

WILLIAM P. LEAR and MOYA OLSEN LEAR FAMILY TRUST
 INTERIM TRUST ACCOUNTING
 March 9, 1978 through March 8, 1983

Initial inventory, assets received by Trustees,
 March 9, 1978:

LearAvia Corp. stock, 1,000 shares, par value \$1	\$ 1,000.00
Leareno Development Co. stock, 75,000 shares, par value \$1	<u>75,000.00</u>
	<u>76,000.00</u>

Additions to Trust principal:

Loans from Estate of William P. Lear:

From Canadair advances before May 14, 1978 (See Exhibit A to Schedule 1, Subtotal "D")	\$ 304,000.00
From Canadair advances after May 14, 1978 (See Exhibit A to Schedule 1, Subtotal "E")	<u>1,634,598.00</u>
	<u>1,938,598.00</u>

Loans from Moya Olsen Lear:

From Canadair advances after May 14, 1978 (See Exhibit A to Schedule 1, Subtotal "F")	1,634,598.00
Other advances after May 14, 1978 (See Exhibit A, Schedule 1, Subtotal "G") (Note 2)	<u>540,482.61</u>
	<u>2,175,080.61</u>

Loan from Nevada National Bank, December 14, 1978, note number 2126

100,000.00

Loans from LearAvia Corp.:

May 6, 1980	5,266.23
January 8, 1981	100.00
October 21, 1981	<u>1,200.00</u>
	<u>6,566.23</u>

Total loans received

4,220,244.84

Loans to LearAvia Corp. made from above loans (Investments made):

From Canadair advances before May 14, 1978 (See Exhibit A, Schedule 1, Subtotal "A")	304,000.00
From Canadair advances after May 14, 1978 (See Exhibit A, Schedule 1, Subtotal "B")	3,269,196.00
From other advances from Moya Olsen Lear after May 14, 1978 (See Exhibit A, Schedule 1, Subtotal "C")	<u>480,000.00</u>

Total loans made

4,053,196.00

Funds received, excess of loans received over loans made

167,048.84

Investments made, notes receivable from LearAvia Corp.

4,053,196.00

Adjustment for additions acquired by incurring debt, net of repayments

(4,120,244.84)

Total additions to Trust principal

100,000.00

Total with which Co-Trustees are charged

176,000.00

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Deductions from Trust principal:

Repayments of loans:		
Nevada National Bank of Nevada, June 12, 1979, Note number 2126:		
Principal	\$100,000.00	
Interest	<u>5,750.00</u>	105,750.00
Payment of Trust expense:		
Legal, accounting and other (See Attachment 1)		<u>61,288.05</u>
Total deduction from Trust principal which have been paid		167,038.05
Unpaid claims - legal, administrative expense and trustee fees (See Attachment 2)		<u>291,077.04</u>
Total deductions from Trust principal		<u>458,115.09</u>
Assets on hand as of March 8, 1983 (deficit)		<u>\$ (282,115.09)</u>

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Assets on hand as of March 8, 1983 (deficit):

Notes receivable, LearAvia Corp. (Note 1)	\$4,053,196.00
LearAvia Corp. stock, 1,000 shares, \$1 par value	1,000.00
Leareno Development Co. stock, 75,000 shares, \$1 par value	75,000.00
Cash in bank, Nevada National Bank of Nevada	<u>10.79</u>
Total assets	4,129,206.79

Less liabilities:

Advances from LearAvia Corp.	<u>6,566.23</u>
Notes payable (Note 1):	
Estate of William P. Lear	1,938,598.00
Moya Olsen Lear	<u>2,175,080.61</u>
	4,113,678.61
Unpaid claims (See Attachment 2)	<u>291,077.04</u>
Total liabilities	<u>4,411,321.88</u>
	<u>\$ (282,115.09)</u>

Note (1) No interest is shown. Interest due will be calculated at the appropriate time after using information from the attached logs of Notes Payable.

(2) Moya Olsen Lear made a loan of \$105,750.00 on June 12, 1979, and on June 14, 1979 she was repaid \$45,627.39, leaving a balance owed of \$60,482.61. Only the balance owed of \$60,482.61 is reflected in the other advances. Note T-1, June 14, 1979.

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ATTACHMENT 1 - TRUST EXPENSE PAID

<u>ITEM</u>	<u>DATE PAID</u>	<u>AMOUNT</u>	<u>TOTAL</u>
Legal expense:			
Rifkind, Sterling & Lockwood	12-14-78	\$47,957.06	
McDonald, Carano, Wilson	01-17-79	3,229.20	
McDonald, Carano, Wilson	12-12-79	187.50	
McDonald, Carano, Wilson	02-01-80	91.46	
McDonald, Carano, Wilson	02-21-80	201.67	
McDonald, Carano, Wilson	03-18-80	174.99	
Rifkind, Sterling & Lockwood	05-06-80	<u>6,010.62</u>	
Total legal expense			\$57,852.50
Accounting expense:			
Peter Bank	09-10-79	875.00	
Peter Bank	10-21-81	<u>1,110.00</u>	
Total accounting expense			1,985.00
Other expense:			
Travel and per diem expense; safe deposit box rent; mileage reimbursement	Various	<u>1,450.55</u>	
Total other expense			<u>1,450.55</u>
Total trust expense paid			<u>\$61,288.05</u>

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ATTACHMENT 2 - STATEMENT OF UNPAID CLAIMS

Legal expense:

Shook, Hardy & Bacon for period October 1, 1979 to January 28, 1983	\$ 84,813.28	
Vargas & Bartlett for period October 15, 1979 to March 4, 1983	<u>47,787.37</u>	
Total legal expense		\$132,600.65

Administrative expense:

Peter F. Bank, CPA	160.00	
Fox & Company, CPA's	1,150.00	
LearAvia Corp. reimbursement for funds advanced for travel expense, accounting service, postage	679.44	

Travel expense:

F. Jabara	356.50	
M. Weillenmann	130.45	

Trustee fees:

\$1,000 per month per trustee for period May 14, 1978 to September 14, 1982 (52 months)	<u>156,000.00</u>	
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Total administrative expense

158,476.39

Total unpaid claims

\$291,077.04

