

EXPLANATION OF PRIVATE PLACEMENT PROGRAMS



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Research Compilation

Through a very carefully controlled, discreet program developed after World War II, and improved by former Secretary of State Henry Kissinger, Managed Buy/Sell programs have raised hundreds of billions of dollars for projects around the world. Project funding is the reason for the existence of this system, and it is for those who are fortunate enough to be in a financial capacity to participate on a very large level.

NOTICE: The contents of this document have been derived from numerous sources over time, and are incorporated herein to provide an easy to understand overview of a fabulous method for infrastructure and jobs creation projects.

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INTRODUCTION

This document explains some of the obscure or unclear aspects of Private Placement Programs (PPP's). PPP's are also known under other names, such as Private Placement Programs (PPP's) or Private Placement Investment Programs (PPIPs). This study is the result of several years of expert personal experience and testimony, and is explained from the viewpoints of both a client and a broker.

TOPICS

Before tackling the topic of Private Placement Opportunity Programs, it is important to discuss the basic reasons for the existence of this business. This discussion includes the basic concept of what money is and how it is created, controlling the demand for money and credit, and the process of issuing a debt note, discounting the note, and selling and reselling the note in arbitrage transactions.

THE BASIC REASONS FOR PPP'S

MONEY CREATION

First and foremost, PPP's exist to "create" money. Money is created by creating debt.

For example: You as an individual can agree to loan \$100 to a friend, with the understanding that the interest for the loan will be 10%, resulting in a total to be repaid of \$110. What you have done is to actually create \$10, even though you don't see that money initially.

Don't consider the legal aspects of such an agreement, just the numbers. Banks are doing this sort of lending every day, but with much more money. Essentially, banks have the power to create money from nothing. Since PPP's involve trading with discounted bank-issued debt instruments, money is created due to the fact that such instruments are deferred payment obligations, or debts. Money is created from that debt.

Theoretically, any person, company, or organization can issue debt notes (again, ignore the legalities of the process). Debt notes are deferred payment liabilities.

Example: A person (individual, company, or organization) is in need of \$100. He generates a debt note for \$120 that matures after 1 year, and sells this debt for \$100. This process is known as "discounting". Theoretically, the issuer is able to issue as many such debt notes at whatever face value he desires – as long as borrowers believe that he's financially strong enough to honour them upon maturity.

Debt notes such as Medium Terms Notes (MTN), Bank Guarantees (BG), and Stand-By Letters of Credit (SBLC) are issued at discounted prices by major world banks in the amount of billions of USD every day.

Essentially, they "create" such debt notes out of thin air, merely by creating a document.

The core problem: To issue such a debt note is very simple, but the issuer would have problems finding buyers unless the buyer "believes" that the issuer is financially strong enough to honour that debt note upon maturity. Any bank can issue such a debt note, sell it at discount, and promise to pay back the full face value at the time the debt note matures. But would that issuing bank be able to find any buyer for such a debt note without being financially strong?

If one of the largest banks in Western Europe sold debt notes with a face value of €1M EURO at a discounted price of €800,000, most individuals would consider purchasing one, given the financial means and opportunity to verify it beforehand. Conversely, if a stranger approached an individual on the street with an identical bank note, issued by an unknown bank, and offered it for the same sale price; most people would never consider that offer. It is a matter of trust and credibility. This also illustrates why there's so much fraud and so many bogus instruments in this business.

LARGE DEBTS' INSTRUMENTS' MARKET

As a consequence of the previous statements, there is an

enormous daily market of discounted bank instruments (e.g., MTN, BG, SBLC, Bonds, PN) involving issuing banks and groups of exit-buyers (Pension Funds, large financial institutions, etc.) in an exclusive Private Placement arena.

All such activities by the bank are done as "Off-Balance Sheet Activities". As such, the bank benefits in many ways. Off-Balance Sheet Activities are contingent assets and liabilities, where the value depends upon the outcome of which the claim is based, similar to that of an option. Off-Balance Sheet Activities appear on the balance sheet ONLY as memoranda items. When they generate a cash flow they appear as a credit or debit in the balance sheet. The bank does not have to consider binding capital constraints, as there is no deposit liability.

NORMAL TRADING VS. PRIVATE PLACEMENT

All trading programs in the Private Placement arena involve trade with such discounted debt notes in some fashion. Further, in order to bypass the legal restrictions, this trading can only be done on a private level. This is the main difference between this type of trading and "normal" trading, which is highly regulated. This is a Private Placement level business transaction that is free from the usual restrictions present in the securities market.

Usually, trading is performed under the "open market" (also known as the "spot market") where discounted instruments are bought and sold with auction-type bids. To participate in such trading, the traders must be in full control of the funds, otherwise they lack the means buy the instruments and resell them. Also, there are fewer arbitrage transactions in this market, since all participants have knowledge of the instruments and their prices.

However, in addition to the open market there is a closed, private market wherein lies a restricted number of "master commitment holders". These holders are Trusts with huge amounts of money that enter contractual agreements with banks to buy a limited number of fresh-cut instruments at a specific price during an allotted period of time. Their job is to resell these instruments, so they contract sub-commitment holders, who in turn contract exit-buyers.

These programs are all based on arbitrage transactions with pre-defined prices. As such, the traders never need to be in control of

the client's funds. However, no program can start unless there is a sufficient quantity of money backing each transaction. It is at this point the clients are needed, because the involved banks and commitment holders are not allowed to trade with their own money unless they have reserved enough funds on the market, comprising unused money that belongs to clients, never at risk.

The trading banks can loan money to the traders. Typically, this money is loaned at a ratio of 1:10, but during certain conditions this ratio can be as high as 20:1. In other words, if the trader can "reserve" \$100M, then the bank can loan \$1B. In all actuality, the bank is giving the trader a line of credit based on how much money the trader/commitment holder has, since the banks won't loan that much money without collateral, no matter how much money the clients have.

Because bankers and financial experts are well aware of the open market, and equally aware of the so-called "MTN-programs", but are closed out of the private market, they find it hard to believe that the private market exists.

ARBITRAGE AND LEVERAGE

Private Placement trading safety is based on the fact that the transactions are performed as arbitrage transactions. This means that the instruments will be bought and resold immediately with pre-defined prices. A number of buyers and sellers are contracted, including exit-buyers comprising mostly of large financial institutions, insurance companies, or extremely wealthy individuals.

The issued instruments are never sold directly to the exit-buyer, but to a chain of clients. For obvious reasons the involved banks cannot directly participate in these transactions, but are still profiting from it indirectly by loaning money with interest to the trader or client as a line of credit. This is their leverage. Furthermore, the banks profit from the commissions involved in each transaction.

The client's principal does not have to be used for the transactions, as it is only reserved as a compensating balance ("mirrored") against this credit line. This credit line is then used to back up the arbitrage transactions. Since the trading is done as arbitrage, the money ("credit line") doesn't have to be used, but it

must still be available to back up each and every transactions.

Such programs never fail because they don't begin before all actors have been contracted, and each actor knows exactly what role to play and how they will profit from the transactions. A trader who is able to secure this leverage is able to control a line of credit typically 10 to 20 times that of the principal. Even though the trader is in control of that money, the money still cannot be spent. The trader need only show that the money is under his control, and is not being used elsewhere at the time of the transaction.

This concept can be illustrated in the following example. Assume you are offered the chance to buy a car for \$30,000 and that you also find another buyer that is willing to buy it from you for \$35,000. If the transactions are completed at the same time, then you will not be required to "spend" the \$30,000 and then wait to receive the \$35,000. Performing the transactions at the same time nets you an immediate profit of \$5,000. However, you must still have that \$30,000 and prove it is under your control.

Arbitrage transactions with discounted bank instruments are done in a similar way. The involved traders never actually spend the money, but they must be in control of it. The client's principal is reserved directly for this, or indirectly in order for the trader to leverage a line of credit.

Confusion is common because most seem to believe that the money must be spent in order to complete the transaction. Even though this is the traditional way of trading - buy low and sell high - and also the common way to trade on the open market for securities and bank instruments, it is possible to set up arbitrage transactions if there is a chain of contracted buyers.

This is why client's funds in Private Placement Programs are always safe without any trading risk.

HIGH YIELD

Compared to the yield from traditional investments, these programs usually get a very high yield. A yield of 50%-100% per week is possible.

For example: Assume a leverage effect of 10:1, meaning the

trader is able to back each buy-sell transaction with ten times the amount of money that the client has in his bank account. In other words, the client has \$10M, and the trader is able to work with \$100M. Assume also the trader is able to complete three buy-sell transactions per week for 40 banking weeks (one year), with a 5% profit from each buy-sell transaction:

$$(5\% \text{ profit/transaction})(3 \text{ transactions/week}) = 15\% \text{ profit/week}$$

Assume 10x leverage effect = 150% profit...PER WEEK!

Even with a split of profit between the client and trading group, this still results in a double-digit weekly yield. This example can still be seen as conservative, since first tier trading groups can achieve a much higher single spread for each transaction, as well as a markedly higher number of weekly trades.

CLIENTS

The involved clients (program clients) are not the end-buyers in the chain. The actual real end-buyers are financially strong companies who are looking for a long term, safe investment, like pension funds, trusts, and insurance companies. Because they are needed as end-buyers, they are not permitted to participate "in-between" as clients. The client who participates in a PPP is just an actor in the picture along with many other actors (issuing banks, exit-buyers, brokers, etc.) who benefit from this trading. Usually, the client does not interact with others involved in the process.

PROGRAM STRUCTURE

Normally, a trading program is nothing more than a pre-arranged buy/sell arbitrage transaction of discounted banking instruments. Theoretically, an client with a large amount of funds (on the level of \$100-500M USD) could arrange his own program by implementing the buy/sell transaction for himself; however, in this case he needs to control the entire process, initiating contact with the banks and the exit buyers at the same time. This is not a simple task, considering the restrictions in place.

For a client it is much simpler (and usually more profitable) to enter a program where the trader and his trading group have everything in place (the issuing banks, the exit buyers, the contracts ready for the arbitrage transaction, the line of credit with the trading banks, all of the necessary guarantees/safety for the client, etc.). The client needs only to agree with the contract proposed by the trader, disregarding any other underlying issues.

It is further advantageous for the client to enter a program with a substantially lower amount of money and benefit from the line of credit offered by the trading group.

NON-SOLICITATION AND NON-DISCLOSURE

As a direct consequence of the PPP's environment where this business has to take place, a non-solicitation agreement has to be strictly followed by all parties involved. This agreement strongly influences the way the participants can interact with each other. Sometimes non-solicitation agreements foster scam attempts, due to the fact that at an early stage it is often difficult for the clients to recognize reliable sources to be in contact with.

There is another reason why so few experienced people talk about these transactions: virtually every contract involving the use of these high-yield instruments contains very explicit non-circumvention and non-disclosure clauses forbidding the contracting parties from discussing any aspect of the transaction for a specified number of years. Hence, it is very difficult to locate experienced contacts who are both knowledgeable and willing to talk openly about this type of instrument and the profitability of the transactions in which they figure. This is a highly private business, not advertised anywhere nor covered in the press, and is closed to anyone but the best-connected, most wealthy entities that can come forward with substantial cash funds.

HOW BANKS AND BROKERS CAN PROFIT

Banks are not allowed to act as clients in such programs. However, they are able to profit indirectly in different ways. This fact permits some private brokers, trading groups, and clients to

take part in this process that otherwise would be a banking matter only. The assets coming from private clients are necessary to start the process. These private, large funds are the mandatory requirement for the buy/sell transactions of banking debt instruments. Brokers are necessary to introduce the clients to the trading groups. Thus, each of the involved parties takes their part in the sharing of the benefits, commissions for banks and brokers and proceeds for trading groups and clients).

PROJECTS

The purpose of this type of trading is to finance projects, not generate tremendous profits for the client. These may be for-profit or non-profit and can be funded as a result of this trading.

Since this type of trading generates such large amounts of money on the market, measures must be taken to keep the inflation low. One way to do this is to adjust the interest rates, but this usually has little or no effect. A better way to minimize inflation is to let some of the profit be used for different projects that need funding, such as rebuilding infrastructure in regions of the world that have experienced catastrophes or war.

PROCESS SYNTHESIS

The complete process involving the issuing of debt-notes, the arbitrage transactions, the programs, and the projects is a result of combined market forces. Banks have a method of increasing their revenues and profits, clients are able to finance different ventures, and borrowers are able to access loan funds. There is a supply and demand for such instruments, and as long as the supply and demand exists then also this kind of trading will exist.

PROCESS SUMMARY

The following is a summary of the process involved for entering a PPP:

A client with a minimum of €200M applies for a Private Placement Opportunity Program. **This is subject to change*

from time to time as market conditions require.

This business is entirely private. To get access to these investment programs, the client needs to send his preliminary documentation to a broker whom the client trusts to be in direct contact with the trading group. That means a Client Information Sheet, a copy of their passport, and a bank statement showing the balance of funds being committed for trade. It is generally required that the bank statement be signed by two authorized bank officers to make it full bank responsibility. There is no other way for the client to get contact with the trading group.

After the client has sent his own paperwork (their Passport, Client Information Sheet, and recent bank statement showing cash), the trading group will investigate the applicant. If the response is positive, the program manager in the trading group will contact or meet with the client. If the investigation is not favourable, the program manager will contact the broker and tell him that the client did not qualify.

During the contact with the client, the trader will explain the program terms/conditions to the client, and outline the guarantees and requirements to start the program. The client will get instructions to open a new sole signatory bank account at the trading bank for transferring the funds there.

The client will receive a contract which states the total gross yield, the percentage of the gross profit reserved for projects, the percentage for the trading group and the percentage for profit participation fees to be deducted for brokers/intermediaries. The net return to the client will be wired to another account that can be located in any bank worldwide. If the client accepts the contract, the contract is signed and the program is ready to start.

The trader is now able to leverage the client's reserved money 10 times, and is now able to back up the arbitrage transactions with that money, a credit line that remains in the bank account that is screened before each arbitrage transaction. Trading now continues, and the profit is paid out per the contract terms to the client.

The programs work with cash only or gold bullion. This fact means that the client will only be accepted with liquid funds. Recent rulings by the G20 prohibit the use of an asset other than cash or gold bullion in a bank vault. A line of credit must be

established and drawn down into an account at a bank, where it is lodged and blocked.

ANALYSIS OF RISK INVOLVED IN PPP CONTRACTS

Finalizing PPP contracts with clients can be a stressful process because of problems encountered along the way.

FROM THE CLIENT'S SIDE

The applicant client will not be able to meet directly with the trader in this business. The main reason why there's a broker-intermediary chain is because the people in the trading groups have no time or interest in meeting all the people who are just fishing for information, and/or who fail to qualify because they don't have enough money, or have useless bank instruments.

If you're a qualifying client, truly connected intermediaries/brokers should be able to place you in contact with a performing trading group. Don't attempt to find a trader on your own: Most so-called traders in the financial world are not involved in this kind of trading and are not educated to their existence. Those few traders who are keep a low profile and would never talk with a client who hasn't been cleared. In fact they cannot until the client passes the international KYC (Know Your Customer) compliance.

When it comes to cases of non-performance, the problem is usually on the client side. The client doesn't qualify for a variety of reasons; he doesn't have enough money, the bank is too small or is located in the wrong country, he cannot move his funds, etc.

Oftentimes deals are killed because the broker and/or intermediary don't understand the process, and inject themselves, more concerned about a fee than about allowing the two principals (Client and Trader) to interact without interference.

Some of the most common reasons why clients are never able to enter this kind of trading are:

- They don't have enough money or workable assets.
- They don't have the money in an acceptable bank.
- They don't have full control of the money (or of the bank instruments).
- They don't have a good explanation of the origin of the money.
- They do not follow the required procedure.
- They do not collaborate enough with the Trading Group.
- They delay the delivery of documents or send fake or non-confirmed documents.
- Their identity cannot be confirmed.
- They are blacklisted or under investigation.

Remember that the trading group does not have to give any explanation why the client doesn't pass through the clearance.

Clients should understand what is required to qualify:

- A minimum of \$100 Million EURO or USD in cash located in a major bank in Western Europe, USA, Canada, Hong Kong, Singapore or Australia. Additionally, the money needs to be traceable with a non-criminal history.
- The client, or company if one is represented, should be clearly identified.
- Once cleared, clients are invited to the table, but their acceptance is never guaranteed, regardless of their assets or

prominence.

➤ The client himself must be the one and only person that the trading group deals with. He is not allowed to let his lawyer or any other person perform or act on his behalf, brokers included. If the client does not speak English and needs assistance, then he must sign a Limited Power of Attorney for a translator. The LPOA will only be accepted for communication purposes, and the must still sign all the documents.

Clients who have the least amount of money are always placed last in the queue. A client with €2,000,000,000 will get more attention than an client with €10,000,000. Clients who have assets other than cash or AU bullion in a bank vault will also always be placed last in the queue, if they are accepted at all. Assets other than cash or gold bullion must be monetized to provide cash for the trading account.

It is difficult for any client to ensure that he meets the right people; those few intermediaries and brokers who know the process and who are working with a performing trading group. The best he can do is to educate himself and not be lured by those who claim that their program will give the highest yield. He must also be patient, and trust the legitimate intermediary or broker. There is no way that the client will directly meet with the trade group before he has been cleared.

If for any reason the client is dissatisfied with the broker and/or intermediary, then another one can be obtained.

These are some of the main risks the client can meet:

➤ Nothing will come out of the trade; no contract and no profit, just frustration after weeks/months of waiting.

➤ Clients or their intermediaries and/or brokers are "shopping around" with client documents, which sooner or later will result in blacklisting.

➤ The client is told that he must move his funds out of his own control; to an escrow account, etc.

➤ The client is told that he must buy or lease a bank instrument for his money. In the worst-case scenario this instrument is a fake, or impossible to use.

➤ The client is told that he must pay upfront fees, because a leverage of his funds must be done, or some bank instrument must be discounted, or banking fees must be paid, etc. The upfront fees paid are lost, and nothing more will happen.

FROM THE BROKER'S AND INTERMEDIARY'S SIDE

There is a common misuse of such terms as brokers, intermediaries, and facilitators. The fact is, these are not official terms in banking or finance, but such terms are used within trading groups and in their communication between each other. Although a broker or an intermediary can claim that they are in direct contact with a person carrying that title, it is not a guarantee of anything. Any person can fraudulently call himself a trader, or a commitment holder, or whatever. And since such positions cannot be verified (at the first stage), such titles can be meaningless as seen from the clients' point of view.

There is almost always a chain of some sort between the trading group and the principal client. This is for two reasons. Firstly, trading groups, brokers, and intermediaries are not allowed to solicit; the Client must start by asking for information.

Secondly, this protects all parties involved with the trading group. Brokers may work through several intermediaries, and vice versa intermediaries. A chain of more than one or two intermediaries connected directly between the two Principals, in general, is not acceptable to some program providers.

A good broker should also screen the potential clients, filtering the most promising applicants and at the same time collecting from them the proper documentation. In this way, the trading group receives workable documentation from the broker.

The most common risks or problems that a broker, an intermediary or a facilitator can meet with in this business are:

➤ They may need to investigate dozens of clients before finding a qualified applicant.

➤ They may discover the assets of client to be unworkable after weeks or months of processing.

➤ They may have difficulty qualifying themselves with new clients because they cannot show any past performance or past contracts. The relationship with the client is just a matter of trust at an early stage.

There could be several levels involved for the intermediaries. The closest one to the trading group (sometimes called the facilitator) is the most important connection. This person should have a direct contact with the trading group. Any other broker beneath the facilitator has a lower value in the hierarchy. The broker and/or the intermediary can have problems showing the client his level in the hierarchy at an early stage.

SCAMS

From time to time you may hear about scams (or potential scams) in the High Yield Investment Programs arena. One of the conditions that facilitate scams in this business is due mainly to the non-solicitation environment and the private approach required that forces information to remain as pure whispered gossip ready to be expressed aloud at any time. That fact facilitates a diffuse level of ignorance in this matter where scammers are in their element.

Possible scams include:

➤ The intermediary asks for up-front fees (in a real situation no one will ask for up-front fees to the client).

➤ You are asked to transfer the money into an escrow account not in full control of the client.

➤ You are asked to buy a bank instrument against the funds to start the program (that later will be discovered to be of no value).

➤ You are asked to pool the funds together with other little clients.

The internet is now full of different, questionable money-making opportunities that promise to return a high yield on the small client's money. In most cases such programs are Ponzi schemes (pyramid schemes). And even if a few might be managed by honest people who are trying to aggregate enough funds in order to enter this kind of trading, they are doomed to fail. First there is the problem with pooling a €200M minimum. In many countries, it is illegal to pool money with promises of a high return. Factor in the problems with high numbers of participants being managed, the trust factor, and clearance issues, trading may never begin...

However, the main scams are usually made or attempted with small clients that never will qualify as PPP clients. Usually, it is very rare that an honest client with €100M can fall into this kind of trap. Larger clients are investment savvy and can utilize the knowledge of other financial experts to drive the deal on a "safety road".

USE OF LAWYERS FOR ADVICE AND GUIDANCE

It is the writer's opinion that lawyers and accountants are engaged to serve as people who execute agreements or financial reports between the principals in support of the client's business decision made between two parties. In most general cases, their advice is solicited, however, it is rare to find an attorney who is intimately familiar with PPP's. As a result, almost always, the client is poorly advised by practicing attorney's who are not sufficiently educated in this arena. Would you go to a podiatrist to get advice on having brain surgery?

Too often, because of their well-deserved achievements to become a legal or accounting professional, they are additionally asked to guide and direct the client's decisions. Whilst they are trained professionals in their respective fields, they are not the ones who should be in charge of or direct the client's ultimate business decision. As a result, typically ill-advised input comes from a lack of understanding in this arena, and many clients who otherwise would have benefited well are told to stay away by their 'advisors'. Even though they will believe or state they are 'protecting the client', the lost opportunity because of that advice is extraordinarily costly. Both have their place, but should not be guiding a decision in this world if they are not experts. The final decision rests with the client.

WARNING ON SCAMS

It is very common to find so-called "Official Reports" warning the public that this business does not exist and any of these offers are scams.

The reports in question could have been written by the SEC, FBI, ICC or any other regulatory authority. You should be aware that official documents like the "Commercial Crime Services' Special Report on Prime Bank Instruments Frauds" by the ICC Commercial Crime Bureau are widely spread and used as a reference by banks, accountant firms, lawyers, SEC, FBI, and other authorities around the world. So, if the ICC says that this is a scam, and your accountant says that this is a scam, and your banker says that this is a scam, is it a scam?

Understand, most people working at banks, securities houses, and accountant firms have no insight into this kind of trading. So, if the SEC, FBI, and others say that this is a scam, then they believe it to be so.

CONCLUSION

Obviously, it would not be a good idea to reveal everything regarding this type of trading in this writing, or on any other public conference or forum. This kind of trading can only continue because it is unknown to the public and traditional clients. The professionals in this business must be extremely cautious when it comes to sharing information.

Learn and understand monetary history and banking, and it will become clear why this type of trading can – and does – work.

EXHIBIT “A”

REQUIRED DOCUMENTS

International Banking Rules, e.g. “KNOW YOUR CUSTOMER” or “KYC”, require a provider of certain financial services to first have a non-solicited relationship with a potential client. In short, the client starts the dance by asking the provider for information in writing. It also means the client identifies him or her self officially with a copy of the person’s passport and basic information which can be verified through law enforcement computers.

The Passport and the Client Information Sheet (CIS) are two official documents which are presented first by the client.

In addition, the client also must reveal his money and the source or history of how he received it. Money is verified by having a current (not older than 10 day) Bank Tear Sheet (or Statement) signed by two Bank officers, OR with a financial instrument that can be used as collateral against a third-party line of credit.

A sample of some of these documents is part of this section, and will give you a general idea of the types of information that many providers will need to have prior to a conversation directly with the principals.

NOTE: These documents change from time to time, and are only shown here as an Example. For each opportunity that you wish to apply to, a fresh set of blank documents may be needed to incorporate changes unique to the provider.

UNSOLICITED & REQUESTED PACKAGE

Transaction Code:

Client Transaction Code: **[please create your own reference code and use within the documents]**

Asset : _____

Amount : _____

Signatory : _____

Dated Submitted : _____

Each form below must be appropriately checked and verified by the Signatory that it is enclosed, signed, sealed and submitted within the last 5-business days of submission.

| | |
|--|-------------------------|
| <input type="checkbox"/> Cover Sheet | Page 3 |
| <input type="checkbox"/> History of Funds | Page 4 |
| <input type="checkbox"/> POF/Confirmation Letter * | Page 5 |
| <input type="checkbox"/> Letter of Interest & Request for Information | Page 6 |
| <input type="checkbox"/> Client Information Sheet | Page 7 & 8 |
| <input type="checkbox"/> Letter of Authorization to Verify Funds | Page 9 |
| <input type="checkbox"/> Corporate Resolution | Page 10 & 11 |
| <input type="checkbox"/> Non-Solicitation Letter | Page 12 |
| <input type="checkbox"/> Affidavit and Attestation (if required) | Page 13 & 14 |
| <input type="checkbox"/> Letter of Cease and Desist (if required) | Page 15 |
| <input type="checkbox"/> Color Passport Copy | Page 16 |

*** If a corporation, we require a copy of the corporate registry and list of Board of Directors.**

*** Proof of Funds can include a current tear sheet with a bar code; current account statement in the name of the applicant; or the Confirmation of Deposits letter (please refer to Proof of Funds section on page 1)**

Information contained herein after submission must be kept strictly CONFIDENTIAL at all times.

/s/ _____

Signatory's Approval

Print Name:

[INVESTOR'S LETTERHEAD]
(company name [if applicable] – address – phone – fax - email)

ORIGIN AND HISTORY OF FUNDS

Date :
To : Program Manager
Re : Origin and History of Funds

Dear Sir,

The undersigned, having been duly sworn and with full authority and responsibility for this Affidavit of Origin / History of Funds on behalf of **(Corporate Name)** and affirms all responses as follows as being accurate:

Current Location of Funds

Bank Name :
Bank Address :
Account Holders's Name :
Account Number :

History of Funds: Funds have been on deposit at **(Bank Name and Address)** for the past three (3) years.

Origin of Funds:

Certification:

- 1) Funds and/or asset(s) are legally earned, beneficially owned, taxed and includes no independent third-party management situation and/or any governing restrictions whatsoever.
- 2) All information supplied in the documentation submitted and the cash involved, are not in violation of the Patriot Act of October 26, 2001 and amendments thereto, with its related financial crimes counterparts, however interpreted, defined and enacted whether within the United States its host jurisdiction of this statement or internationally.
- 3) Subject funds and/or assets have no liens, commercial obligations, or encumbrances of any kind pertaining to said cash and/or asset, and is beneficially owned with free availability for credit line purposes.
- 4) Funds owner is not a party to a law suit or pending adverse legal action, further, there are no pending contracts existing, or about to exist, that could affect said cash assets.

/s/ _____ **(Wet Signature)** _____

Company Name

Name of Signatory

Passport Number:

Issued by:

Date of Expiry:

[INVESTOR'S LETTERHEAD]
(company name [if applicable] – address – phone – fax - email)

LETTER OF CONFIRMATION

Date :
To : Program Manager
Re : Letter of Confirmation

Dear Sirs,

I, **(Name)**, the authorized signatory, hereby confirm with full personal and corporate responsibility, that we wish to enter into contract for a private transaction with a minimum sum of **{WRITE OUT SUM OF FUNDS} (XXX,XXX,XXX.XX USD /EUROS)** consisting of a portfolio supported by good, clean, clear funds/assets of non-criminal origin, legally earned and free of all liens and encumbrances and that the application asset is callable, beneficially owned by us, and is also freely transferable.

Said portfolio may be confirmed and is hereby evidenced by the enclosed current proof provided to us by our Bank of which I am signatory, and which is readily available for placement into a private transaction under terms to be agreed by both parties. Further, we hereby confirm and warrant that said portfolio is: (a) in our sole, absolute and unconditional control and authority; (b) does not require the further approval of any third party as to its use or application; (c) is not subject to the discretion of any other third party in respect of any agreement, process, decision, or consensus appertaining to its release or availability and there are no other currently valid or pending commitments whatsoever for this portfolio; (d) If required, we are prepared to commit this portfolio for investment and place into a bank custodial account; (e) That the subject portfolio (application asset) is beneficially owned and such is immediately available for the securing of credit lines for the private transaction.

For compliance, we enclose a certified true copy of the passport of the signatories of this letter and the Bank account. We confirm that we have initiated our actions of our own free will and hereby confirm and acknowledge that neither your company, nor anyone acting on your behalf, has solicited us for any investment, and further, that the documents we would like to receive, and are hereby requesting from you, shall not be, nor is deemed or construed by us to be a solicitation of funds or securities in connection with a Bank Secured Private Funds Placement.

The internationally accepted standards of confidentiality are implicit in this Letter of Confirmation that is exclusive and valid from today's date. The facsimile of this document shall be deemed as original and shall be legally binding with hard copy following.

/s/ _____ **(Wet Signature)** _____

Company Name

Name of Signatory

Passport Number:

Issued by:

Date of Expiry:

[INVESTOR'S LETTERHEAD]
(company name [if applicable] – address – phone – fax - email)

LETTER OF INTEREST AND REQUEST FOR INFORMATION

Date :
To : Program Manager
Re : Letter of Interest and Request for Information

Dear Sirs:

[If investor is a corporation, the actual signatory of the corporation must complete this form]

Please consider this letter to be the intent of (Company Name), (Name of Signatory), (Title) to participate in a transaction involving project funding through private placement of Cash Funds.

We confirm that we are an accredited and experienced investor as defined by the applicable and current Securities Regulations, Acts and Amendments for private investors and wish to participate in a private placement opportunity transaction in the minimum amount of _____ Hundred Million United States Dollars (\$000,000,000.00 USD). These Funds are clean, cleared, and of non-criminal origin freely transferable and unencumbered by liens, and which amount we shall make available in the form of Funds on deposit at (Bank Name) in the name of (Name of Signatory).

We respectfully request the exclusive assistance of you in entering into a private placement opportunity without any financial responsibility or advice implied by you.

We further confirm that this transaction was not solicited by you, as agent, or any agent representing your organization, or in any association with or agents for your organization, and that this transaction entails no payment of any up-front fees for services you, as agent, or any agent associated with your organization may provide to us. Furthermore, we acknowledge that we had prior knowledge of said private placement opportunity before having encountered your organization and that this is a non-securities transaction according to the current and applicable Securities and Exchange Act and Amendments. Additionally, we confirm that there has not been any offer to buy or sell securities and that this is not intended to be an offer to buy or sell securities. We further confirm and declare that we are not a licensed securities broker or government employee.

We further state we have freely requested from your organization specific confidential information without inducement or duress. This information request is for our purposes and not for further distribution. We hereby affirm under penalty of perjury that we have requested this specific information from you, as agent, and your organization of our own choice and free will.

We hereby agree to keep all information strictly confidential and will not disclose it to any other party. It is agreed that a facsimile of this Letter of Intent and Request for Assistance, or any other associated documents to this transaction, are as valid and legal as delivered originals.

All statements herein are made under penalty of perjury.

/s/ _____ (Wet Signature)

Company Name

Name of Signatory

Passport Number:

Issued by:

Date of Expiry:

[INVESTOR'S LETTERHEAD]
(company name [if applicable] – address – phone – fax - email)

CLIENT INFORMATION SHEET

Client Transaction Code:

Date:

The following undertaking is provided by _____, as verification of my identity as defined and described in Articles 2 thru 5 of the Due Diligence Convention, the Federal Banking Commission Circular of December 1991, which deals with the prevention of money laundering, and Article 305 of the Swiss Criminal Code. The nature and origin of the funds owned by me or the corporate entity under my control are forthrightly and honestly described and defined herein. The preparer of this information sheet requests all recipients of this document to affirm to protect the confidentiality of the information which follows:

1) Client Name (Signatory)

- 2) Home Address:
(City, Zip, Country)
- 3) Personal Email Address
- 4) Home Phone Number:
- 5) Home Fax Number:
- 6) Cellular Phone Number:
- 7) Citizenship:
- 8) Nationality:
- 9) Passport Number:
- 10) Date of Issue:
- 11) Date of Expiry:
- 12) Country of Issue:
- 13) Federal ID Number:
- 14) Date of Birth:
- 15) Place of Birth:
- 16) SSN / SIN Number:

17) Business Name:

- 18) Business Address:
(City, Zip, Country)
- 19) Registration Number:
- 20) Registered Office:
- 21) Tax ID Number:
- 22) Years in Business:
- 23) Contact Name:
- 24) Position or Title
- 25) Business Fax Number:
- 26) Business Phone Number:
- 27) Business Email Address:
- 28) Nature of Business

29) Bank:

- 30) Branch and Branch Address:
(City, Zip, Country)
- 31) Bank Officer's Name:
- 32) Main Phone Number:
- 32) Direct Phone Number:
- 33) Fax Number:

34) Bank Officer's Email Address:

35) Account Name:

36) Account Number:

37) Account Signatory:

38) Swift:

39) ABA:

40) IBAN Number:

41) Available funds for transaction:

42) Funds available, in words:

43) Origin of funds:

44) Are funds free and clear? Yes: _____ No: _____

45) Are the funds Unencumbered

46) Brief Overview of Activity:

Have you attempted to place the funds/asset prior to this time? If so, please explain in detail: **[write out on a separate attachment – transparency is expected at this level of platform]**

What is your primary language? Are you fluent in English? Yes: _____ No: _____

It is agreed that facsimile copies of this Client Information Sheet, or any other associated documents to this transaction, are as valid and legal as delivered originals.

I, _____, Hereby Swear, under penalty of perjury, the information given above is accurate and true.

For and on behalf of:

Authorized Signatory

/s/ _____ **(Wet Signature)** _____

Name:

Title:

Passport Number:

Country of Issue:

Date of Issue:

Date of Expiry:

[INVESTOR'S LETTERHEAD]
(company name [if applicable] – address – phone – fax - email)

LETTER OF AUTHORIZATION TO VERIFY FUNDS AND BANK
CAPABILITY

Date :
To : Program Manager
Re : Letter of Authorization to Verify Funds

Dear Sirs,

I, _____, Investor, holder of Passport No. **xxxxxxxxxx**, issued _____ **[Date]** by _____ **[Country]**, expiration date _____, with full responsibility and under penalty of perjury and duly authorized, hereby authorize the Program Manager to verify the availability of assets on deposits in my bank and the bank's capability through a bank institution or their representative.

| | |
|--------------------|--|
| Type of Assets | |
| Bank Name | |
| Bank Address | |
| Telephone Number | |
| Fax Number | |
| Account Number | |
| Account Name | |
| ABA Number | |
| SWIFT Code | |
| Bank Officer | |
| Bank Officer Title | |

Yours truly,

/s/ _____ **(Wet Signature)**

Name:

Title:

Passport Number:

Country of Issue:

Date of Issue:

Date of Expiry:

[INVESTOR'S LETTERHEAD]
(company name [if applicable] – address – phone – fax - email)

CORPORATE RESOLUTION

Re : Participation in Structured Private Financial Opportunity

- A.** Minutes of the Directors meeting held on _____ (date)
- B.** Articles of Incorporation of the Corporation.

Meeting of the Board of Directors of _____ [Investor's Corporation Name], held in accordance with the Articles of Incorporation.

Present at the meeting were the following Corporate Directors: [2 or 3 – are sufficient]

- 1. _____ Title: _____
- 2. _____ Title: _____
- 3. _____ Title: _____
- 4. _____ Title: _____

Also present at the meeting was the Secretary of the Board:

Secretary of the Board

_____ [Name of the Secretary]

Title:

RESOLUTION:

It is resolved that _____ [name of authorized Signatory], holder of Passport Number xxxxxxxx, as _____ [office or title in corporation] and authorized Representative/Signatory of the Company, to enter into this transaction or transactions involving a Private Placement transaction and/or the Buy/Sell of Bank Debentures and other Bank Instruments.

RESOLUTION:

It is resolved that _____ [name of authorized Signatory] as _____ [office or title in the corporation] and authorized Signatory of the Company, to arrange the Buy/Sell of Bank Instruments, U.S. Treasuries, and/or a Private Placement transaction in the amount of USD/€ XXXXX Billion (USD or €) [please state the amount of cash funds or describe the asset in detail including any identification numbers of the asset being placed] under our Client Transaction Code: xxxxxxxxxxxx

RESOLUTION:

It is resolved that _____ as _____ authorized Signatory of _____ [Company name] be assigned full authority to instruct, arrange, monitor, execute, manage and sign all paperwork, agreements, contracts, open any required bank accounts and be the Signatory on said accounts and any and all documentation as may be necessary with third parties, pertinent to transactions involving the Buy/Sell of Bank Instruments, U.S. Treasuries, and/or a Private Placement transaction.

RESOLUTION:

It is further resolved at this meeting of the Board of Directors that _____ is hereby authorized to pay/distribute on behalf of the Company any and all transaction related fees and entitlements to any banks, trading entities, program managers, facilitators, lawyers and other involved persons and companies of his choice, as he/she may deem appropriate and at his/her absolute discretion, on behalf of the Company.

CORPORATE RESOLUTION ... Page 2

RESOLUTION:

That _____, as _____ and authorized Signatory of the company, is hereby authorized to certify that the foregoing resolutions and provisions thereof are in conformity with the charter, bylaws and articles of incorporation of the Company, and that the foregoing resolution and the authority thereby conveyed shall remain in full force and effect until the purposes set forth herein are accomplished.

It is further certified that the foregoing resolutions have never been modified or amended and are now in full force and effect and that the above named _____ has been duly elected and appointed to hold office, is presently holding office, and is empowered to act for and on behalf of the Company, and that this fax or email copy of the Board Resolution shall be of equal value and effect to the original, and shall be accepted as such by everyone, for all purposes, everywhere.

The above motions and resolutions were duly made, seconded and unanimously passed and carried out at the completion of this meeting. In witness whereof, I have hereunto set our hand and seal of the company in our own free will and act, in certification of the above resolutions and provisions on this ____, 2011.

The necessary authority and powers required to undertake these tasks and responsibilities are hereby granted to _____ holder of Passport Number **xxxxxxx**, issued by _____.

There being no further business, the meeting was declared closed, and in witness thereof, the directors signed below on the date first written above.

Signatures of Board Directors

/s/ _____ **(Wet Signature)** _____ Director No. 1
Name:
Title:

/s/ _____ **(Wet Signature)** _____ Director No. 2
Name:
Title:

Corporate Stamp

[INVESTOR'S LETTERHEAD]
(company name [if applicable] – address – phone – fax - email)

NON-SOLICITATION STATEMENT

Date :
To : Program Manager
Re : Letter of Non-Solicitation

I, _____ (Signatory's Full Legal Name) _____, as signatory on behalf of _____ (Full Corporation Name) _____, the Account Holder, do hereby confirm that I have requested of you and your organization, specific confidential information and documentation on behalf of myself regarding currently available Project funding to serve only my interest, education, and not for further distribution.

I hereby agree that all information received from you is in direct response to my request, and is not in any way considered or intended to be a solicitation of any sort, or any type of offering, and for my general knowledge only. I hereby affirm under penalty of perjury, that I have requested this information from you and your organization of my choice and free will and further, and that you have not solicited me in any way.

I hereby represent that I am not an informant, nor am I associated with any government agency of the United States of America, or any other country, such as the Secret Service, Internal Revenue Service, Federal Bureau of Investigation, Central Intelligence Agency, Securities and Exchange Commission, Banking Commission, nor any agency whose purpose is to gather information-regarding such offerings.

I understand that the contemplated transaction is strictly one of private placement, and is in no way relying upon, or relating to, the United States Securities Act of 1933, as amended, or related regulations, and does not involve the sale of securities.

Further, I hereby declare that you have disclosed that you are not a licensed Security trader, attorney, bank officer, certified public accountant or financial planner. Any information, work or service conducted hereunder is that of a private individual and that this is a project funding transaction that is exempt from the Securities Act and not intended for the general public but Private Use only.

The facsimile transmission of this document shall be considered a binding and enforceable instrument, treated as original copy. Original may be obtained upon request.

/s/ _____ (Wet Signature) _____

Name:

Title:

Passport Number:

Country of Issue:

Date of Issue:

Date of Expiry:

[INVESTOR'S LETTERHEAD]
(company name [if applicable] – address – phone – fax - email)

INDEMNIFICATION AND ATTESTATION

Date :
To : Program Manager
Re : Indemnification and Attestation

I, {Name} bearing Passport Number _____, of _____, representing _____, hereby affirm, attest and certify, under penalty of perjury, that the [describe funds or assets which must be described in detail including any identification numbers] is authentic, valid and available for immediate use in the proposed transaction. The funds were lawfully earned through commercial enterprise of non-criminal origin being free and clear of any and all liens and encumbrances and I am authorized to offer it for use as collateral.

I also affirm, attest and certify that the proceeds derived from any use of the Funds shall be utilized in a legal manner for either commercial or charitable purposes at my election.

I further acknowledge by the Program Manager as well as its/their respective officers, directors, shareholders, associates, affiliates, employees, partners and assigns, has no direct knowledge that the funds/assets referenced above are legal or valid and the Program Manager is relying upon the representations and warranties of the undersigned.

I further affirm, attest and certify that I am not affiliated, associated or employed, either directly or indirectly, with any governmental agency, either officially or unofficially, or under duress. I further affirm, attest and certify that my actions, either directly or indirectly, with respect to the funds are not a part of any governmental investigation, covert or otherwise. I understand that my failure to disclose such information shall not prevent me from participation in the transaction contemplated, if the purpose is to participate, as would any other private citizen or entity. However, should subsequent knowledge of the passing of said information, to any such authority(ies) by me against the Program Manager, partners, affiliates, associates, or related entities ("Parties") in any way, I understand I shall be severally and wholly liable for such loss to the aggrieved Party.

WHEREAS; The President of the United States of America did sign H. R. 3723 on October 11, 1996 thus protecting all transactions conducted in currency of the United States of America by allowing Corporations the right to declare their Contracts, Clients, Internal Procedures, Information, and the transactions in which they engage, to be classified as Corporate, or Trade Secrets fully protected under the Economic and Industrial Espionage Laws of the United States of America and the International Economic Community.

IN AS MUCH, as the names, identities, bank coordinates and other identifying information of persons or entities that are a party to this transaction, or subsequent similar transaction(s), or learned hereafter, shall be considered Corporate / Trade Secrets and shall not be disseminated other than as provided for herein, or as allowed under law. Any unauthorized disclosure of all transaction(s) parties to, or other material fact of, such transaction(s) shall subject the violator to criminal prosecution.

IN AS MUCH, as any document passed through the hands, or electronic equipment of any person, Broker, Intermediary or Entity not signatory to this / these transaction(s), or authorized by said signatories, and any material fact provided to any person, Broker, Intermediary, or Entity not signatory to any transaction, allowed herein, or as required by applicable law, will immediately VOID the transaction and subject the violator to criminal prosecution.

FURTHER, the undersigned signatories do hereby attest and warrant to the fact that no Specially Designated National, Blocked Person, Entity, or Embargoed Country, State, Nation or Entity, as recognized by the Government of the United States, are now, or will hereafter be party to, or share in, or benefit from, any, and all, transaction(s) by and between said Parties. Further, no Party involved in the transactions, nor funds, or instruments utilized in, or generated by, the transactions as are contemplated, shall be used to provide funds, instruments or any support to any terrorist activity or act(s) of war.

By signing this document, the undersigned takes full responsibility and hereby indemnifies and holds harmless the Program Manager as well as, where applicable, his respective officers, directors, shareholders, associates, affiliates and employees against any and all improprieties or misrepresentations or omissions arising out of or relating to the funds.

The undersigned further undertakes to guarantee that all facts and information, written and/or oral, which has been rendered regarding the funds are accurate, correct and true, and can be relied upon completely, fully and totally by the Program Manager.

Dated as of This Day of, 2011.

For and on Behalf of:

/s/ _____ (Wet Signature) _____

Name:

Title:

Passport Number:

Country of Issue:

Date of Issue:

Date of Expiry:

[INVESTOR'S LETTERHEAD]
(company name [if applicable] – address – phone – fax - email)

LETTER OF CEASE AND DESIST CONFIRMATION
(IF REQUIRED)

Date :
To : Program Manager
Re : Participation in Structured Private Financial Opportunity

Know all men by these presents that I, **SIGNATORY NAME**, holder of the Passport No.: **000000**, issued in **ISSUING COUNTRY** duly authorized and full legally representative director for and on behalf of **COMPANY NAME**, give notice that Cease and Desist directives have been issued to any other group approached in the past regarding our/my files.

I, **SIGNATORY NAME**, make a clear statement and confirm under risk and penalty of perjury not to have any other entities, associations, financial institutions, affiliates, intermediaries, groups or others with my /our permission or any specific authorization to handle nor process any one of my /our documents as from **[TODAYS DATE]**.

And that; All previous entities, associations, financial institutions, affiliates, intermediaries, groups or others have been notified of such by the correspondent official Cease and Desist Letter communication

This exclusive authority and engagement shall continue fully effective until cancelled in writing by me.

In witness whereof, I hereby executed this document affixing my signature on this **XX** day of _____ in the year 2011.

For and on behalf of, **COMPANY NAME**

/s/ _____ **(Wet Signature)**

Name:

Title:

Passport Number:

Country of Issue:

Date of Issue:

Date of Expiry:

PASSPORT

SIGNATURE PAGE

Passport Copy must be enlarged to 140% or A4 Size

PASSPORT

PHOTO PAGE

Please check to see that it looks good

It must be Nice & Clear.

Make sure that All of Your Face

is Fully and Clearly Shown.