

GLOBAL ALLIANCE INVESTMENT ASSOCIATION

FUNDING PROCEDURE

1. JVP applies for DEED for which the requirements are:
 - A. Current registration as a legal entity qualifying for a bank account
 - B. Executive Summary of Project or Feasibility Study
 - C. Access to acquisition of physical gold equal to 2.5 times line of credit needed for project
2. GAIA issues DEED equal to 2.5 times the amount needed to complete the project
3. JVP submits required project paperwork to Bank, including DEED as supplemental collateral
4. Bank adds the value of the completed project plus the amount of the DEED to its RESERVES, showing DEED as US Treasury debt
5. Based upon its new additional RESERVES, the Bank issues its own payment for gold equal to the face amount of the DEED; the gold is brought to its own (or to the central bank) vault and also shown as an addition to its RESERVES, this time as gold
6. The gold is divided into two equal portions, one for the JVP and one for GAIA. Lines-of-credit equal to 80% of the value of the Deed are issued to the JVP and GAIA, using the gold as collateral
7. When, if ever, the JVP draws its full line of credit, it will still leave 20% for the use of the Bank. GAIA intends to limit its draw to 20% of its gold, leaving 80% for the use of the Bank. Altogether, the Bank will have no more than half of the value of the gold at risk (and seldom that much) and will have the use of the other half upon which to make the more profitable unsecured loans
8. If the JVP's project succeeds and pays off its line of credit, the JVP owns its gold free and clear.
9. If the JVP's project fails, the Bank sells enough of the gold to pay off the loan and accrued interest, giving the balance to the JVP, which should not ever be less than 20% of the gold's value
10. If gold goes up in price, which is quite likely, the JVP might sell part of its gold to pay off its project, leaving the balance of the gold free and clear--or available for another project
11. Because the lines of credit are made in an environment of zero inflation and there is virtually no risk to the bank, there is little service expense and no concern about "salvage value" of the project, and so the interest, however little it might be, will prove to be profit for the Bank