



東風 Tung Feng



VOL. 49 No.44

5th Jun 2002

What Happened Last Week

Today, our member's turnout was 18 and Laurence, our Sergeant-at-arms collected a handsome HK\$1200.00.

PE Chris Howe had a chance of practice by acting for our President Stephen Liu today. Chris's first announcement was about the sad news of our PP Edwin having passed away the day before. Funeral session will be arranged around next week and more detailed information will be released to members in due course. We all observed a moment of silence in paying respect to our PP Edwin.

PE Chris also reminded members about the Joint Board meeting on June 10. He also reminded members about the District Installation Assembly on July 4.

There was only one visitor from HK NorthEast, namely, Rtn Benny, who was welcomed by PE Chris.

Rtn Clark then introduced our speaker for today, Ms. Pearl Lam, who is a legal adviser specializing in tax and trusts with W.I. Cheung & Co. Mr. Lam is a LLB graduate from London School of Economics and started her practice in Hong Kong since November 1987. She was primarily responsible for providing legal advice on trust documentation, trust structures and new trust products. Her experience also covered corporate restructuring and succession planning on a global basis for private clients. The presentation topic today was about Estate Planning.

Ms. Lam first addressed the audience that many people often regarded Estate Planning as a "morbid" topic for discussion. However, unfortunate incidents similar to the Air China accident often happened quite unexpectedly and people would need to better equip themselves with the aftermath. According to Ms Lam, Estate Planning was basically some sort of "insurance policy" for when mishaps did take place. In Hong Kong, whenever a person passed away, any assets that were registered under the name of the deceased would be frozen. The family of the deceased needed then to obtain an Estate Duty Clearance Certificate and paid all related taxes in order to operate any accounts and assets registered under the name of the deceased. The process of getting the probate from the



THE ROTARY CLUB OF HONG KONG ISLAND EAST
香港東區扶輪社週報

Club 4350

District 3450

Chartered on 6 April, 1954 by Charter President
PDG (Uncle) John Yuen

court could take as long as five years or more. The procedural hassles often imposed additional burden to the family who was already experiencing grief due to bereavement.

Ms. Lam continued explaining that there were three common methods of getting around the probate procedures:

- (1) Family could choose to hold assets in joint names, in which case, the survivors could operate the existing accounts. While this method prevented deceased accounts from being frozen, it did not have any provision for avoiding estate duty. For Hong Kong, the estate duty for a total asset value greater or equal to HK\$10.5 million was around 15%.
- (2) Family could also choose to hold assets via an offshore BVI company. Nevertheless, in case of death of the shareholder, family would still need to apply for probate from BVI for the deceased share.
- (3) Putting assets into a Trust is the best solution of all, according to Ms. Lam. The probate procedures can be avoided by pre-planned distribution of assets via Trust products. On the other hand, Ms. Lam warned against using off-the-shelf Trust products offered by many financial institutions for complicated situations (example, multi-national families,) and suggested families to get professional advice to obtain the best Trust structure that would benefit them most.

PP Desmond thanked the speaker in the usual manner and encouraged people with assets to start considering Estate Planning.

Today's session ended with a toast to HK NorthEast.



Rotary Information

To continue the information given last week in our bulletin regarding Rotary World Peace Scholar, this article further emphasizes the work of a scholar by the name of Richard Gee.

Richard of London, England, has seen conflict resolution at work firsthand. As a trial lawyer in the 1990s, he specialized in family law involving child custody and child abuse cases.

"The experience enabled me to observe many problems often ignored or avoided by society: poverty, domestic violence, drug and child abuse," said Richard. "Utilizing negotiation in otherwise volatile circumstances enabled me to appreciate the power of diplomacy and the need to resolve conflict peacefully and without litigation."

In September, Richard will become one of the first 70 Rotary World Peace Scholars to study at the Rotary Centres for International Studies in peace and conflict resolution. He will study at the joint center at Duke University and the University of North Carolina at Chapel Hill, U.S.A.

For Richard, the scholarship is a key step in his pursuit of a career in international relations - a journey that began in 1985 as a Rotary Youth Exchange student to France. Subsequent exchanges took him to Italy, Austria and Turkey.

While in secondary school, Richard also worked on the Operation Double-Decker project, initiated by his family and adopted by the Rotary Club of Chadderton and Failsworth, to convert a bus to a mobile clinic and send it to Surat, India. Richard and his family were able to visit Surat and see the clinic in operation.

A 1999 stint as director of English at a bilingual school in Antigua, Guatemala, also proved pivotal to Richard. "Guatemala, only recently out of civil war, provided the interest and material for a growing appreciation of politics and international relations," he said.

In 2001, Richard attended United Nations University in Tokyo, Japan, taking a course in international human rights. Eventually, he would like to serve his home country or an international agency as a senior public official, policy analyst, or researcher, or as a leader of a non-governmental organization.

Our Past President Edwin H.C. Tao passed away peacefully on 28th May 2002.

We, the members of The Rotary Club of Hong Kong Island East extend our deepest sympathy to PP Edwin's family.

SPEAKER PROGRAMME

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| Jun 05 | Fees of Independent Non-Executive Directors - Too High? Too Low?
Talk by PDG Moses Cheng, OBE, JP
Rotary Club of HK Northeast |
| Jun 12 | Intellectual Property Rights in Hong Kong
Talk by Mr. Walter M. H. Wan
Assistant Superintendent, HK Customs & Excise Department |
| Jun 19 | Regular lunch meeting with Club Assembly
(No outside speaker) |

LAUGH FOR THE WEEK

There was an old man, a boy and a donkey. They were going to town and it was decided that the boy should ride. As they went along they passed some people who thought that it was a shame for the boy to ride and the old man to walk. The old man and boy decided that maybe the critics were right so they changed positions.

Later, they passed some more people who thought that it was a real shame for that man to make such a small boy walk. The two decided that maybe they both should walk.

Soon they passed some more people who thought that it was stupid to walk when they had a donkey to ride. The man and the boy decided maybe the critics were right so they decided that they both should ride.

They soon passed other people who thought that it was a shame to put such a load on a poor little animal. The old man and the boy decided that maybe the critics were right so they decided to carry the donkey.

As they crossed a bridge they lost their grip on the animal and he fell into the river and drowned.

The moral of the story.....

If you try to please everyone, you will eventually lose your ass.

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A couple was celebrating their golden wedding anniversary. Their domestic tranquility had long been the talk of the town. A local newspaper reporter was inquiring as to the secret of their long and happy marriage.

"Well, it dates back to our honeymoon," explained the man.

We visited the Grand Canyon and took a trip down the bottom of the canyon by pack mule. We hadn't gone too far when my wife's mule stumbled. My wife quietly said, "That's once." We proceeded a little farther when the mule stumbled again. Once more my wife quietly said, "That's twice." We hadn't gone a half mile when the mule stumbled a third time. My wife promptly removed a revolver from her pocket and shot him. I started to protest over her treatment of the mule when she looked at me and quietly said, "That's once."

YEAR 2001 - 2002

Ex-Officio IPP Tajwar Shadikhan	Vice President Henry Chan	President Elect Chris Howe	President Stephen Liu	Secretary Eddy Wong	Treasurer Clark Lu	Advisor PDG Peter Hall
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Directors: PP John Kwok	Rudy Law	Ates Yucel	Malcolm Phillips	Jason Chiu	Sergeant-at-arms Laurence Chan	PP Council Rep PP Hubert Chan
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**ROTARY CLUB OF HONG KONG ISLAND EAST MEETS EVERY WEDNESDAY, 12:30 p.m. AT
EXCELSIOR HOTEL, CAUSEWAY BAY**



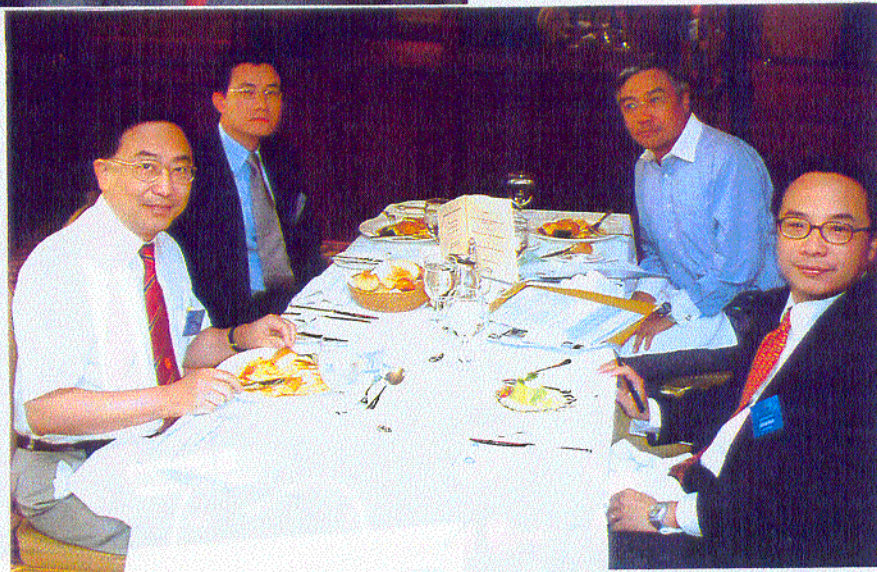
Ms Pearl Lam, our guest speaker talking about Succession Planning & Why we need it.



Hon. Tres. Clark Lu introduced the guest speaker of the day.



Visiting Rotarian Benny Ratnani (HKNE) here at the head table seated next to Hon. Sec Eddy.



Dr. Tony, Hon. Tres. Clark, Rtn Sam & PP Desmond here enjoying the excellent meal of the day. PP Desmond is already on his dessert while the rest are still on their main course. It must have been good.



Rtn Heron, PP Li, Rtn Alex & Rudy, here relaxing after the great meal.



PP George, Rtn's Jason, Laurence, Danny, PP's Hubert, C.Y. looking alertly at the camera.



PDG Peter, guest speaker Ms. Pearl Lam, Acting Pres. Chris, Rtn. Benny (HKNE) & PP Desmond at our meeting on 29th May, 2002.