

Snapshot 1, September 1, 2025, 12pm: Tesla original position

Assets	Liabilities + Shareholder Equity
Tesla checking account balance: \$1,000,000	<i>Liabilities:</i> (none) <i>Equity:</i> \$1,000,000
Total Assets: \$1,000,000	Total Liabilities + Equity: \$1,000,000

Snapshot 2, September 1, 2025, 1pm: Tesla borrows \$100,000 at 5%

Assets	Liabilities + Shareholder Equity
Tesla checking account balance: \$1,100,000	<i>Liabilities:</i> TSLA 5% Bond held by Jim Smith: \$100,000 <i>Equity:</i> \$1,000,000
Total Assets: \$1,100,000	Total Liabilities + Equity: \$1,100,000

Snapshot 3, September 1, 2025, 2pm: Tesla lends \$100,000 at 8%

Assets	Liabilities + Shareholder Equity
Tesla checking account balance: \$1,000,000 PanelsRUS 8% Bond held by Tesla: \$100,000	<i>Liabilities:</i> TSLA 5% Bond held by Jim Smith: \$100,000 <i>Equity:</i> \$1,000,000
Total Assets: \$1,100,000	Total Liabilities + Equity: \$1,100,000

Snapshot 4, September 1, 2026, 1pm: PanelsRUS pays Tesla \$108,000 to redeem its bond.

Assets	Liabilities + Shareholder Equity
Tesla checking account balance: \$1,108,000	<i>Liabilities:</i> TSLA 5% Bond held by Jim Smith: \$105,000 <i>Equity:</i> \$1,003,000
Total Assets: \$1,108,000	Total Liabilities + Equity: \$1,108,000

Snapshot 5, September 1, 2026, 2pm: Tesla pays Jim Smith \$105,000 to redeem its bond.

Assets	Liabilities + Shareholder Equity
Tesla checking account balance: \$1,003,000	<i>Liabilities:</i> (none) <i>Equity:</i> \$1,003,000
Total Assets: \$1,003,000	Total Liabilities + Equity: \$1,003,000

Snapshot 1, September 1, 2025, 12pm: Citi original position

Assets	Liabilities + Shareholder Equity
Vault cash: \$1,000,000	<i>Liabilities:</i> (none) <i>Equity:</i> \$1,000,000
Total Assets: \$1,000,000	Total Liabilities + Equity: \$1,000,000

Snapshot 2, September 1, 2025, 1pm: Jim Smith deposits \$100,000 of cash into his checking account, which has APY of 5%

Assets	Liabilities + Shareholder Equity
Vault cash: \$1,100,000	<i>Liabilities:</i> Jim Smith checking account balance: \$100,000 <i>Equity:</i> \$1,000,000
Total Assets: \$1,100,000	Total Liabilities + Equity: \$1,100,000

Snapshot 3, September 1, 2025, 2pm: Citi lends \$100,000 at 8%

Assets	Liabilities + Shareholder Equity
Vault cash: \$1,100,000 PanelsRUS 8% Bond held by Citi: \$100,000	<i>Liabilities:</i> Jim Smith checking account balance: \$100,000 PanelsRUS checking account balance: \$100,000 <i>Equity:</i> \$1,000,000
Total Assets: \$1,200,000	Total Liabilities + Equity: \$1,200,000

Snapshot 4, September 1, 2026, 1pm: PanelsRUS pays Citi \$108,000 to redeem its bond.

Assets	Liabilities + Shareholder Equity
Vault cash: \$1,108,000	<i>Liabilities:</i> Jim Smith checking account balance: \$105,000 PanelsRUS checking account balance: \$0 <i>Equity:</i> \$1,003,000
Total Assets: \$1,108,000	Total Liabilities + Equity: \$1,108,000

Snapshot 5, September 1, 2026, 2pm: Jim Smith withdraws \$105,000 from his checking.

Assets	Liabilities + Shareholder Equity
Vault cash: \$1,003,000	<i>Liabilities:</i> Jim Smith checking account balance: \$0 PanelsRUS checking account balance: \$0 <i>Equity:</i> \$1,003,000
Total Assets: \$1,003,000	Total Liabilities + Equity: \$1,003,000