

Fundamentals

- A) Financial Institution and jurisdiction providing custody of collateral will impact trade application rating
- B) Trade application rating determines trade contract rate of return
- C) Our Chairman is an approved signatory and under a corporate resolution and JV agreement will apply under trade application for a trade contract for the collateral provider
- D) Collateral provider is the beneficiary of the trade proceeds and the owner of the collateral under the trade application and trade contract
- E) Trade collateral is held in corporate accounts owned by the collateral provider. These funds are not at risk of loss and cannot leave the corporate accounts during the duration of the trade
- F) Trade collateral held in the corporate accounts can be held under administrative block, regular confirmation of bank statement, and/or by blocking said funds
- G) JV agreement equals 20 percent of trade proceeds
- H) Broker fees are 2.5 percent of trade proceeds
- I) Trade proceed are determined by quality of institution, type of collateral, profile and owner profile
- J) Trader will not consider the application package unless there is an approved signatory (which is the point of the Corporate Resolution).

PROCEDURE

1. Client enters into preliminary discussions.
2. Client fills in and completes CIS/KYC Package (initial).
3. Introduction to the Chairman.
4. CIS/KYC Package provided for internal compliance review.
5. Our Chairman approves CIS/KYC Package (final).
6. Engagement Contract issued to Client and executed. (Heads of Terms, JV Agreement, Corporate Resolution).
7. Our Chairman approves CIS/KYC Package (POF).
8. Approved CIS/KYC Package sent to Trader for initial compliance review.
9. Trade Contract Issued for execution.
10. Trade Begins.

TIMELINES

Steps 1-3	3-10 business days
Steps 4-5	2-4 business days initial compliance
Steps 6-7	1-4 business days
Step 8	4-7 business days
Step 9	1-3 business days
Steps 10	following Monday

It should be noted that the estimated timeline above is based on delivery of documentation and completing each step outlined above in a structured manner.

