

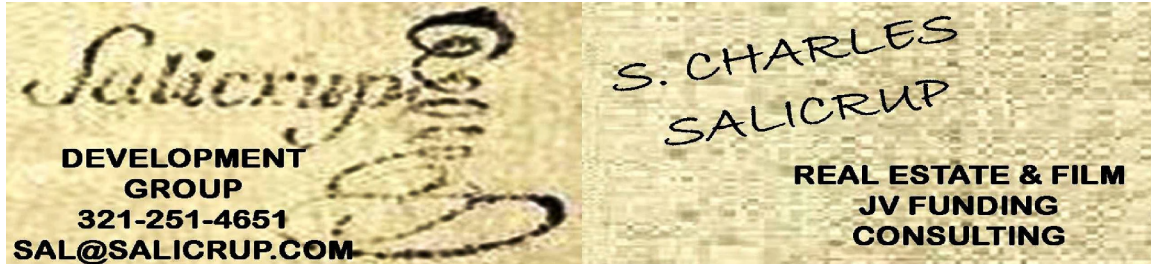
LOAN PAYMENT GUARANTEE PROGRAM

PROCEDURES

Please review the below summary and sample document.

If you have any questions, or would like an application to get started, please contact us

at:



**The Program can assist funding for Qualified Projects
That meets the following criteria:**

Asset-worthy, financially- Economically viable

Has capable management, and is of a worthwhile value

The Loan Payment Guarantee Program will consider projects submitted for a funding minimum of \$5 million and a maximum of \$5 billion. The International Bank Group functions as a Guarantor that will consider issuing a One-year Financial Guarantee for 106% (includes interest of 6% per annum) of the amount of the loan made to the Client by the Client's Lending Bank. **In addition to guaranteeing the loan, the Guarantor will pay off the Client's loan at the end of one year without further obligation or debt on the part of the Client.**

Financing fees will be added to the principal amount of the loan and will also be paid off as part of loan payment. **THERE ARE NO UPFRONT FEES, APPLICATION FEES, OR ADVANCE FEES OF ANY KIND.**

The procedure for qualifying for the financial resource is as follows:

- 1. Client submits a loan request to its own bank for a one year loan that will be paid off by a Guarantor at the end of the year.**
- 2. Client submits a signed Confidentiality Agreement and a brief executive summary of the project and the capitalization needs to Group with a letter requesting that we consider their project.**
- 3. Our Group will review the project summary to determine the project's qualification for consideration under the Loan Payment Guarantee Program. If it is determined to be an eligible project, we will present a Financial Services Plan for the prospective Client to consider.**
- 4. The Financial Services Plan presented to the prospective Client will include the following items for projects that have been reviewed by the Group:**

- Description of the Loan Payment Guarantee Program
 - Summary of Requirements for transacting the financing
5. Client requests a Conditional Commitment Letter from its bank addressed to the client that agrees to make the loan if the bank receives an acceptable payment guarantee from an A rated bank.
 6. Guarantor's representative meets with the lending bank to finalize details of the Guarantee.

EXAMPLE OF A \$10M LOAN PAYMENT GUARANTEE TRANSACTION

Assumptions: The Client needs funding of \$10,000,000 for its project.

After Client submits its funding request to its own Lending Bank, Client submits Confidentiality Agreement, Request for Services letter and brief Executive Summary of the project with summary of funding needs to Group for review.

We will present a Financial Services Plan for capitalization of the Client's approved project as follows:

- 1) Client is to present one year loan request of \$11,500,000 to its bank for consideration.
- 2) The Lending Bank reviews the project and if satisfied with the viability of the project submits a Conditional Commitment Letter addressed to the prospective Borrower stating that the Lending Bank has reviewed the project and will make the loan, subject to the Bank receiving an Acceptable Financial Guarantee. This letter is conditional (not a final commitment).
- 3) A representative for the International Bank Group will meet with the Lending Bank and make available all the due diligence required to the Lending Bank on a bank-to-bank basis. The Lending Bank determines the terms and conditions of the Loan and Bank Guarantee.
- 4) The International Bank Group's bank (a major bank) will issue a One-year Irrevocable Bank Guarantee that has been accepted by the Lending Bank.
- 5) The Lending Bank will fund the Borrower-Client's loan and transfer the loan funds to the Guarantor's bank for disbursement to the Client pursuant to a draw schedule.
- 6) The Guarantor (International Bank Group) will pay off the loan plus 6% interest at the end of one year and one day.

STRUCTURE OF THE ONE-YEAR LOAN PAYMENT GUARANTEE

Amount of Loan from Lending Bank:	\$ 11,500,000
Use of Loan Proceeds:	
Cash for Borrower-Client for Project funding	\$ 10,000,000
Financing Fees	\$ 1,500,000
Amount of Loan Payment Guarantee:	\$ 12,190,000
Principal Amount of Loan Repayment	\$ 11,500,000
Loan Interest for Lender @ 6%	\$ 690,000
<u>Pay off of Loan by Guarantor</u>	\$ 12,190,000
@ 1YR +1DAY	

**EXAMPLE OF THE BANK CONDITIONAL COMMITMENT LETTER
REQUIRED FROM YOUR LENDER**

[BANK LETTERHEAD]

Date:

[Your name]
[Your firm]
[address, telephone, fax, email]

Dear [your name]:

Having reviewed and evaluated [the property], subject to receiving a Guarantee supplied by a first class Bank acceptable to us for the purpose of the repayment of principal and interest, we shall extend to [your firm] a one year loan in the sum of \$ [MMM,000,000] – [MMM] Million USD [*] – for its ventures.

[*Minimum 5 Million, Maximum 5 Billion, USD]

It is understood that we shall receive and that we shall accept a confirmation only from a first class Bank, for the irrevocable transfer of the Guarantee, guaranteeing the repayment at maturity of the loan principal plus 6% for the interest, with a Certified Copy of the actual Guarantee, and that the original will be lodged and assigned on the Custodial Safekeeping Receipt, from a deposit account with the agreed top bank, to us.

The face value of the Guarantee must represent 106% of the loan advanced and must be payable, at maturity, in one year and one day from its date of issue.

Funds will be disbursed by our bank to the bank supplying the Guarantee (or to mutually consented coordinates) upon our authentication and identification of the guarantee offered to us.

Unless a Bank-to-Bank communication is received by us from the Bank that will supply the guarantee, this commitment will terminate on (approximately 90 international banking days from the date of the issue of this letter) at the end of the business day in New York, USA.

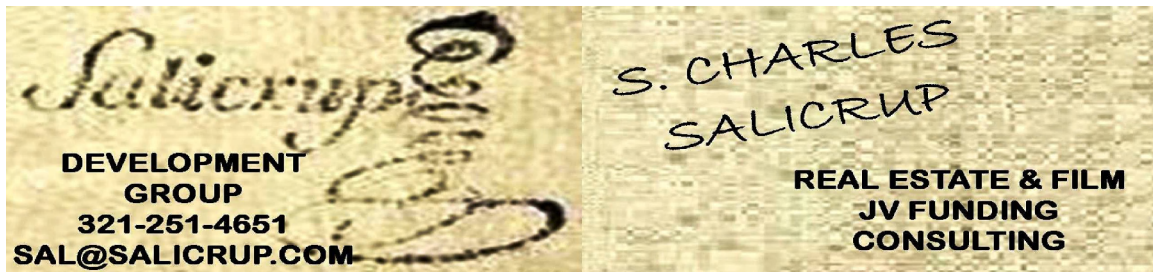
For verification of this communication and confirmation of our willingness to proceed with this loan offer, please request that the Bank that will supply the Guarantee make contact with:

Bank officer :
Phone No. :
Fax No. :
SWIFT ID :

Sincerely,

[TITLE OF BANK OFFICER]

[SEAL]



FAQ – LOAN GUARANTEE PROGRAM

1. What does the International Bank group get out of the deal?

The International Bank Group will leverage the loan funds for 10 days after funding date, so they can recoup their expenses from purchasing the Bank Guarantee and also collect their desired profits.

2. Does the Lending Bank take a first position in the Borrowers project (mortgage) for the one year period?

The Lending Bank does not take a first position on the project. The Lenders first position would be on the Bank Guarantee which is assigned to lender as beneficiary.

3. How much equity is required for the Borrower to put up?

Joint Venture Entity- 20% Equity

4. Is the Lending Bank's loan non-recourse?

It does not matter if the loan is non-recourse or otherwise because the Lender is able to cash out Bank Guarantee after 12 months and 1 day and completely recover their principal and interest.

5. What types of projects is the International Bank Group accepting?

The International Bank Group is accepting all projects above 5M.

6. The Sample Bank Conditional Commitment Letter states: "Funds will be disbursed by our bank to the bank supplying the Guarantee..." If this is the case how does the Borrower get the money for its project?

The Borrower will fill out in advance a draw down schedule with the Bank that is supplying the Bank Guarantee and will be able to draw down funds as of the 11th day after the original funding date.