

❖ What are Private Placement Programs or Secured Asset Management Programs?

Private Placement Programs, also known as Secured Asset Management Programs, are an investment commonly used by the very wealthy where the principal investment is fully secured through a blocking of funds arrangement (MT 760) or administrative hold with the investor's bank.

❖ What kind of assets may be eligible under the program and may be subjected to the blocking of funds arrangement?

The following are eligible for blocking of funds arrangement under the program: 1. Cash Deposits (US Dollars & Euros) 2. Certificates of Deposits (CD) 3. Bank Guarantees (BG) issued by top international banks 4. Stand-by Letter of Credit (SBLC) issued by top international banks 5. Safe Keeping Receipts (SKR) backed by Gold, Diamonds, Platinum etc, 6. Commodities (Oil, Natural Gas, Precious Gems, Diamonds, etc..) 7. Collateralized Mortgage Obligation 8. Medium Term Notes

❖ Is the investor putting his principal at risk under the program?

No. The principal investment remains blocked for a specified period in the investor's bank, ownership of the account remains with the investor, and funds blocked will not be moved, transferred or withdrawn during the period of blocking as specified. There are no up-front fees, no lien and no mortgage on the client's asset. Client's asset remains free of any encumbrances at all times. After the investor's funds are blocked, the Program Directors will put up, through their own credit facilities, counterpart funds equivalent to the hypothecated value of the blocked funds, to be utilized for trading purposes. The investor is guaranteed by the Program Directors, under contract that they will receive what is in effect, a guaranteed percentage paid on a periodic basis upon terms as set forth in the contract.

❖ What kind of instruments will be transacted under the program?

The instruments to be transacted under the Buy/Sell Program are fully negotiable bank instruments delivered unencumbered, free and clear of all liens, claims or restrictions.

The instruments are debt obligations of the top 100 world banks in the form of 10 year Medium Term Bank Debentures or 1 year SBLC, BG or SKR with no interest but at a discount from face value, . These Bank Instruments conform in all respects with the Uniform Customs and Practice for Documentary Credits as set forth by the International Chamber of Commerce. Before an instrument can be purchased, a contract is already in place for the resale of the Bank Debenture Instrument. Consequently, the Programmer's funds are never placed at risk and the investor's funds remain blocked in the investor's bank for the duration of the contract. The trust account will always contain funds or Bank Instruments of equal or greater value.

❖ What is the duration of the program?

Each placement operates over approximately 40 International Banking Weeks per year with specific transactions taking place approximately one or more times per week depending on circumstances. Although there are 52 weeks in a year, there are only 40 international banking weeks during which transactions take place. An international banking week is a full week which does not include officially recognized holidays. However, transactions may take place on short holiday weeks and can be repeated by leaving the asset in place.

❖ Why are these programs not generally publicized?

Private Placement Programs have been available, though not widely known, for many years but only a few people qualified due to the extremely high minimum entry requirements of 50 to 100 million. Programs with smaller minim requirements have only recently become available, thus enabling more people to qualify to earn exceptionally high and safe profit yields. Also, the investor must be invited to participate in these very limited enrollment programs. Individual programs fill quickly and are then closed to further investors. The international trading of these banking instruments is a privileged and highly lucrative profit source for participating banks and, as a result, these opportunities are not generally shared with even their very wealthiest clients. It would be difficult, at best to entice investors to purchase Certificates of Deposit yielding 2.5% to 6% if they were aware of the availability of other profit opportunities from the same institution, which are yielding much higher rates of return.

The banks always employ the strictest non-disclosure and non-circumvention clause in trading contracts to ensure the confidentiality of the transactions. They are rigidly enforced, and this further accounts for the concealment of these transactions from the general public. Participation is an insider privilege. As a result, virtually every contract involving one of these high-yield bank instruments contain explicit language forbidding the contracted parties from disclosing any aspect of the transactions for 5 years. As a result, there is difficulty in locating experienced individuals whom are knowledgeable and willing to candidly discuss these opportunities and the high profitability associated with them, without severely jeopardizing their ability to participate in further transactions.

❖ How will the entire transaction become profitable?

The key to profitability of these Bank Instruments is having the contacts, initial resources and ability to purchase them at a comparable level to the issuing bank, thus receiving the maximum discount, while also having the necessary resources and contracts to negotiate the instruments to the most profitable level of the retail or secondary markets.

These contacts are most zealously guarded by those traders who are regularly and commercially involved with these instruments. As a result, the real secret of successful participation lies in knowing and developing a strong working relationship with the "Insiders", the principals, bankers, lawyers, brokers, and other specialised professionals who can combine their skills and run these resources into lawful, secure and responsible programs with the maximum potential for safe gain.

❖ Does the program adhere to generally accepted international business practices?

Yes. The programs are conducted under the specific guidelines set up by the International Chamber of Commerce (ICC and your local Chamber of Commerce is not affiliated), under its rules and regulations. The ICC is the regulatory body for the world's great Money Center Banks in Paris, France. It has existed for more than 100 years, and exerts strict control on world banking procedures.

❖ Can US citizens access this investment opportunity direct through the banking industry?

Generally not! These opportunities have been available to qualified European Investors through ICC-affiliated banks for many years. While a few major U.S. banks do participate from within their banking operations based in Switzerland and the Cayman Island, they do not normally make their programs available to Americans living in the United States. It is unlikely your local branch manager will be aware these programs even exist.

The banks themselves are NOT allowed to take part in the management of the programs as this would lead to a massive cartel generating huge unregulated profits. The banks do, however, manage to make substantial profits from the program in the form of fees. Program management is the job of the Providers, and there are only a few of them in all the world-wide banking industry.

❖ What other opportunities are available to a qualified investor?

The providers themselves are also NOT allowed to trade or do business on their own behalf, which enables qualified investors to take part and to profit as the initiators of the various transactions. Until recently these privileged opportunities were not offered outside of the Western European markets, but as the world economy has continued to grow, and more real money pours into the safety of West European markets they need to put this capital to work earning profits.

❖ How can we speed up our funding payments ?

When transferring funds between banks and especially when the banks are in different countries then the time taken to transfer funds is delayed by the banks during their checks that the funds are from legitimate sources.

To overcome these delays we recommend clients open an account in their name in the same bank as the asset managers, where the asset managers will deposit clients profits, client then opens an account in the same bank in the country of residence and then carry out a internal ledger transfer. (i.e. Asset managers use say HSBC London, client therefore opens an account at HSBC London and in their own country, e.g. India, client can then transfer between their accounts in London and India on a same day transfer without attracting any concerns.