

Karl Finance

CAPITAL GUARANTEED COMPOUNDED PRIVATE PLACEMENT PROGRAM

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Capital Requirement:	\$5,000,000+ (Initial offer period only then this will increase); \$1bn max
Historic Monthly Returns:	30-90% gross monthly return (Compounded); 15-45% net to the client
Target Min. Monthly Return:	15%+ Gross; 7.5% Net

WHY THIS PROGRAM IS DIFFERENT FROM THE OTHERS:

1. **Capital Guaranteed Program.** The client receives a US Treasury note for the total cash amount placed into escrow.
2. **Proof of Past Performance.** Affidavit from the platform attorney; view of bank statements once the principal amount is placed in escrow.

OVERVIEW

Karl Finance can now introduce its Family Office and High Net-Worth clients to this exceptional capital guarantee program that has delivered proven returns for the last year.

It is a Joint-Venture structure where the Client and the Trader share the proceeds equally. The Trader uses a multi-strategy approach that includes trading financial instruments, buy-sell programs, Treasuries, and algorithmic FX trades (using a proprietary algorithm). The platform will accept owned financial instruments for monetization and trade; and, of course, cash.

If cash is used to fund a trade contract, then the principal amount is protected by a US Treasury, issued by Morgan Stanley, in an amount equal to the placed capital. The Treasury is collaterally assigned to the investor vehicle so that there is no risk to the placed capital. The capital is placed within a US based escrow house. The minimum placement is \$5 Million USD but much larger sums are also accepted.

RETURNS, WITHDRAWALS and COMPOUNDING

Returns are paid every 4 weeks and can be reinvested (compounded), in whole or in part, at the discretion of each side of the Joint-Venture partnership (investor or trader). Neither party are obliged to keep returns for the benefit of compounding – though both obviously realise the benefit that may bring. Returns vary based on the amount of capital placed into the program. Historically over the last 9 months returns have varied between 30 to 90% per month; 15% is the targeted gross minimum return.

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PROCEDURES

1. Client provides short form KYC/CIS and POFs as well as a Letter of Intent and Authorisation to Verify (if appropriate).
2. Once the KYC and PoFs have been accepted the client receives the trade contract, escrow agreement and full paperwork on the capital guarantee as well as the fully call-able US Bond that supports the guarantee.
3. The client, if they wish, can meet with the platform team and traders – ideally in New York
4. The client once happy with the respective agreements enters into a joint venture/asset management agreement as well as an escrow agreement with the New York based law firm who will take the capital into their escrow account.
5. Once the cash funds have been received, the trade desk will collaterally assign a US Treasury in the amount of the placed capital and projected annual return. If a financial instrument is being used, receiving account coordinates will be provided after verification of the instrument (or of the client's ability to issue the instrument) has taken place.
6. The trade commences.
7. Each trade cycle is one month. Returns are disbursed at the end of each cycle. Submissions occur once a month for amounts under 100mn; twice a month for those with 100mn and above
8. Capital commitment is for one year, with an option to terminate if a distribution is not made in a timely fashion.

FEES FOR INTERMEDIARIES

To be discussed on confirmed interest