

**Business owners and project managers seeking capital and investors seeking a better means of enterprise participation will soon have a means of accomplishing their objectives**

**Members of the Royalty Entitlement Exchange (S) Ltd. (REX) will be able, as Managing Underwriters, to negotiate with companies and project managers the terms of Fair Revenue Participation Contract (FRPC) units.**

**These terms will include the amount of money to be paid by investors for an agreed percentage of the company's or project's revenues for an agreed period. The royalties will be collected and paid quarterly.**

**Additionally, the royalty entitlement issuer will agree with the Managing Underwriter as to assets which will be used to protect the interests of the royalty entitlement holders.**

**The premise of this patent pending process is that in many cases it is better for both capital providers and capital users to base their relationship on revenue participation rather than profits, as is the case when equity ownership is the basis.**

**Immediately after the closing of the underwriting the revenue participation contract units or royalties will be traded on the REX. The REX will be screen-based and operate internationally 24 hours a day, 7 days a week.**

**Though negotiation between company and project managers and REX members, acting as Managing Underwriters, the range of royalty or revenue participation purchased from the issuers is likely to be between 1% to 5% and the period of entitlement from 10 to 50 years.**

**The prices at which the Revenue Participation contract units trade on the REX will be a combination of factors based upon international investor's expectations for the issuer's revenue growth and investor comfort level regarding the sustainability of the issuer. Some of the contract units will trade at a premium over the easily calculable present value of anticipated royalties based upon current revenue levels, reflecting a belief revenues will increase, whereas some will trade at a discount, perhaps representing good value.**

**Pension and other income fund managers are likely to be interested in buying contract units and, in the case of some issuers, the issuers themselves will in the future logically be buyers of their own contract units, as a means of reducing expenses and therefore increasing their profits.**