

E mail Dated January 2000  
Requesting to buy a company  
in Hong Kong that was in  
existence before May 1999

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From: Gary Kipper  
To: K.L.LEE & Partners CPA List  
Subject: Re: Consulting on Hong Kong - Chinese- Taiwanese- taxation

Dear Eric:

Further to your Email of January 3/00:

- 1) Principals of the business will be in Hong Kong and available to meet January 19 evening or January 20 morning in Furama Hotel Central staying under the names "Bergman or Rabinowitz" *is currently and has been for two years*
- 2) Inspector will be living in Hong Kong. Inspection can be done in China, Taiwan or Hong Kong, whatever is best for tax purposes.
- 3) What is the effect if any if 50% of Hong Kong corporation is owned by Canadian corporation.
- 4) Please begin consulting work on these issues as soon as possible. Advise where to send the retainer in U.S. funds.
- 5) Please buy a shelf company that was in existence before May/99.

Please contact me if further clarification is necessary.

Gary Kipper

>>> "K.L.LEE & Partners CPA List" <kleeeco@kleeacpa.com.hk>  
01/03/00 02:41AM >>>

Dear Gary,

I estimate our fee to be HK\$10,000 for writing a memorandum analysing the Hong Kong, China and Taiwan tax implications on a Hong Kong incorporated company having an inspector doing quality control in China and Taiwan. An additional HK\$6,000 is required if we are to address the personal income tax implications in Hong Kong, China and Taiwan of the traveling inspector.

If the client decides to proceed, please supply the following information:

- a) The usual residency of the inspector
- b) Will the inspector be a director of the HK Company?
- c) A rough estimation of number of days/months in a year that the inspector will spend in HK, China and Taiwan respectively.
- d) Goods in containers are often delivered by truck to HK port for shipping to say, USA. Is the inspector, or any employee of HK Company, involved in arranging for the truck delivery to HK or shipment from HK?

Eric Tam

----- Original Message -----  
From: Gary Kipper <Gk@zeifman.ca>

**From:** "K.L.LEE & Partners CPA List" <kleeeco@kleeecpa.com.hk>  
**To:** "Gary Kipper" <Gk@zeifman.ca>  
**Date:** 1/20/00 1:53AM  
**Subject:** Re : Inspection in HK

Dear Gary

I had a very productive meeting with Bergman and Rabinowitz this morning. They explained the operations and I explained the tax consequences, and suggested precautions. Apparently they are happy. They had decided to use a HK corporation, probably on the advise of their US lawyers, Seymour Braun.

They told me to communicate with Braun in future. That I will do and I will close them for my fee. Presumably you have copied to Braun my previous correspondence with you, so that I do not have repeat things.

Thank you, once again, for this referral.

Best regards

Eric Tam

To: <kleecc@kleeccps.com.hk>

Date: 1999-12-06 11:38 AM

Subject: Consulting on Hong Kong - Chinese- Taiwanese- taxation

> Dear Eric:

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> Thank you for your quick response received via fax today. My client has requested a quote for your consulting re permanent establishment issue for inspector traveling to China and Taiwan. At this point only one inspector is contemplated.

>

> Yours very truly

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> Gary Kipper

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