currency fluctuation	(987.45)	
Commissions	<u>45,000.00</u>	<u>121,512.55</u>
<u>Net Income from Royalties</u>		<u>\$ 653,487.45</u>

Unaudited
See Accountants' Compilation Report

EXPENSES OF ADMINISTRATION

MAY 1, 1987 to APRIL 30, 1988

<u>1987</u>		
6/15	Hollander, Freedman, Harrison & Fine - accounting fees	\$ 4,845.00
6/15	Leareno Development, Inc. - reimbursement for accounting fees paid to GrantThornton	600.00
6/24	Cooke, Roberts & Reese, Ltd. - legal fees	625.00
6/24	McDonald, Carano, Wilson, et al. - legal fees	1,399.20
6/24	Hill, Cassas, deLipkau & Erwin - legal fees	14,753.94
7/15	Hill, Cassas, deLipkau & Erwin - legal fees	150.00
7/22	Leareno Development, Inc. - reimbursement for accounting fees paid to GrantThornton	150.00
8/24	Geraldine Della - office expense	350.00
9/1	Hollander, Freedman, Harrison & Fine - accounting fees	4,550.00
9/1	Hill, Cassas, deLipkau & Erwin - legal fees	25.00
9/17	Geraldine Della - office expense	350.00
10/15	Geraldine Della - office expense	350.00
10/21	Security Bank of Nevada - bank service charges	22.11
10/27	Leareno Development, Inc. - reimbursement for accounting fees paid to GrantThornton	265.00
10/28	Hill, Cassas, deLipkau & Erwin - legal fees	18,409.21
10/28	Hollander, Freedman, Harrison & Fine - accounting fees	5,875.00
11/6	Geraldine Della - office expense	350.00
11/17	Leareno Development, Inc. - reimbursement for accounting fees paid to GrantThornton	200.00
12/2	Sherman & Howard - legal fees	545.00
12/8	Wm. P. Lear Family Trust B - reimbursement for professional fees paid to Bruce Roberts	1,093.75
12/15	Leareno Development, Inc. - reimbursement for accounting fees paid to GrantThornton	265.00
12/15	Geraldine Della - office expense	350.00
12/28	Hollander, Freedman, Harrison & Fine - accounting fees	6,850.00
12/31	Office and telephone expense paid by Mrs. Moya Olsen Lear	1,195.71
<u>1988</u>		
1/19	Geraldine Della - office expense	350.00
2/9	Leareno Development, Inc. - reimbursement for accounting fees paid to GrantThornton	1,420.00
2/16	Hollander, Freedman, Harrison & Fine - accounting fees	2,830.00
2/16	Geraldine Della - office expense	350.00
3/15	Geraldine Della - office expense	350.00
3/22	Leareno Development, Inc. - reimbursement of accounting fees paid to GrantThornton	460.00
4/18	Leareno Development, Inc. - reimbursement for accounting fees paid to GrantThornton	200.00
4/18	Geraldine Della - office expense	350.00
	<u>Total Expenses of Administration</u>	<u>\$ 69,878.92</u>

Unaudited

See Accountants' Compilation Report

ESTATE OF WILLIAM P. LEAR, DECEASED
EXPENSES OF OPERATION OF OIL LEASES

MAY 1, 1987 to APRIL 30, 1988
(Estate's One-Half Community Share)

Thomas Allison #1 Lease	\$ 11,441.95
Dynneson A #1 Lease	2,616.80
Ella Lee Kerlick Lease	113.38
Strecker "A" Lease	<u>-0-</u>
<u>Total Expenses of Operation of Oil Leases</u>	<u>\$ 14,172.13</u>

Unaudited
See Accountants' Compilation Report

ESTATE OF WILLIAM P. LEAR, DECEASED

LOSSES ON SALES OF SECURITIES

MAY 1, 1987 to APRIL 30, 1988

Sales of Nuveen Tax-Exempt Unit Trusts:

500 Units Series 68S:			
Cost 12/22/86	\$ 51,951.95		
Sold 11/5/87	<u>45,958.05</u>		
Loss			\$ 5,993.90
223 Units Series 69S:			
Cost 2/2/87	17,322.96		
Sold 11/5/87	<u>15,628.12</u>		
Loss			1,694.84
555 Units Series 9M:			
Cost 2/6/87	53,983.75		
Sold 11/5/87	<u>51,146.85</u>		
Loss			2,836.90
1000 Units Series 77M:			
Cost 4/6/87	29,861.68		
Sold 10/15/87	<u>24,568.05</u>		
Loss			5,293.63
200 Units Series 9S:			
Cost 4/30/87	18,720.85		
Sold 11/5/87	<u>18,430.05</u>		
Loss			<u>290.80</u>
<u>Total Losses on Sales of Securities</u>			<u>\$ 16,110.07</u>

Unaudited
See Accountants' Compilation Report

ESTATE OF WILLIAM P. LEAR, DECEASED

PROPERTY ON HAND APRIL 30, 1988

Cash in Banks, etc. - per Schedule J-1	\$ 298,986.20
Securities - per Schedule J-2	964,336.15
Notes receivable - per Schedule J-3	8,500.00
Other Miscellaneous Propety per Schedule J-4	<u>1,812,844.19</u>
<u>Total Property on Hand April 30, 1988</u>	<u>\$ 3,084,666.54</u>

Unaudited
See Accountants' Compilation Report

ESTATE OF WILLIAM P. LEAR, DECEASED

CASH IN BANKS, ETC. APRIL 30, 1988

Valley Bank of Nevada - Checking Account	\$ 243,119.31
Certificate of Deposit	52,873.31
Birr, Wilson Money Fund	<u>2,993.58</u>
<u>Total Cash in Banks, etc.</u>	<u>\$ 298,986.20</u>

SCHEDULE J-2

SECURITIES ON HAND APRIL 30, 1988

(Estate's One-Half Community Share)

	<u>Number of Shares</u>	
Investment Portfolios - Government Plus	11,198.661	\$ 93,832.27(*)
Aerocar, Inc., Washington	10	-0-
First Commercial Title, Inc., Nevada	25	1,950.00
Tax Specialists, Inc., New	1,500	-0-
Incline Lake Corp.	1,250	12,500.00
Laser Technology	5	-0-
Nuveen Tax-Exempt Unit Trusts		<u>856,053.88</u>
<u>Securities on Hand, April 30, 1988 (at cost)</u>		<u>\$ 964,336.15</u>

(*)Market value approximately \$86,678.

Unaudited
See Accountants' Compilation Report

ESTATE OF WILLIAM P. LEAR, DECEASED
NOTES RECEIVABLE AS OF APRIL 30, 1988

Unsecured note of July 8, 1983 of North Valley Homes, Inc. with principal payments of \$7,000 being due at the sale of each lot of Unit #1	\$ 7,000.00
Less: Community interest of surviving spouse	<u>3,500.00</u>
Estate's interest in note receivable	3,500.00
Unsecured demand note of June 23, 1983 of Leareno Development Co. bearing interest of 10% p.a. until paid	<u>5,000.00</u>
<u>Total Notes Receivable, April 30, 1988</u>	<u>\$ 8,500.00</u>

Unaudited
See Accountants' Compilation Report

ESTATE OF WILLIAM P. LEAR, DECEASED
OTHER MISCELLANEOUS PROPERTY ON HAND APRIL 30, 1988

Oil and Gas Royalties: East and West Brorson Fields, Richland County, Montana, operated by Miami Oil Producers, Inc. (per appraisal)	\$ 110,295.00
Ella Lee Kerlick Lease, DeWitt County, Texas .68939% working interest	-0-
Stecker "A" Lease, Kansas 1.25% working interest	<u>2,970.00</u>
Total	113,265.00
Less: Community interest of surviving spouse	<u>56,632.50</u>
Estate's interest	56,632.50
Amount due from Moya Olsen Lear	2,126.34
Office equipment	486.35
Advances to Silver Lake Water Distribution Co.	111,251.00
Loans to William P. Lear Trust A (funds received from Canadair, Ltd., plus \$200)	1,634,698.00
Escrow deposit for Moya Boulevard improvements	<u>7,650.00</u>
<u>Total Miscellaneous Property as of</u> <u>April 30, 1988</u>	<u>\$ 1,812,844.19</u>

Unaudited
See Accountants' Compilation Report