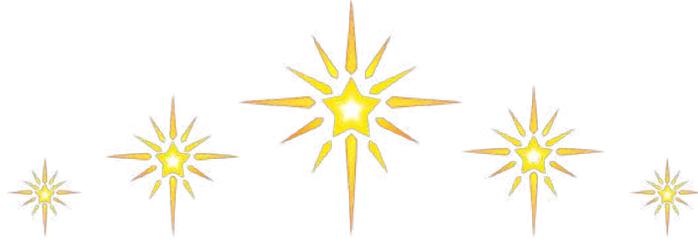


# PRIVATE PLACEMENT PLATFORMS



## UNSURPASSED RELATIONSHIPS IN Wealth Management



**Bank Instruments Investment Programs  
(BIIPs) and Private Placement Programs (PPPs)**

## INDUSTRY OVERVIEW

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“As my journey continued, I found my mission was evolving. At each stop along the way, I was discovering tools, opportunities, and investment products available to ultrawealthy people that the average person never hears about. And ironically, some of the best ones have very little risk, or they have limited risk with what they call *asymmetric risk / reward* - - which means the investors get a big upside potential for very little downside exposure. And that’s what the ‘smart money’ lives for.”

- - Tony Robbins, pages 25-25, “Money – Master the Game” (#1 New York Times Bestseller)



### **A SEMINAL FOUNTAIN OF GOOD FOR THE WORLD ECONOMY**

In 1933, when the banking cabal had achieved their dream - - and the US government declared bankruptcy - - the bankers foreclosed on the Washington DC apparatus and took it over more completely than ever before.

House Joint Resolution (HJR) 192 made the labor, the property, and even the bodies of every American the collateral for the so-called “US dollar”. But that has two sides to it:

**Slave:** If people think, as most people do, that their bodies, their labor, and their property back the money system, then they think they are responsible for the federal debts and taxes, etc. They believe they are the subjects of the state.

**Sovereign:** But if people realize that - - wait a minute, we are the creditors - - we are the backing for the money! That makes us the sovereigns in this country. We are the creditors, and the bankers are the debtors.

Exactly like that, there are two ways one can think about Bank Instruments Investment Programs:

**Slave:** If people think, as most people do, that the Private Placement Platforms trade in debt instruments, and therefore this is “totally evil” - - they’re thinking in black-and-white duality. They’re devolving into “us against

them". They're failing to comprehend the intrinsic neutrality of the system, and the potential to use its mechanisms for good. They are falling below the system, by feeling helpless and powerless to put it to good use.

**Sovereign**: But if people realize that:

- ❖ The BIIP industry is the only trading market that has no losers on the other side of every trade;
- ❖ It is the largest market on Earth - orders of magnitude larger than Forex;
- ❖ Humanitarian projects that are truly helping the world are being funded by many participants in it;
- ❖ It is the artificial scarcity of money flow that created the illusion of its value, and therefore the abundant distribution of the medium of exchange powerfully facilitates life-supporting improvements in the world; and
- ❖ Using it totally for good purposes places one over it instead of under it .

..

Then they see this as one of the best means to fulfilling the Basel Accords - - to transform the world monetary system from a debt-based system to an asset-based system. The generous, humanitarian, and philanthropic use of the BIIPs via the PPPs adds to the global money supply, places much of that money into the hands of well-meaning humanitarians, and empowers the improvement of life everywhere.

**UNSURPASSED RELATIONSHIPS  
AT THE APEX OF THE GLOBAL BANK INSTRUMENTS INDUSTRY**

We are incredibly fortunate to have become connected with several of the groups operating at the very apex of this industry. They offer benefits not found elsewhere.

We are also associated with several of the finest program administrators in the world. One of our favorites of them has singularly impressive credentials. It is, in fact, a team of people, a consulting group. Their extensive accomplishments in business and government, awards, titles, positions, degrees, humanitarian projects and other recognitions give them a reputation that makes them an honor to introduce. Their knowledge of international law, their connections in worldwide banking and their mastery of the processes of

trading make the journey smoother and more predictable than other providers.

Naturally, at the minimum, they provide the gold standard, which is not unique to them - - namely, absolutely **zero risk**, able to be confirmed by the client in advance, before commitment. They provide the highest returns on the planet, of any managed funds programs. In the best programs, the programs of choice, returns are **contractually guaranteed** - - as predictable as clockwork.

It is a privilege to be invited to participate in their programs and not all clients are accepted. Contractual terms are only discussed after stringent compliance checks have been completed by the trading platform, to ensure complete adherence to international Anti-Money Laundering laws (AML). An idea of what the newly multiplied wealth will be used for by the client is also taken into consideration. Ideally the client will have a positive worldview that supports humanitarian projects, charities and causes in tune with natural law. The higher the purpose, the more ideal the client.

For the entire duration of the program, the client remains in full control of his/her committed capital, or its equivalent, at all times, just as is the case now. The cost of doing business is the opportunity cost of that capital just sitting there and not being deployed into other investments. In some of the reserve account programs, the client is free to move his capital, but if one does, after signing the contract to enter into the program, the returns will stop coming and the client will probably never be invited to participate again. Nevertheless, that is the worst of it - - client funds are never placed at risk. One can have peace of mind and sleep at night, knowing the outcome is predictable.

This means one doesn't need to do due diligence. One doesn't need to check us out. The client doesn't need to trust us (even though we are trustworthy). It doesn't matter. The client doesn't need to trust the program administrators or the traders. In all but a few programs, the client will never entrust his or her money with them. The client doesn't need to do due diligence on whether they are trustworthy. The client doesn't need to trust anyone but oneself. The client stays in full control at all times.

That much is already the gold standard with the few platforms around the world that operate in integrity and are actually performing. What is different about the two firms we represent consists of a number of more rare virtues that newcomers as well as seasoned veterans might not have encountered before. It is these rarified values that give clients advantages considered rare and privileged even within the elite club of billionaires.

One of these firms operates at the apex of the global financial system, handling the Queen of England's funds, and the Chinese Heritage Funds, and the treasuries of many royal families, among others, which number in the "T" and "Q" levels. This firm sets the policy for all the other platforms and oversees them. So if they can't accomplish something for an investor, nobody can. Its absolute rock bottom minimum for admission into a platform is \$500M USD or EUR.

This firm occupies an entire floor of the highest high-rise building in downtown Miami. It has 150 staff located there, plus an army of traders, platforms, attorneys, and other professionals in many locations around the world. It is also a prime cutting house, so that is where we refer clients who wish to purchase Bank Guarantees (BGs) or Standby Letters of Credit (SBLCs), as distinguished from entering a bank instruments trading program. There is a \$500M USD minimum for purchasing BGs or SBLCs.

Other favored firms have a minimum for participation at only \$1M USD or EUR, but they routinely handle nine, ten, and eleven figure funds as well.

We have been seeing both clients and intermediaries being paid regularly, consistently, flawlessly, as promised, and as contractually guaranteed, via all of these sources. Hence these platform sources are in that tiny percentage which are proven, genuine, authentic, performing, of integrity, and successful.

Thus we are right at the quintessence of the global bank instruments industry, through two different channels - - both of which are heavily involved in humanitarian projects (the genuinely benevolent ones that are truly making a difference for the betterment of the world), both of which are proven to be

performing and paying out as promised, and both of which can authenticate a prospective client on their screens within 15 minutes.

Since programs come and go every month, for more detailed information regarding the specific programs available from these two firms, see the separate document entitled “Current Programs”.

## **OVERVIEW**

The terms “International Fiduciary Trades”, “Private Placement Platforms”, and “Bank Instruments Investment Programs” represent a private category of investments that are not available on the open market.

This special type of Trade is part of the process that brings International Bank Instruments from the Primary Market to the Secondary Market, usually involving Medium Term Notes (MTNs).

These are private and by “invitation only” investments from the world’s largest and most reputable banks. These are unlike any other investment because the returns are not speculative but are contractual, thereby making them immune to negative public market conditions.

Trading does not take place in the US, but occurs primarily in Europe (London, Zurich, Geneva) and Asia (Hong Kong, Singapore) among top-tier, AAA rated banks such as JP Morgan Chase, Credit Suisse, Citi Group, HSBC and others. They generally are only available to Ultra High-Net-Worth Individuals or qualified Institutional Investors and because they occur at the upper echelons of the world financial system, they are not available to the general public. For this reason, most Financial Planners and Financial Advisors are not privy to these investments.

The returns can be contractually as high as double-digit monthly returns and the capital is not put at risk in the trading. With properly structured programs, the Investor's capital never even leaves their own bank account as the investor is acting only as a 3rd party investment partner for the banks.

Banks cannot legally trade their own funds. Therefore, to satisfy the rigid International Banking Regulations that govern this process, the banks must have 3rd party investment funds sitting on their balance sheet at the time of the trades, even though the money is never technically used. Trade proceeds are usually disbursed weekly, over a 40-week period (international banking weeks over 12 calendar months).

These are regulated by strict guidelines established by the International Chamber of Commerce (ICC), the Federal Reserve, European Central Bank, and the Bank of International Settlement (BIS). Both traders and participating financial institutions require special licenses in order to participate.

A cash investor with sufficient capital can bypass the traditional smaller “Middle Man” Trade Platforms and participate directly with the Bank Trade Desk, receiving a contract on bank letterhead, with full banking responsibility. Intermediaries in the form of a Program Manager and a Facilitator serve to pre-qualify investors, answer their questions, and get all the necessary compliance documents.

Due diligence is undertaken by the Investor once they have submitted KYC (Know Your Client) and POF (Proof of Funds) documents to the Trader and have passed forensic compliance checks. At that point, they will receive the contract from the Trader stipulating the terms and procedures, on bank letterhead, with full banking responsibility. This gives the Investor full transparency and makes due diligence very easy. The serial number of that contract and the banking license of the Trader can easily be verified by the Investor's own banker. After reviewing the contract and performing banker due diligence, the Investor then decides if they want to move forward or not.

## **BACKGROUND**

The “United States Department of the Treasury” (US Treasury), fulfilling its responsibilities under the Bretton Woods Agreement, developed the Medium Term Note (MTN) by employing established European financing methods through which banks and financial institutions commonly finance long-term loans by selling Letters of Credit or Bank Notes of medium term to provide funding for loans.

The MTN bank issues are debt instruments that are legally allowed to be excluded from the debit side of their ledger or “off-balance sheet” but count towards the bank's capital reserves. Funds received by issuing these instruments rank at equal rate with depositors' accounts, but these are long-term “contractual obligations” and as such are allowed to be listed in the footnotes instead of on the balance sheet.

As banks have the ability to borrow funds on a leveraged ratio against their capital reserves, in order to engage in fractional reserve lending, this method of financing can be very profitable.

In the post-World War II era, the Bretton Woods Agreement created a stable international financial system and a mechanism to finance macroeconomic projects

to re-build parts of Asia and Western Europe. The US Treasury and the “Federal Reserve System” (Federal Reserve) developed an instrument that may be traded to create new credit and that credit would be used in specific approved macroeconomic projects, allowing such funds and credit to be applied in geographical areas requiring credit and cash infusions to survive and grow.

While that understanding or intent remains true today, it is no longer always a necessary requirement to involve an economic project / humanitarian project. Investors can engage in either wealth creation or project funding, depending on the client's goal and the terms of the trade program.

The contracts to purchase and sell these MTNs are managed and/or approved by the US Treasury and are administered by prime US and European bank syndicates.

The US Treasury or the Federal Reserve may price these instruments at whatever price is necessary to provide the needed new credit in the geographical location or for the project(s) for which they have been approved.

Not all applicants or projects are approved. Both the applicant and the funds that will be used to purchase and sell the financial instruments must be screened, according to US Patriot Act and Anti-Money Laundering (AML) Guidelines and their European equivalents. This is done through the submission of Know Your Client (KYC) documentation to the Traders, along with Proof of Funds (POF) prior to discussion of contract terms.

Generally, there is just one Principal (or Asset Provider). That Principal is the owner of the Funds and the Principal is the applicant to the “trade desk”, which must also have the approval to trade from the US Treasury or the Federal Reserve.

## **NATURE OF THE INVESTMENT**

These programs are a very low-risk opportunity for an “Investor” who can provide a cash deposit, Bank Guarantee (BG), or a Standby Letter of Credit (SBLC) for a minimum of 500 Million Euro (€500,000,000), 500 Million USD, or in some rare programs, an absolute minimum of 1 million USD.

This deposit or Bank Instrument (BI) allows the trade bank to release credit facilities for the trading of MTNs. The notional returns to the Investor/Asset Provider are generally expected to be over 100% per month or per week. This expectation is based on the track-record over the last decade. However, returns are contractually agreed upon by the Asset Provider and the Trader before the trading begins and can vary on a case-by-case basis.

For Investors who do not have 500M Euro there is the possibility to do a wealth-accumulation “bullet trade”. These are for Investors with a minimum of 1M Euro or USD, and the trade proceeds are paid weekly, in order to help the investor, get to the 500M Euro level more quickly.

The Investor’s capital is not put at risk in the trading. The Investor’s capital is used to trigger a credit line for the bank. The credit line is fully underwritten by the bank before it can be triggered, thereby guaranteeing the Investor’s money will never be collateralized.

The investor’s capital is not physically involved (prohibited use) with the buy and re-sale exchange activities generating the profit. Fiduciary Trade capital always sits in their own bank account, without liability of lien, encumbrance, transfer of control or subject to first call by anyone, and only serves as a security pledge under contract to a trader.

The trader uses this pledge to trigger his own credit facility under contract with his trade bank, which extends a conditional leveraged credit line against the sum total of his capital contracts with Investors. The bank protects the Investors account from call in that the credit facility used for the purchase of securities is subject to bank responsible confirmation of a “closed book” sale only.

The trader must have confirmed evidence of contracts with exit buyers (closed book) for the securities before the bank will release the credit line. The sale itself is managed and scrutinized by the bank at all times, as their funds and license are exposed.

In other words, the investor’s funds are not directly involved in the buy/re-sale transactions. The Investor’s cash deposit, as a security commitment, is non-callable and not subject to loss liability because of the terms and conditions of the credit line facility in which the transaction re-sale funds are in place prior to release of the credit line.

## **MONETIZATION OF ASSETS**

For those who have non-cash assets, there are some firms that are ready, able, and willing to obtain lines of credit against them and place that cash into a PPP. All bank instruments traders require USD or EUR as the basic funding unit, and do not accept other types of money or assets for trading contracts. In addition, they normally do not accept lines of credit that are already liened or encumbered. They only accept free and clear cash, or credit that is unencumbered. However, there are a few

companies that arrange for the type of credit against assets that can be accepted by a bank instruments trader.

## **HOW TO CONVERT ASSETS FOR SALE INTO PLATFORM TRADE DEALS**

Monetizers can definitely bring benefits to many large asset sellers that would be superior to selling the asset, by hypothecating it and entering the line of credit into one of our unsurpassed zero risk pinnacle-of-the-industry bank instruments trading programs in the private placement platforms industry.

This would allow the asset owner to keep ownership of the asset, while enjoying the benefits of major cash flow derived from the entry into bank instruments trading programs of the line of credit issued against the asset. This would yield to the asset owner a monthly or weekly series of dollar amounts far greater than a simple one-time sale.

This is a much more favorable and profitable deal for the asset owner, and it is a zero-risk proposal both for the asset owner and for the traders. In other words, the asset owner will be able to see in the contract before signing it that their trades never have losses, and that even if they did, there will be no legal right for them to claim the asset as reimbursement.

They can never claim ownership of any of the asset, and they can never have any losses on their end, either. That is why the bank instruments trading industry is kept so quiet. It provides unparalleled privileges to a small private market worldwide by invitation only.

What is necessary to make this happen are just some easy documents for the asset owner to provide. One of them would be an SKR (Safe Keeping Receipt) from a major highly respected financial institution or registered, certified, well reputed warehouse. That SKR must authenticate the value, ownership, and safety of the asset via the standard SKR protocols. The ownership verification will necessarily include the requirement of showing evidence that the chain of title of ownership history is from good, clean, clear, and non-criminal origin.

Once the asset owner passes compliance and is accepted, this will initiate him or her into the private club of international BIIP PPPs.

## **HOW IT WORKS**

Successful trade programs, besides having unique access to established bank lines-of-credit, require the expertise of qualified licensed traders capable of engaging in the purchase and sale of investment-grade bank debentures in the wholesale market. Traders are licensed by European regulatory agencies, and trades proceed according to strict procedural and legal guidelines. Under present rules, traders cannot use their own assets to trade. This is why third-party investors are necessary.

This trading operation is generally referred to as a “controlled”, “managed”, “closed” bank debenture trading effort because the Supply Side of the financial instruments and the Exit Buyer for the financial instruments have already been pre-arranged and the price of the instruments already established. In other words, the licensed traders contractually manage the buy and the re-sale of the financial instruments before any trading actually takes place, thus the term, “Managed Buy/Sell”.

Therefore, each and every completed trade will result in a net gain (and never a net loss) to the trader. The following procedural protocol are normally followed:

- The investor’s funds are never touched (funds verification only).
- Targeted 30% yield per tranche to clients (for example)
- Four tranches a week – with settlements on Friday – there may be multiple trades on a given day.
- No Powers of Attorney.
- No surprises (the Investor/Asset Provider is to be a Signatory to the Buy-Sell Trading Contract).

The crucial distinction, however, is that under a properly managed “buy-sell” transaction, the Investor does NOT transfer any funds to an intermediary escrow attorney or trader, nor are the funds required to be pledged or subjected to a lien.

When moving an MTN into the secondary market, through trading,

1. Master Commitment Holders are first in line;
2. Commitment Holders are second in line;
3. The secondary market comes after that.

A newly issued or “fresh cut” instrument is issued by a bank at a steep discount to face value, for example 58% of face value. It can only be purchased by a Fed authorized Master Commitment Holder, who has a certain quota they have to fill annually in order to keep their Fed appointment.

They line up a number of Commitment Holders who have the exclusive right to purchase these MTNs from the Master Commitment Holders, each in smaller volume

and at a slight markup. This is the popular business model of “buy wholesale, sell retail” . . . buy wholesale in bulk, then sell in smaller quantities at a higher price.

These Commitment Holders can then sell it as a live seasoned instrument into the secondary market, at 98.5% of face value or similar. The resulting spreads can be substantial. They get contractual commitments from the exit buyers before the initial fresh-cut transaction with the Master Commitment Holder is ever triggered.

It is all done digitally... authentication, verification, invoicing and close-out can be done in seconds, using Bloomberg or similar.

Again, BIS regulation is that banks cannot sell their authorized issues to each other, which is where the third-party Investor comes in. The Investor is the key for the trader to unlock the credit line from the trade bank.

The traders who do these trades use credit lines from banks, but the credit line has to be fully underwritten before it can be triggered. In other words, the trader must have confirmed evidence of contracts with exit buyers for the MTNs, what they call a “closed book” before the bank will release the credit line. This is risk-free arbitrage . . . the simultaneous purchase and sale of the exact same asset, at the exact same time, but at different prices.

The trader keeps a large percentage of that profit and shares the rest with the investor, based upon their contractual agreement.

Payouts are usually weekly. Returns are contractually agreed upon by the trader and the Investor, based upon what paper issues he has lined up, and it is usually listed as a minimum or as a “best efforts” basis. Facilitators can only state “notional double digit returns per month” and must let the trader disclose to the Investor if it ends up being higher, sometimes as high as 100% per month. Facilitators are not allowed to specify returns, as that is privately contracted between the trader and the Investor, after the Investor passes AML compliance.

Because of the high returns, investors with large sums will eventually reach the Wealth Accumulation threshold and will be required to engage in Project Funding, which requires them to donate around 80% of their profits to an economic project (can be as low as 40% or as high as 95%), as non-recourse project funding. However, traders are allowed to make more profit per trade if the client engages in project funding, and because of this higher profitability per trade, the net profit to the Investor can be about the same if they do Wealth Accumulation or Project Funding.

The Federal Reserve requires an accounting of those project funds so that they are released only against certified invoice by the accounting entity. United Nations

approval is also necessary for most projects. We have a United Nations Advisor available to fast-track this process.

Experts are also available to assist in helping qualified applicants access Pre-Structured Humanitarian Projects to fit the precise and rigid guidelines covered by International Banking Law and the United Nations.

## **RISKS AND RISK MANAGEMENT**

There should be no material risks to the cash deposit or BI, given that the absolute priority is the preservation of its value and that the BI remains under the control of the Investor at all times.

Since the cash deposit or BI is required to be with a top 25 bank, there is nominal Financial Institution risk, should there be a bank bail-in. However, these trade programs only occur among top 25 banks with AAA credit ratings, which is better than the US Federal Government, and the US Treasury is considered to be the “risk-free rate”.

## **INVESTOR FUNDS**

Funds have to be of commercial origin, free of any liens or encumbrances. During the term of the Bank Trade, there cannot be any withdrawal of funds from the Client Account, nor shall any loans, credit lines, pledges, hypothecations, liens or encumbrances be placed against it. The cost of doing business is the opportunity cost of that capital just sitting there, not being deployed into other investments.

Institutional investors such as U.S. pension funds are prohibited under ERISA from purchasing anything that is not on-screen (anything other than live MTNs or registered securities which are screen able). A fresh-cut MTN can only become live or seasoned after its title changes and it receives an ISIN or CUSIP number, and it is registered for screening on Bloomberg or Reuters.

MTNs pay much higher yields than US treasuries, a 10-year MTN can pay 7% to 8% whereas the 10-year treasury is only around 2% to 3%, and the MTNs from the top banks have AAA credit rating, unlike the downgraded credit rating of the US treasuries.

The secondary market is dominated by institutional buyers, like pensions funds, sovereigns, and foundations, who buy-and-hold until maturity while collecting their annual coupon interest. They have to match cash outflows with cash inflows, and this is a reliable way for them to be able to do that, without the volatility of market

speculation in equity markets. These are part of their conservative allocation, while equities and private equity funds are part of their riskier higher- yield allocations.

## **WHY THE BIIP INDUSTRY DENIES ITS OWN EXISTENCE**

Using the phrase ‘Bank Instrument Investment Programs’, in 2019, Google found several top sites (first page of hits) including that of the SEC to deny that such BIIP programs exist — but not only that the high returns don’t exist, but they are outright frauds.

So the first thing that newcomers need to realize is that the only BIIPs to favor are those where the investor never turns over control of his money to anyone else. In the few legitimate programs where the investor does turn over his money to the trader, he must have received a collateral instrument of equal or greater value and liquidity from a reputable institution as recourse. 100% of the scams have been where money changed hands without proper collateral. If the principal capital never changes hands, it is impossible for any BIIP administrator to steal it. Very simple. In the few cases where it does change hands, and a proper collateral instrument is in hand, if the trader fails to return the funds, the investor has only to cash the collateral instrument.

The legitimate programs provide this gold standard of investor control of his principal. He can see well in advance of entering such a program that there is never any requirement to relinquish control of his funds or move them to anyone else’s account. And the best BIIPs put no block, no lien, no encumbrance, no assignment, and no added signatory on the funds. All of this an investor can see ahead of time, in the communications with the intermediaries, program managers, and in the contract.

This gives peace of mind. It demolishes the claims that all BIIPs are scams. How can a scam even be possible when the principal capital never leaves its owner’s control, or its equivalent never leaves the investor’s possession?

This being the case, then why is the industry allowing itself to be misrepresented like this by the government and official financial websites and publications?

The reason is crystal clear. It is a private club. It is elitist. It is an inner circle. It is not exactly “secret”, but it is very much low-key and “quiet”. It has to be, because if it were allowed to be publicly broadcast, can you imagine the turmoil

and implosion effects it would have on the world economy? Billions and trillions of dollars would pour out of the high-risk stock and bond markets and even real estate, and into the BIIPs. And let's face it, the instruments traded in the BIIPs are based on these other markets. So if it were to allow itself to be too well known, and to be widely endorsed, it would end up sabotaging itself by collapsing the very markets on which its instruments are derived. Therefore, it has been mandatory for the industry to surround itself with a smokescreen of self-denial. Only the privileged few who are somehow fortunate enough to be initiated into it know the true reality of it.

An interesting story illustrates all this. A former three-term California State Senator and prominent American attorney had his principal offices in Geneva, Switzerland and Sacramento, California, and served as Chairman of the Board or CEO of several corporations. He had satellite offices in London, England; Melbourne, Australia; San Jose, Costa Rica; Shenyang, China; Johannesburg, South Africa; and Trivandrum, India. As a result of his expertise in global matters, he also served as international advisor to the California State University School of Business & Economics.

During his three terms as Senator, he was Chairman of the Senate Judiciary Committee, Chairman of the Business and Professions Committee, Vice-Chairman of the Public Utilities and Energy Committee, and a member of both the Senate Finance and Banking and Commerce Committees.

Without divulging his name, to protect his privacy, it is important merely to realize that someone with these credentials and accomplishments became a believer and participant in the BIIPs. But it was not always that way. It all started when a wealthy Middle Eastern oil family approached him in Switzerland.

They informed him that they were committing some very large funds to a special private program that contractually promised they would stay in control of their principal capital and never relinquish it to anyone else. All they wanted the former senator to do was to study the contracts and confirm that this freedom from risk really was true. They wanted to avoid being tricked. They wanted absolute confirmation that the absence of risk was real, and they were willing to pay generously for this advice.

When he saw that they were getting into a BIIP, he informed them that "no such programs exist". He informed them that it had to be a scam somehow. But they countered with a bold assertion that they were not seeking his opinion on the reality or the legitimacy of the program. They were only retaining him to perform

one thing: to make sure that their capital would never be placed at risk. They did not care about his personal opinion as to whether the program was valid. And they were offering a large retainer fee to him for this service.

Therefore, he agreed, still arguing that the program wasn't real. As a condition for his service, he required that he be given access to view the screens showing their funds AND the returns - - if any - - on the investment. They agreed. Thus first he fulfilled his commitment to make absolutely sure that their funds would never be placed at risk. He analyzed all the arrangements and became satisfied of this. Hence, they entered the program and the trading commenced.

Lo and behold - - the returns began materializing. He could see them coming in on the bank screens. The returns quickly exceeded the amount of the principal, thus demonstrating that there had to be a genuine huge source of profits somewhere. He was shocked. Furthermore, he was paid what he called - - in his words - - "a rather princely sum" - - for his asset protection legal services.

This initiated him into the BIIP industry. He then became an enthusiastic supporter of it. He became a principal participant in it with his own money, and a facilitator for other investors. He then clearly understood why he had previously bought into the public party line about the nonexistence of the programs. He understood the need to keep it quiet.

Newcomers also often want to see or hear of a testimonial of someone who has already made the high returns claimed. Testimonials exist, but only if the newcomer happens to know someone who has experienced a genuine BIIP, or at least knows someone who knows someone. It goes without saying that BIIPs cannot be advertised, because that would violate the "keep it quiet" mandate. Since they cannot be advertised, that means the offer of testimonials of satisfied customers would also be out of the question.

Since the industry is so highly profitable for the insiders who are in it, it is rare that it ever needs to seek newcomers to come in and provide their capital on the books, based on which new credit is issued which is used in the trading. With this being the case, it is the newcomers who need the BIIP administrators - - not the other way around. The BIIP program managers don't "need" new investors. That is why all legitimate BIIPs state that they are "by invitation only".

So being, newcomers who have the "prove it to me" attitude only cause amusement to the insiders. They are left behind to live in their own skepticism and are deprived of the benefits of the BIIP.

Thus you can see that the entire industry operates by word of mouth. It operates by someone knowing someone who privately informs someone. Those who have this good fortune can get initiated into it, but if they have the “prove it to me” attitude, they will be passed up. They are not needed.

Two things ameliorate the requisite amount of faith in the reality of a BIIP that is therefore required for a newcomer to be open to it:

1. the proven-up-front absence of any risk to his principal capital; and
2. hopefully, personal acquaintance with someone who can vouch for the program’s performance.

At least the first source of confidence is always available in any real BIIP. The second depends upon each newcomer’s personal relationships. In the absence of that, he just has to give it a try and see for himself if the performance manifests.

## **DISPELLING MYTHS ABOUT BANK INSTRUMENTS**

There is so much misinformation in the Bank Guarantee and Standby Letter of Credit industry, largely because there is a huge vacuum of information.

Banks don’t Issue Bank Guarantees and Standby Letters – the bank is the deliverer, not the initiator of the transaction.

Banks operate exactly the same way with Bank Guarantees and Standby Letters of Credit. The Bank is the Post Office and they receive a financial instruction from a Provider to deliver one of the Provider’s assets (BG or SBLC) to specific address of the Receiver.

The Bank is just the delivery boy who works for the BG & SBLC Provider. The Provider is the actual asset owner, asset holder and asset controller.

Most clients incorrectly think the Bank is the Provider who initiates and completes delivery of the Bank Guarantee or Standby Letter of Credit. This is 100% NOT TRUE! Banks never initiate a Bank Guarantee or Standby Letter of Credit Transaction..... NEVER! The Bank is simply the Postman who works for the Asset owner / Provider.

So who are BG & SBLC Providers?

BG & SBLC Providers are high net worth corporations or individuals who hold bank accounts at the issuing bank that contain significant cash sums. The BG or SBLC Provider instructs his issuing bank to secure and encumber cash in his own account and authorizes the bank to create a financial instrument e.g. Bank Guarantee or Standby Letter of Credit and deliver that financial instrument by Swift to the Receiver's bank account with which the Provider has contracted.

The Bank has no interest in the transaction apart from receiving fees for "cutting" (creating) the financial instrument and "delivering" the financial instrument. All other responsibility for the asset is the Provider's, because the financial instrument was created and is secured against the cash position in the Provider's own bank account at the issuing bank.

Banks don't use BGs or SBLCs to raise Capital because if a Bank wants to raise Capital (e.g. take in more money to grow), the bank issues Bank Stock or Shares, Bank Bonds, or MTNs (Mid Term Notes).

BGs or SBLCs are secured against client cash accounts of the Provider in the Bank. The Bank NEVER uses its own cash to encumber or secure a BG or SBLC!

When was the last time you saw a Bank advertising Monetizable Bank Guarantees or Standby Letters of Credit for sale? Answer: Never! Why? Because BGs and SBLCs are not bank products, they are niche market client products created at the request of high net worth bank clients with large cash holdings at the bank.

Go to your local Bank Branch and tell the Bank Officer at the branch that you want to buy or Lease a Bank Guarantee please. Most won't know what you are talking about because BGs and SBLC are NOT a publicly offered Bank product.

To issue a BG or SBLC you need to have a special bank account called a custodial account. A custodial account is a special bank account that can hold, issue and receive financial instruments. It takes 3 months+ to establish a custodial account at a bank.

There are very few genuine BG or SBLC Providers because Issuing BGs & SBLC requires a very specialized financial skill set and most High Net worth Investors don't have the time, patience, expertise or desire to involve themselves with BG and SBLC Issuing.

The fact is you need the BG & SBLC Provider much MORE than they need YOU! A Genuine Provider has more clients than they need so they are VERY selective about with whom they choose to do business!

If you want more education on this topic, you can read books like “Bank Guarantees in International Trade: The Law and Practice of Independent (First Demand) Guarantees and Standby Letters of Credit in Civil Law and Common Law Jurisdictions”, by R. Bertrams; or “Letters of Credit and Bank Guarantees under International Trade Law” by Matti S. Kurkela.

## **DON'T BE DECEIVED BY BROKER JOKERS**

Sometimes genuine clients with real money don't find us - - or if they hear about us from one of our intermediaries, they aren't given correct information - - and so they go away. That is a tragedy.

On the other hand, sometimes they go away, not because one of us has misinformed them, but because they were misinformed by other brokers, representing other schemes. Unfortunately, the majority of would-be intermediaries out there are not connected with real platforms with real performing programs. They think they are - - but their “connection” is only another broker - - who may be claiming to be the source.

From these phonies, investors hear rumors like the following:

**Rumor:** You can pay a small amount to lease a BG and enter it into a trading program.

**Fact:** Legitimate platforms only allow owned instruments; not leased. Or if it is leased, the signed permission of the owner is required to put it into trade.

**Rumor:** You can get into a “funds don't move” platform with small cap money.

**Fact:** “Funds don't move” programs are only available at 100M+. (However, at least one program does exist with a minimum entry of € 1M in which funds do have to move, but only to a new non-depletion account in his own name and control at a top bank in Europe.)

A common problem in the BIIP industry is that for every genuine platform that is truly performing, and where no client ever loses any money, there are a thousand others that are rumored to exist - - but don't exist at all.

These rumors are spread by brokers who don't have direct connection with a genuine trading platform. They only have connection with other intermediaries, many of whom claim to be the platform. Their motive for exaggerating is often to attract the real money, and then hope to place it successfully somewhere.

When one broker successfully copies information heard from another broker, it gets passed to another broker, and then another and another. That is called a “daisy chain”. It is a sad fact that the majority of brokers out there are like this. They have never had direct contact with a genuine and performing platform. They only think they do, but they have never verified it.

Then when genuine investors produce real POF (Proof of Funds), the broker sends it up the line, and it ends up getting circulated through dozens of people, ending nowhere. It never leads to a genuine deal. In some unfortunate cases, it ends up in the hands of a scamster. But more often, it just generates a lot of busy activity among a lot of people, and delivers no joy to the investor or anyone. Just frustration and disappointment.

This has made a bad name for the industry. It is a symptom of the fact that the industry must remain private. Otherwise, it could widely broadcast the truth about the situation to the general public. In the vacuum, in the absence of the truth being widely broadcast, it is understandable that the field would be rife with false rumors.

## **WHY DO BANKS ISSUE MTNs?**

Banks issue MTNs because they can leverage the funds 10:1 and loan it out at interest for 10 years, turning a hefty profit. Below is an illustrative example...

- 1: Full Face Value of MTN Issue (FFV): 10 Billion Euro
- 2: Sell at 58% of Face Value: 5.8 Billion Euro
- 3: Coupon value at 7.5% per annum: 7.5 Billion Euro
- 4: Liability (Point 2 – {1+3}): 11.7 Billion Euro
- 5: Leverage at 10:1: 58 Billion Euro
- 6: Interest by bank at 3% per annum on Point 5: 17.4 Billion Euro
- 7: Profit made by Bank (Point 4+6): 5.7 Billion Euro

## **COSTS**

The Asset Provider is not required to make any upfront fee payments.

Typical Platform fees would be around 10% (lawyers and attorneys) and are paid from the profit disbursement from that tranche. (See Q & A for an example profit disbursement)

Because these are International Fiduciary Trades, made by invitation only, under strict non-solicitation rules, it is customary to have facilitating intermediaries involved in the introduction. Those intermediaries are compensated with a small referral fee of 5%, usually paid out of the trading profits by the Paymaster, before net profits are distributed to the Asset Provider.

It is also possible that the person who introduced you to these programs may have humanitarian projects or life-supporting businesses that they wish to fund. In these cases, a percentage profit-share from your returns can be negotiated for this purpose, prior to introductions being made. Since returns are so high and are unattainable in any other managed investment, especially at zero risk, a share of somewhere in the region of 30% to 50% is usually agreed upon, but this is a private negotiation between the investor and introducer.

It is important for you to know that the platforms strictly **do not** allow pre-arranged side agreements for profit sharing with outside parties. This type of agreement is therefore best conducted within a single entity, such as a trust or corporation.

This way, the trust or corporation is the 'single client' applying for the platform trading account, with you and your profit-sharing introducer as co-signatories on the entity. The platform is then only responsible for paying out to this single entity and can do the necessary KYC checks on both parties.

Once the entity is paid, then you and your partner can distribute the proceeds internally, according to your mutual agreement.

## **HOW TO PROTECT YOURSELF IN PPP PROGRAMS**

Private Placement Platform Programs (PPPs) are one of the most misunderstood of all the Alternative Investments. Due to the enormous amount of misleading, false and fake information floating around the internet, as well as the fact there are very few published sources of quality information, we have created a quick and simple guide that will allow you, in seconds, to differentiate a legitimate Private Placement Program from a scam.

Every scam needs a mechanism to move money from the client into the scammer's pocket. If that mechanism is not present, then the scam, by definition, cannot work.

There are two main mechanisms scammers use in PPP scams that are not present in legitimate deals. The reason they use these two approaches is because it is the only way for them to gain access to a client's money in the deal. In the vast majority of cases, articles and stories where people tell you about scams, one of these two

mechanisms is always present. It is, in fact, the only thing that allows the scam to work.

1) Up-front fees: Traditional Legitimate Private Placements DO NOT have Up-Front Processing Fees. This is a simple little money transfer mechanism that gets you to pay money for services you're never going to receive.

2) 3<sup>rd</sup> Party Accounts: This is the most predominant scam technique in the industry. It is a way for scammers to gain access to large amounts of funds, by having the investor move the funds to a less secure 3<sup>rd</sup> party or 3<sup>rd</sup> party escrow account where they can easily access and steal it.

In a Traditional Private Placement Program, the money stays in your own AAA Rated Top-Tier Bank Account, in your name. In most cases it is held in place by the Bank itself for the duration of the trade program. No one else has access to the funds, ever. The trade contracts are done with the banks, on bank letter head with full-banking responsibility, and these contracts have verifiable bank serial numbers so that your banker can do bank-to-bank verification for you.

There are also very strict Non-Solicitation Laws enforced for these, per International Banking Law. Seeing any type of advertising for these services online, or sharing program details on a website, a blog or video, is a breach of those solicitation laws and is highly illegal. This is one of the easiest ways to spot the scams immediately.

Now let's talk about Legitimate Private Placement Programs. These are done by word-of-mouth only, through intermediaries with pre-existing relationships, generally by people with very substantial and easily verifiable credentials. In presenting this information to potential clients, they are staking the reputation that many of them worked a lifetime to establish. So that is a good starting point to the fact that the Program they are discussing with you is legitimate.

Next, since there are NO upfront fees and the money never leaves the client's AAA Rated bank account, you have to ask yourself in a Properly Structured deal, "If the money is in my Bank Account, and there are no upfront fees, no third-party accounts, and there are verifiable Bank Contracts, if you were a scammer, how exactly would you make any money doing this?" Of course, the answer is that you wouldn't.

Since the contracts are with AAA Rated Banks, the Investor Client is covered by the same protections that govern the bank. This means that if there is a problem with the contract, the bank can be held liable under the law and potentially lose their banking license.

Next, there are Insurance Wraps from AAA rated Insurance firms, like Lloyd's of London, in the 100s of millions of dollars available, both for personal protection on these deals and to wrap hard assets for the trades themselves. The fact a AAA rated Insurance company would do business with a bank trade desk risking money on a daily basis in these amounts is a pretty solid indication you have found a legitimate bank trade desk.

The hang-up that most Investor Clients have is that the Bank requires anti-money laundering (AML) Compliance and a thorough Background check before a potential investor can be introduced to the little-known bank departments that handle these. You may only have 20 people in the entire network of the bank that know these departments even exist. One of the main reasons for this is that the banks want their employees, including upper management, doing their regular jobs instead of chasing down clients for Managed Buy/Sell programs, earning millions in intermediary fees and quitting or retiring.

The banks themselves can lose their license if caught talking to criminals about these programs. Therefore, true due diligence and complete transparency with the bank and all parties involved can only be achieved after AML compliance documents have been submitted and reviewed.

This report is the extent of the due diligence that can be achieved beforehand. After passing compliance, however, thorough due diligence is very easy. Unfortunately, because of the numerous scams you can now easily spot, nearly every Private Placement Program gets written-off as a scam and many people miss what is truly one of the safest and most profitable Alternative Investments in existence, when structured properly.

The bottom line is that every investment class has numerous scams as well as fantastic opportunities. Being educated in how the scams work is your best protection if you wish to enjoy the benefits of the working with legitimate bank trade desks that have been quietly doing business for decades.



# Questions and Answers

## QUESTIONS AND ANSWERS

**Q:** I know it says there is no risk, however, the investors are providing sensitive information about themselves and their accounts. Is there any risk of identity fraud? Who actually sees the information that they provide?

**A:** This is a good question and is one that some others have asked. It is appreciated that less professional brokers of PPPs have been known to shop investor paperwork around, looking for acceptance at a platform. Then the investor starts receiving calls from unknown parties who have received his private information. Naturally this would be very unsettling. Thus, please consider the following points.

1 The first thing to realize is that absolute privacy is already nonexistent, before even coming to us. Credit data on just about everyone who has a credit history is already available on the underground dark net. Intelligence agencies already have everything about everyone in real time. Any money of any significant size is already showing on screens, along with everything about its owner.

2 Reputable consultants do not shop investor KYC forms. They submit them only and exclusively to the one place where they belong: the trade desk.

3 The most sensitive information is not requested in the initial intake documents. That is only requested later, after the contract is signed, and it only goes directly to the trader. It is never needed by the compliance officer or the intermediaries.

4 Most owners of substantial capital, such as \$10 million or more, know that they should never deposit it at the ordinary street retail level of a bank, facilitated by the lowest paid bank clerks. That raises some small risk of fraud and attempted theft by such employees. Rather, most high net worth owners of capital do their banking at higher levels of the institution, typically called private banking, where much greater security is routine.

In the PPPs, since the cash deposit or BI is required to be with a top 25 bank, there is nominal Financial Institution risk. These trade programs only occur among top 25 banks with AAA credit ratings, which is better than the US Federal Government, and the US Treasury is considered to be the “risk-free rate”. In addition, our recommended PPPs ONLY operate on Tier 1 platforms - - meaning we deal directly and only with the ‘highest of the high’ level traders. Not only are they of the highest integrity, but they also have the greatest proven credibility and reputation in the industry. They stand to gain endlessly more success by continuing to honor their client’s rights, and they have the most to lose by not doing so.

6 It is suggested to obtain and use a Protonmail email address. Protonmail has the most invulnerable email encryption in the world and protects email attachments as well, but only if the email is between one Protonmail user and another. The link to obtain your own account is <https://protonmail.ch/invite>.

Q: Have you seen one of these investments completed?

A: In a word, yes. References of satisfied customers are not allowed due to the privacy, confidentiality, and nondisclosure, but we have been seeing successful completions of these program payouts since the 1990s, including currently and presently. So YES, clients are currently getting paid and the cash is flowing.

Q: Can you please clarify the difference between Bullet Trade and 40 Week trade?

A: A bullet trade is a lump sum payment, one time. A 40-week trade goes for 40 weeks and is usually paid weekly or biweekly. Bullet trades only become available a few times per year. Some pay in 24 hours; some pay in 10 days, and some have a 40-week contract that go with them. Meaning, that it may pay a lump sum payment in a few days or week, after which the proceeds can be added to the capital committed to the program for a 40-week contract. Keep in mind that the details of deals change every week, so it is impossible to predict in advance exactly what kind of deal your investors will get. Generally, the larger the investor’s capital, the more choices he/she will be given.

Q: It says “Qualifying Banks: Top rated international bank preferred”. Is there a site I can reference for a list of preferred banks?

A: Yes. There is a list of acceptable banks at this link:  
<https://risk.lexisnexis.com/insights-resources/article/bank-rankings-top-banks-in-the-world>

Q: Once everything is set up and executed, how long before the Investor will start seeing distribution deposits?

A: It varies from account to account. If the investor put in \$100M or more, it can be pretty quick, like within one week. If he is putting in less than \$100M, it is generally under one month.

Q: Is it possible to bring multiple people together (via a LLC, Inc, etc...) to create the \$1M+ minimum needed to participate? Advice on how to do so, if possible?

A: The possibility of this is more answered on your side than on the trading team's side. The reason for this is that no, the trade programs do not allow pools. They also do not allow borrowed funds. So a group of investors could be assembled and their funds could be pooled in an LLC or corporation, but it would be illegal to inform them that their money is going into a BIIP. It would be illegal to advertise it. It would be illegal to tell them that their principal capital is guaranteed or that the returns are guaranteed. This is because the trade platform does not accept pools and will not be responsible to multiple parties. Therefore, what investor would put up any money under conditions like that? "We can't tell you what your money is being invested in, and we can't promise any guarantees on it." Nobody would be interested in a deal like that. One LLC director or corporate president can serve as the signatory on the funds in that corporation, but remember, the trade platform requires proof of history of funds - - where the funds came from. If it is revealed that the funds came from smaller contributors who are expecting a return, the fund will be rejected. Only a single lump sum of capital controlled by a single signatory, or maximum two signatories, is permitted.

Q: It mentions under "Terms" there is an attached spreadsheet. I did not see one, can you please resend.

A: That's because the table in the spreadsheet was converted to a chart and was included in the text herein, inter alia.

Q: After you enter a 40-week trade, can the investor stop it and pull all money if need to, OR is it "once it starts there is no stopping until 40 weeks"?

A: Yes, the investor can stop at any time. He can remove his capital at any time. If he does, of course the returns will stop and most likely he will never be invited again in the future to participate, unless he had a really good reason for terminating, such as some kind of major disaster beyond his control, creating an emergency that merited the urgent need for the funds.

Q: May Russian citizens participate? If yes, may they keep money in a Russian bank?

A: Russians may participate, and if they have over 100M in Sberbank, there is a platform that can work with that. We've never heard of any other Russian banks being accepted, though.

Q: Are there any countries where their citizens are excluded?

A: North Korea and Iran are excluded from participating in these trade programs, as are their citizens.

Q: I understand that the investor could be either a company or an individual. Are there any requirements to the company?

A: The company can be a C-Corp or LLC or Trust or Foundation . . . as long as they have a Board Resolution appointing the signatory on the bank account to represent the company, as worded in the Corporate KYC template, that is fine.

Q: How much in commissions do intermediaries receive?

A: Typically intermediaries receive a total of 5%, which is split between them. Intermediary fees are usually paid out of the gross trade proceeds, **not** the client's net, depending on the terms agreed for that specific program. On large cap deals, the percentage is lower.

Q: Is there any agreement, which we will be signing between us and/or my associates or any other documents as far as an Intermediary is concerned?

A: Intermediaries get signed into the deal that the investor-client agrees to with the trading team. First the intermediary makes the introduction and lets the client submit his KYC intake documents. Then if he is approved and invited, all intermediaries will be brought into the documentation at that point.

Q: Who might the Master Commitment Holders be, for example, if known?

A: Some other client with 500M+ invested.

Q: Who might the Commitment Holders be, for example, if known?

A: Some other clients with 100M+ Invested

Q: What number is the Client/Investor in the order of payment?

A: Typically trading occurs Mondays through Thursdays. They adjudicate on Friday, and the Transaction Paymaster pays everyone at the same time.

Q: What is the secondary market?

A: <https://www.investopedia.com/terms/s/secondarymarket.asp>

The secondary market is the public market. For stocks in the USA, that's the NYSE, and companies have to IPO onto the NYSE. For Medium Term Notes, Euroclear lists the MTN in the secondary (public) market.

Q: Is the secondary market such as 401-K funds, mutual funds, organization funds, Insurance Investment funds, or other (please specify)?

A: Anybody with enough money can buy MTNs listed on Euroclear.

Q: Can an intermediary be a trust, or must it be an individual with the commissions paid to his trust?

A: An individual, trust, or corporate entity is fine.

Q: What restrictions or requirements are placed on the Intermediaries?

A: Intermediaries are not part of the NDA nor the Contract / Investment Agreement and as such are not supposed to know the details of the contract, but if they do, they're still not supposed to disclose it. An intermediary can discreetly show payment of their intermediary fee, since they are not part of the NDA, but they cannot disclose the name of the Platform nor the name of the Client/Investor.

Q: Would you be able to provide an example of the distribution of a possible tranche?

A: Master Commitment Holders and Commitment Holders are Investor/Clients. If trading is on a 'best efforts' basis, then the Platform/Trader usually splits the GROSS trading profits with the Investor/Client 50/50, then the Investor/Client pays any fees out of their gross 50%. Total distribution of profit per tranche: 50% to Platform/Trader, 50% to Investor/Client. Of the 50% GROSS to Investor/Client, the Investor/Client NETs 85% of that (85% NET), because of the typical fees of 10% PPA for Platform Fees (bankers and attorneys), and 5% to Intermediaries. However, when the Investment Agreement lists a contractual return, the Platform/Trader just pays the Investor/Client the stipulated amount and keeps the rest, regardless of what the Gross

trading profits per tranche were, and then the Investor/Client pays the 10% PPA and 5% intermediary fee as usual.

Q: Is the intermediary's commission percentage based upon the total of the trade, for example 5%?

A: It is based on whatever the profit payout to the investor client is. If it is a standard 40-week trade contract, the intermediary commissions are usually paid directly by the platform, especially in large cap deals.

Q: My understanding is that Banks and traders are not allowed to trade their own funds. So how can the bank be a party to such contractual agreement?"

A: Included in the agreement is the ability of the bank to monitor the client's balance to make sure that the client has not moved the principal capital that he has promised to leave in the account during the term of the contract. As you know, this does not give the bank access to the funds, but it does give the bank access to the information about how much is in the account - - and whether the principal that the client agreed to leave in there is still there.

This has traditionally been accomplished via the so-called "tear sheet" - - a term from the old days when paper used to be written on. Today, of course it is all done by computers. More recently, our currently favored compounding trade program, which is available for all levels of investors from €1M up, does not use the tear sheet method. Instead, it monitors the client's balance internally; but whatever the method, the end result is the same. The traders must be able to see that the client's principal is still there. That is what is meant by "it can be verified on bank to bank basis by the client's banker".

Q: How can the bank be liable for non-performance?

A: In the favored programs, non-performance has never happened. If non-performance were to happen within an agreed-upon span of time, then the contract stipulates that the client is released from the contract and it is terminated. Although this provision is in any good trading contract, it has never been triggered in the favored programs, fortunately.

This means the worst case scenario might be a waste of some time . . . a few weeks, a month, etc., waiting for the performance, and then the termination of the contract if performance doesn't happen. But as stated inter alia, this has never happened with the platforms of choice.

Q: Can a hard asset be used in place of cash? Let's say the hard asset is a private residence valued at \$1 million+. Could this be done and if so, what would the procedures be and the approximate LTV for the credit line.

A: No BIIP platform on the planet accepts anything but cash in USD or EUR, or in a few cases, GBP. Administrators who say they accept other things are not the actual platform admin. Rather, they have outside arrangements with monetizers, who then connect the line of credit with the platform.

All investors who have assets in other forms must liquidate those assets first. Borrowed capital is acceptable if it does not have a lien or encumbrance against it. This rules-out mortgages. It is rare for anyone to have borrowed capital of the size required for the platforms that is free and clear of any liens or encumbrances.

Thus for someone who has real estate and that is their only source of cash, they would have no choice but to sell the real estate and then place the cash proceeds into the platform. With unsurpassed returns and zero risk, the BIIPs available through the platforms are by far the best investments in the world. The price one has to pay to get into them is to come up with the required level of cash - - clean, unencumbered, free and clear, of non-criminal origin - - and a nice, respectful, cooperative attitude.

Related Question: If a prospective client has real estate, can a trade desk issue credit against that for trading, especially if the real estate is free and clear?

Answer: It makes no difference to the trade platform. They're not concerned with the collateral. Only the lender is. If it is free and clear and someone takes out a loan against it, the lender will be happy that he will have the only lien position on the property. And he can loan more against the equity if the equity is 100%.

But as to the trading platform, that is irrelevant. To help you understand this clearly, remember that investor funds are never traded. Only lines of credit are traded. Credit cannot be issued against credit. See? If it is a mortgage, as in a loan from a bank or a public financial institution, then it is registered in the banking system as credit against the real estate. Credit cannot be issued against credit. Credit can only be issued against an asset - - such as free and clear cash, or real estate equity, etc.

And, the trade desks have elected not to get into monetizing real estate. That in itself is a huge, complicated business that requires lots of expertise, licenses, regulations, etc. That's why whole financial institutions are dedicated to it. BIIP traders are usually small teams. They command huge amounts of money, but they are small numbers of people. And they are private, as you know. They do not operate in the public sector like institutional lenders do. That is why private placement platforms don't get into

monetizing and making loans. The client has to come with cash, or a cash-backed bank instrument. Then the trader's bank can issue credit against the cash, or against a cash-backed bank instrument, but nothing else.

Now if the owner of the real estate has a friend, a family member, or some business contact who is willing to issue a private loan, not as a financial institution and not as a bank, but as a private lender, where the money will simply show up in the borrower's account as if it is his - - and if it doesn't show up on the radar of the banking system - - then it is considered to be real money by the trade desk. They can issue their credit against it for trading. See? The private lender can record a lien against the real estate at the county recorder, as a security on his loan, but it's still okay - - because it's not a bank loan or a financial institution loan showing up in the interbank computer system. That is acceptable to PPP trade desks. I hope this clarifies.

Q: May a public company be a client for PPP? Would it not be considered collecting money from many people?

A: The public company can be a client for a PPP, yes, but the CEO and/or executive management empowered as signatories for the corporation would be under a nondisclosure agreement. In fact, all clients of any kind from anywhere, with any kind of organization, or as individuals, are all under nondisclosure about it.

This means a public company must not disclose exactly from where the new money has come. All they can say are vague sources like "investments", "banking", "consulting", "sales profits", or things like that. It is not allowed to say "bank instruments platform", because it is not a public market. It is a private market, and it wants its existence kept quiet.

Further, the executive management of the company need not get the permission of the shareholders before placing funds in the platform. The executive management have the discretion to use company funds for investment in whatever they feel will benefit the company. Of course, they are held responsible for the results, but if the company profits from their actions, no one will complain.

A story will illustrate this. Chrysler corporation was failing and heading towards bankruptcy in 1979. The CEO at that time, Lee Iacocca, secured \$1.5 billion in government loan guarantees. But that was not enough to turn Chrysler around quickly. How were the loans to be repaid?

Miraculously, in just a year or so, everyone was like, "Wow! How did you do it?" Article after article was published marveling on how it was done.

Iacocca wrote in his book two words which gave the hint about what he did. He said he was able to turn Chrysler around and repay the loans by investing in “banking programs”. He almost blew the lid on it. Back then, nondisclosure agreements were not as strict as they are today. But this gives you an example of how a public company was able to participate in a PPP and benefit the world thereby.

Q: The same question exists for a private company. May it be a client for the PPP if it has several investors?

A: Investing pools made up of multiple smaller investors are not allowed in the platforms. Therefore the company must apply as a single entity, with one or two authorized signatories. Just like with the public company, those signatories are not allowed to spill the beans about exactly what they are investing in, and how they are profiting so handsomely. If they do, they will be removed immediately from the program and will be blacklisted from ever participating again, in ANY BIIP worldwide.

Q: Does a company have to be long established, or can a new company be a client in a PPP?

A: When it comes to the likelihood of acceptance to the bank instruments trading platform, being new or long established doesn't matter. What matters for getting accepted are things like:

- ❖ Do they have the sufficient capital?
- ❖ Is the capital liquid and unencumbered?
- ❖ Does the capital's history of derivation indicate that it is clean, clear, and of non-criminal origin?
- ❖ Is the owner or authorized signatory clean or blacklisted?

All of these things will be determined quickly by the platform's compliance officers as soon as the client has submitted the KYC and POF file. How long the company has been in business is of no concern to them.

Q: Do any platforms accept bonds for trade? I have one potential client with 1 Billion in Sovereign Bonds. I have another potential client who has a 350M USD corporate bond.

A: The answer is yes and no. We will start with the “no”, so the “yes” will be more clear.

Please understand that no legitimate and authentic working and performing bank instruments trading platform on the planet accepts anything but cash USD or cash EUR. No other assets. When we say “cash”, of course we don't mean physical currency. We

simply mean United States Dollars in a bank account, or Euro Dollars in a bank account. No real estate, no gold, no oil, no SBLCs, no BGs, no bonds, no non-cash assets, and not even Swiss Francs or Japanese Yen.

They only work with USD or EUR. Period. That's it. 100%. That's the ONLY thing they accept. Cash is king. Please keep that in mind. Anyone who tells you otherwise is telling you a story. Of course if the client has capital in a major currency that is traded on the Forex, other than USD or EUR, the platform might accept it, but only because it is instantly convertible to USD or EUR. The trades are only conducted in USD or EUR.

But the "yes" is coming from collaborations with monetizers that are not the same as, but that are connected with, the platforms. Nevertheless, our question to the owners of the bonds is, why don't you just sell them and put the cash into a BIIP PPP? You're going to make a whole lot more money doing that than holding on to them. It is slower and more complicated to monetize them.

As often happens, a lot of stuff gets presented to platform consultants because the purveyors have something worthless that they couldn't get value from anywhere else. Their bonds are so exotic, or their other instruments are so questionable, that no bank will touch them and no legitimate monetizer or platform will touch them either. So they go shopping it around. It wastes a lot of time. If the owner could get their instrument monetized successfully, that means he or she could also get it outright sold. And if he can't sell it, then it may be unlikely he could get a line of credit against it either.

Nevertheless, there are several genuine and major sources for monetization of assets. Their minimum value for consideration is 150M. It cannot be known whether the actual instruments qualify until they are analyzed. But at least if the appraised value of the asset is at least \$150M USD, it can be considered.

Naturally lots of questions would arise. For example, on the sovereign bonds, how old? How recent? And which country? Monetizers consider all these things and more.

Q: Can leased bank instruments be placed into trade?

A: Previously we have written that BGs, MTNs, and SBLCs that are leased are not permitted for entry into BIIPs on the PPPs. However, further discussions have illustrated the need to unpack that concept and bring it more into focus.

Leased instruments cannot be placed into trading if the signatory on it is the lessee. It would be great to find a way for that to happen, however the ledger cannot be transferred therefore it cannot be blocked and traded. Alternatively, if the asset holder (the entity holding the actual cash) is willing to issue an instrument without any liens

or encumbrances and have the client become the beneficiary, then there could be an opportunity.

A leased Instrument can be traded, but 95% of the time it isn't, because the owner will not issue a block 760, 799 or even a MT542. It is usually leased for credit enhancement only. Unless the asset holder will join in the trade with the client (lessee), then they will not release or block the instrument for the use in a trade.



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**TYPICAL PRIVATE PLACEMENT**  
**PROGRAMS**

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**Example of typical historical program parameters**

BY INVITATION ONLY:

AAA-1 PPPs, 500m MINIMUM INCLUDING UNLIMITED HERITAGE FUNDS. WE USE OUR OWN FUNDS TO BLOCK THE TRANSACTION. THE CLIENT'S FUNDS ARE NEVER AT RISK.

WE PROVIDE A 5 YEAR CONTRACT.

WE OFFER 8 DIFFERENT PLATFORMS.

The ideal customer is any organization (pension funds, trust funds) or individual looking to enter into Private Placement Programs, or to monetize bank instruments.

Examples include MTNs, BGs, or SBLCs, then providing a PPP opportunity.

We trade all of the Heritage Funds for all of the elders in all of the banks except HSBC, Hong Kong. The Chinese Government trades all of the Heritage Funds in that bank.

500m minimum BGs / SBLCs ARE AVAILABLE FROM TOP 5 BANKS. FC/SS MTNs COMING SOON.

WE ARE OUR OWN CUTTING HOUSE FOR ALL OF THE PAPER WE PROVIDE. WE CAN ALSO MONETISE AND TRADE if you have already been issued BG/SBLC FROM A BANK.

An example of one contract we have had is for the purchase of a BG/SBLC. This has been a private opportunity only. The price has been sixty seven percent (67%) of the face value (65 + 2).

We will Issue the 799/ 760 first and after the 799/760 is received by the client's bank, the payment will be due. The issue will be from one of the top 25 banks. The client must have the funds to purchase in the bank, as it will be verified during the due-diligence process.

The funds should be in the account that will be receiving the SBLC/ and or BG(s).

The paper is issued in tranches of 500M each.

Note: The BG/ SBLC will be issued in the client's name. The client will have the opportunity when he/she performs to continue to purchase up to 2B with rolls and extensions.

The BG will be issued in the client's name and it will be discounted and priced at sixty seven percent (67%) of the face value. The proceeds may be placed, if the client wishes, for participation in the Financial Opportunity that will be presented. A 67% LTV non-recourse loan will be given to the client.

ALL DOCUMENTS CAN ONLY BE SIGNED BY THE ACCOUNT HOLDER/ SIGNATORY/ OWNER OF THE FUNDS.

The client can use his/ her funds in any way that they choose as the agreement does not have a restriction that dictates the funds being used for projects.

The client will complete the necessary contracts prior to the 799/760 being sent.

Also the client will have to send to us a physical RWA (Ready Willing and Able). In this transaction we move first. At the end of the term of one year the paper is returned to the issuer.

If the client wants to proceed, we will need a CIS/ KYC completed and banking details to hold this position.

To start the process, only send us a CIS. Then we will send our KYC to the client. If there is any hesitation of not wanting to send us an up-to-date KYC, we will reject the client's request for any of our services.

Once we receive the KYC and all other specific documents we can proceed. The process for approval takes approximately 72 hours. Within that time period the client will receive a number of documents from us that will need to be signed and returned. Those documents will be NCND,

Fee Agreement etc. We cannot complete any of those without client details. Thank you for taking the time to contact us and we are looking forward to being of service to you and your clients.

**DOCUMENTS CLIENT CAN EXPECT TO RECEIVE FROM US**

KYC, fee agreement, JV agreement, etc. These standard documents will be sent to the client. If you have presently a CIS or a KYC then you may send that and we will have our office to complete those on our forms and send our documents to the client to be signed.

Only the signatory of the account (Account Holder) can go into contract with us.

THE CLIENT SHOULD KNOW THAT THEY CANNOT REMOVE ANY PAGES NOR CHANGE ANY WORDING IN THE KYC. ALSO SHOULD BE SIGNED IN BLUE INK AND RETURNED TO CUTTING HOUSE BY THE CLIENT DIRECTLY FROM THE CLIENT'S EMAIL WITHOUT TRAIL OR CC/BCC.

Note: If the client has a KYC already prepared, we will accept that and transfer the information onto our KYC and other documents to be endorsed by the client.

Once engaged, the paperwork will need to be endorsed, notarized, etc. and returned within 24 to 48 hours.

Once we have received all documents, a master contract will then be sent to the client for final signature, etc. and that contract should be returned. At the end of one year the BG/SBLC will be returned to the issuer unless otherwise requested to continue or renew. Thank you.

**Note: Programs come and go every month. Refer to the document "Current Programs" to find out what is available this month. The link to "Current Programs" is:**

<https://bic-3.s3-us-west-1.amazonaws.com/CurrentPrograms.pdf>

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