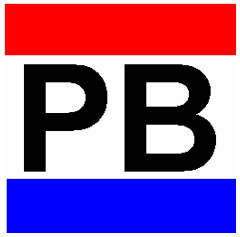


NoteWell Corporation

Trade Finance Software Products

NoteWell provides software to meet the needs of the trade finance and forfaiting industry.

PortoBene

PortoBene software is comprised of eight modules that can be purchased separately and provides capability for calculations, portfolio management, deposits and asset matching, and security from unauthorized use.

PortoBene allows for additional capability from add-ins to meet the unique requirements of a trade finance or forfaiting department.

PortoBene is described on pages 2-45.

PortoParts

PortoParts provides discount functions to software developers to speed development of proprietary forfaiting software.

PortoParts is described on pages 46 to 47.

NotaNet

NotaNet is a set of web page calculators, one for each type of discount transaction. Additional pages can be provided to fit unique business patterns.

Illustrative NotaNet web pages are described on pages 48-58.

PortoBene modules are available separately.

The modules are introduced on pages 2-6.

More details are provided on the five available modules in the following sections.

Deal (Calculations) Module	Pages 7-22
Portfolio Reports Module	Pages 23-34
Funding (Deposits) Module	Pages 35-36
Security Module	Pages 37-38
Add-ins Available	Pages 39-45

PortoBene structures, reports, and tracks discounted, negotiable debt instruments.

PORTOBENE serves discounters, traders, note buyers, issuers, and exporters.

In PortoBene, "notes" include:

Promissory notes

Bills of exchange

Trade or bank acceptances

Certificates of deposit

Zero coupon bonds

Drafts under Letters of Credit

PortoBene consists of eight modules that can be purchased separately.

Deal (Calculations)

Permits deal information to be recorded and sets of notes to be generated, modified, and analyzed.

Performs discount, interest, proceeds, payments and other calculations on discounted and interest bearing notes.

Produces 10 deal-level reports for printing or email.

Portfolio Reports

Prints 15 inventory, exposure, and marketing reports and summaries by portfolio.

Expands the information that can be recorded concerning a deal, groups deals into portfolios, maintains counterparty, currency and country data, and reports on exposures and events.

Funding (Deposits)

Records the liability (deposits) data for funding portfolios and reports on profitability.

Security

Restricts user access to any of five categories of functions.

Add-ins

Adds reports, screens, or calculations to support unique requirements of trade finance departments or to meet integration needs of treasury, accounting or other bank departments. Add-ins can provide data links to or from other departments.

PortoBene consists of eight modules that can be purchased separately continued...

Indications Records and reports prospective note purchases and sales and contacts.
Under development.

Offers Prepares term sheets and records and reports on offers to sell.
Under development.

Data Export Selectively extracts data and saves it in XLS, DBF, CSF, and columnar formats.
Under development. (Bulk extracts exist in the Deal Module)

PortoBene architecture is designed to:

Be intuitive and logical, requiring minimal effort on the part of the user.

PortoBene's screens are organized intuitively by function, not data, so that users can easily navigate, structure, analyze, or report on notes with infrequent need to refer to the User Guide.

PortoBene differentiates discounted from floating rate notes and presents appropriate calculation windows.

Provide open architecture.

PortoBene's open architecture provides data export to Excel, system, dbase, Acrobat, and delimited file formats.

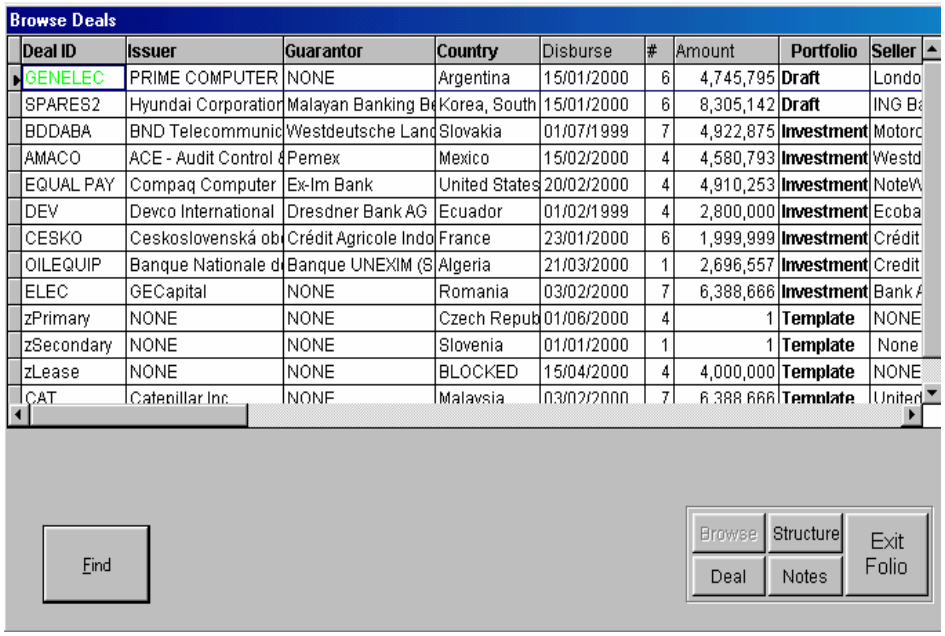
NoteWell publishes information for integration with other applications and systems within an organization.

The Deal Module creates and manipulates individual deals and their notes.

The Deal Module requires only four main screens for structuring, evaluating alternatives, editing and printing a set of notes or individual notes within the set.

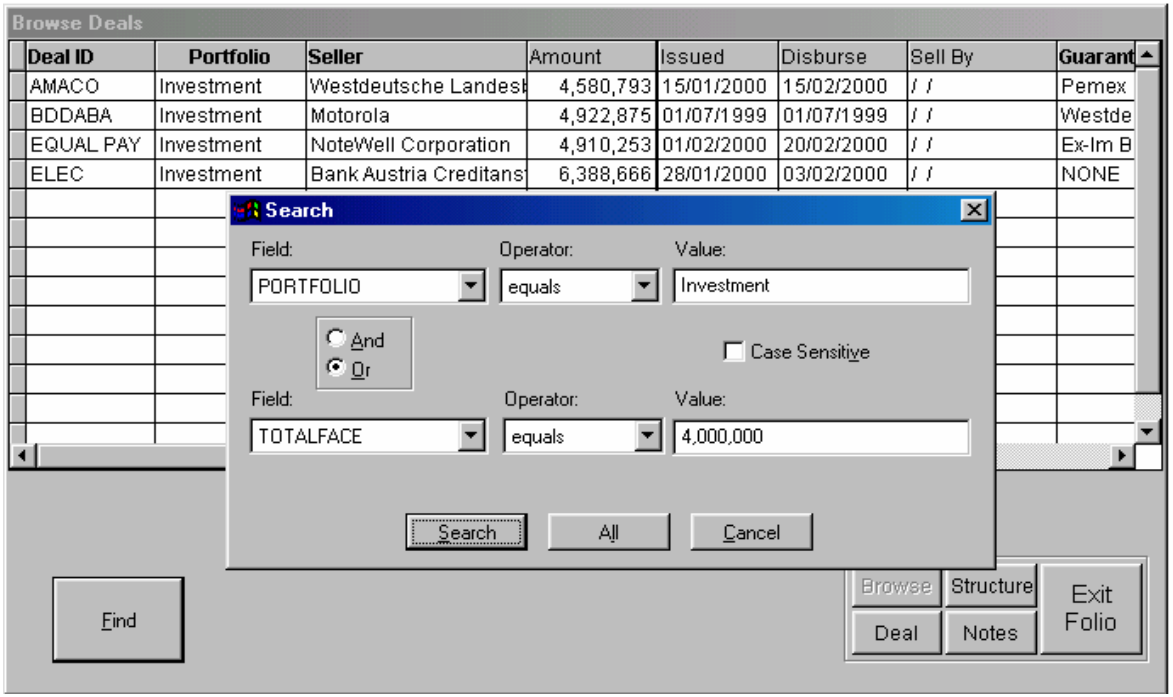
The same screens are used for both primary and secondary pricing of a deal and its notes.

Browse Screen displays key facts, scrolls, views, and searches for deals.



Browse Screen *continued...*

Search for deals can be based on the Deal Id, issuer, seller, guarantor, country, dates, amounts, and other elements.



The Browse Screen provides direct access to the three other top level screens.

Deal View Screen provides an overview of individual deals.

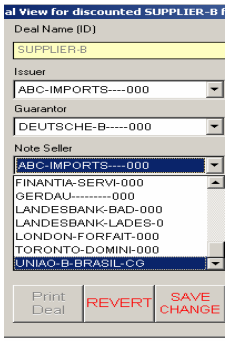
Clone Deal copies templates or prior deals enabling the set up of new deals using the patterns and choices of an organization, minimizing effort required. (Clone Deal features continued on next page.)

Fix/Float selection determines the subsequent windows, which are different for discounted notes (Fix) and interest bearing and floating rate notes (Float).

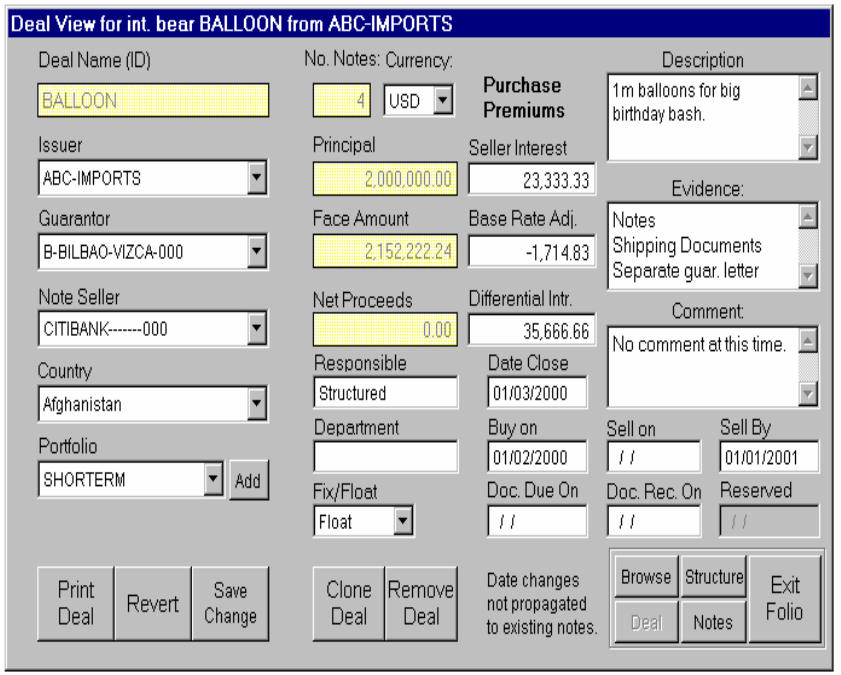
Add unlimited portfolios, as many as convenient for:

tracking	accounting	conformity
marketing	regulation	currency
trading type	control	etc.

Pop-Downs and Access. Left clicking on Issuer, Guarantor, or Note Seller drops down a list of organizations from the Party File.

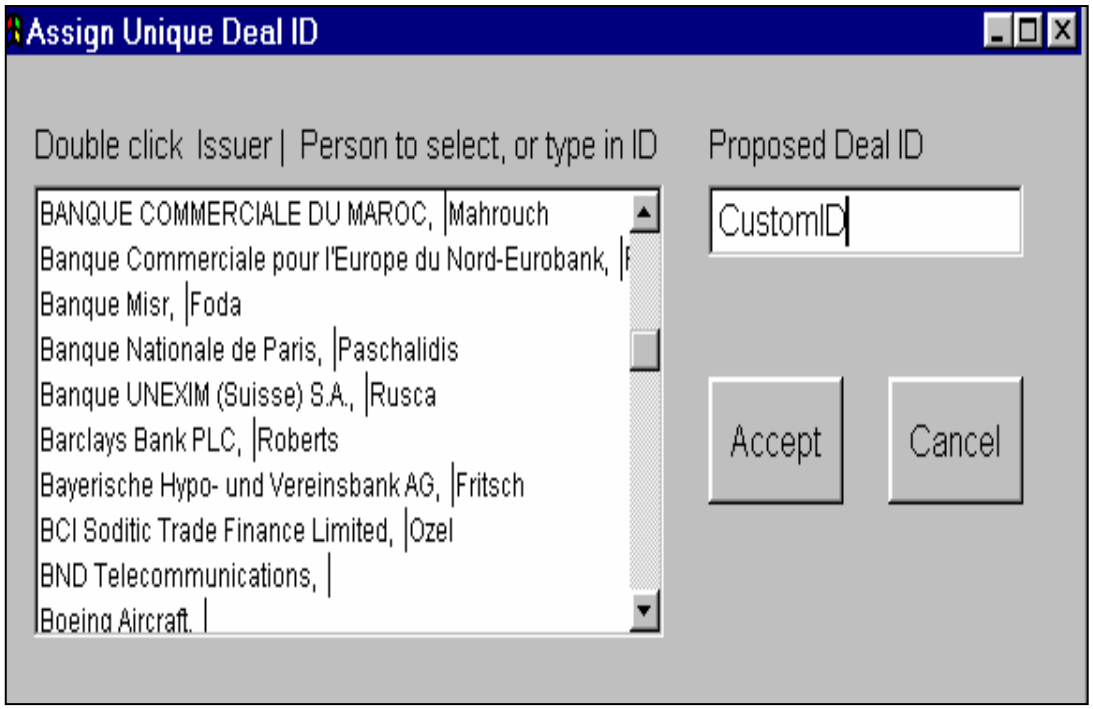


Right clicking on a choice reveals the full Edit Parties Screen shown on page 21.



Deal View Screen *continued...*

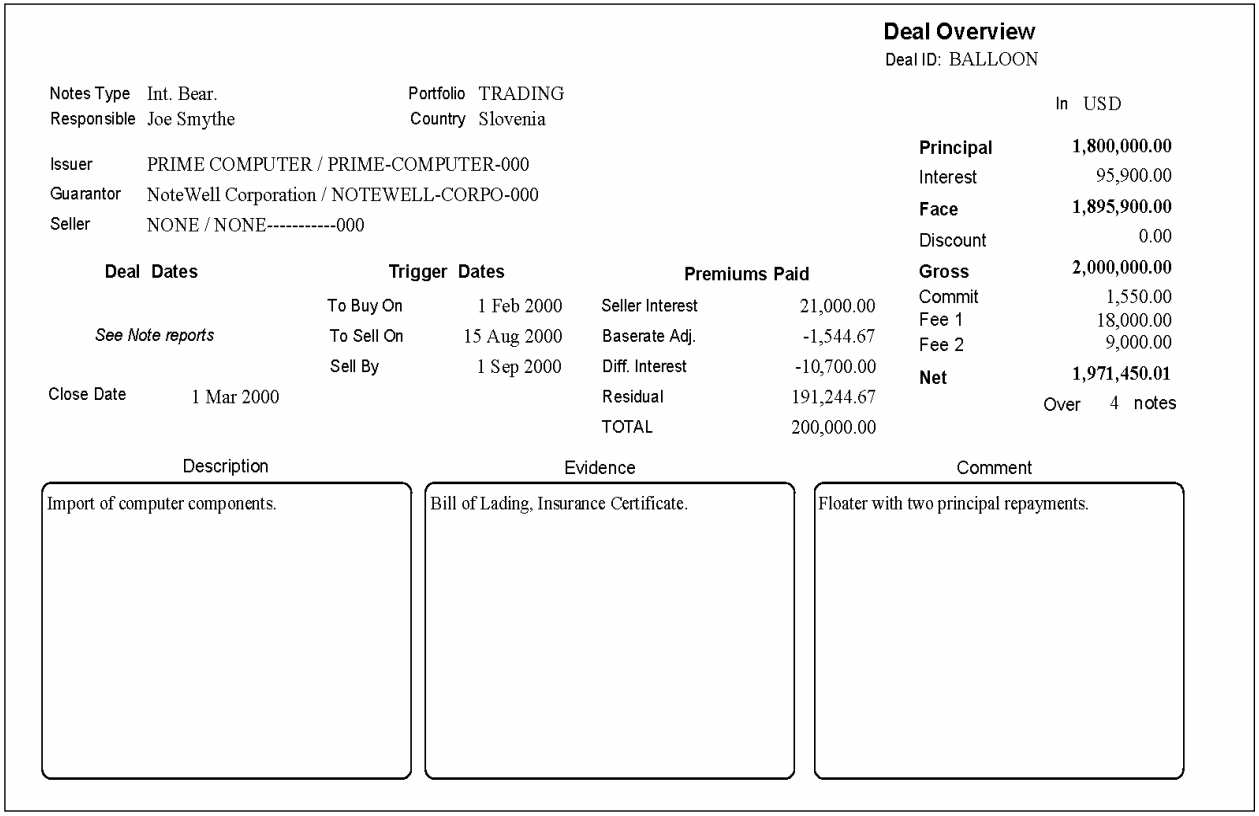
Unique Deal Identifiers (Deal Id) can be manually or system-generated after pressing the Clone Deal button.



Print Deal prints the Deal Overview Report. It is assembled from the data shown on the Deal View screen into presentation format.

Deal View Screen *continued...*

The Deal Overview Report shows counterparties, key dates, a financial summary, and salient facts about a deal.



Deal Overview
Deal ID: BALLOON

Notes Type	Int. Bear.
Responsible	Joe Smythe
Portfolio	TRADING
Country	Slovenia
Issuer	PRIME COMPUTER / PRIME-COMPUTER-000
Guarantor	NoteWell Corporation / NOTEWELL-CORPO-000
Seller	NONE / NONE----------000

Deal Dates		Trigger Dates		Premiums Paid	
		To Buy On	1 Feb 2000	Seller Interest	21,000.00
See Note reports		To Sell On	15 Aug 2000	Baserate Adj.	-1,544.67
		Sell By	1 Sep 2000	Diff. Interest	-10,700.00
Close Date	1 Mar 2000			Residual	191,244.67
				TOTAL	200,000.00

In USD

Principal	**1,800,000.00**
Interest	95,900.00
Face	**1,895,900.00**
Discount	0.00
Gross	**2,000,000.00**
Commit	1,550.00
Fee 1	18,000.00
Fee 2	9,000.00
Net	**1,971,450.01**

Over 4 notes

Description	Evidence	Comment
Import of computer components.	Bill of Lading, Insurance Certificate.	Floater with two principal repayments.

Structure Screen provides a quick way to set up a new set of notes.

Most entries are already set to common defaults.

The user sizes the transaction by entering any of three amounts: Net, Face, or Principal.

The user enters rates.

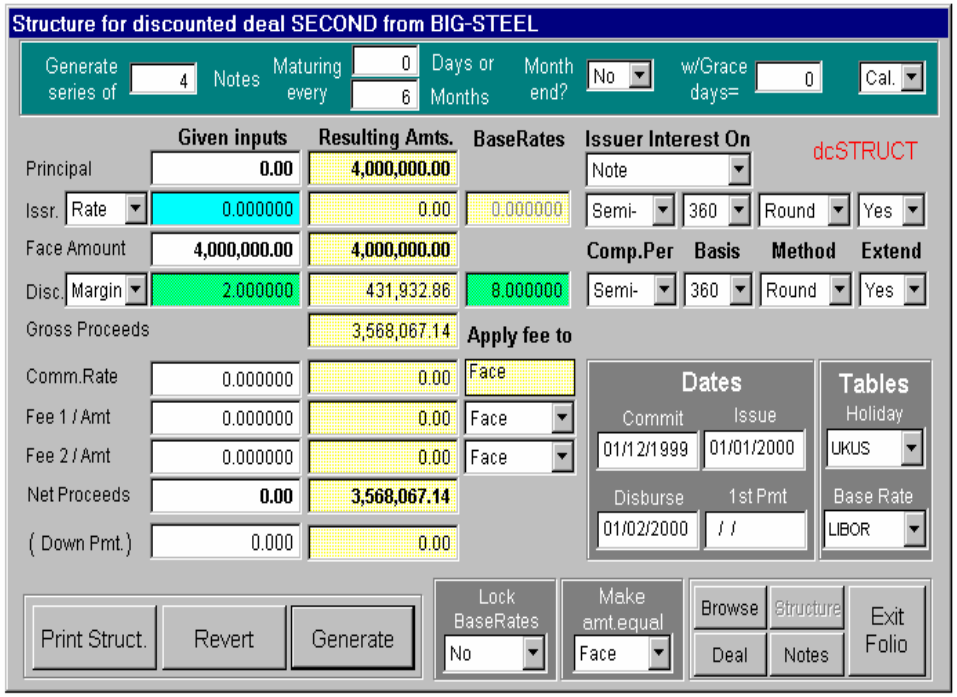
A discount rate determines discount.

Issuer interest is determined either by a given rate, or for 100% Issuer financing, the "Force" option causes PortoBene to automatically calculate an Issuer Interest Rate, shown in red.

PortoBene fills in the rest.

Pop-downs select industry standards and forward looking alternatives for tomorrow's transactions.

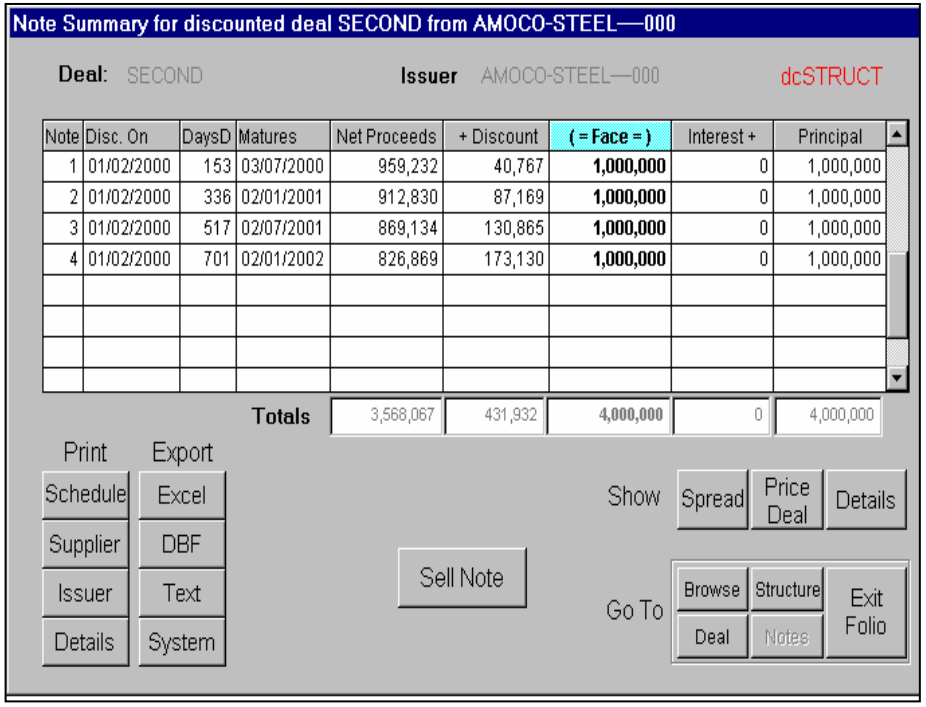
Pop-downs allow dozens of settings and hundreds of combinations to allow a user to structure a note to meet any specific needs of Note Buyers, Note Sellers, and Exporters.



Print Structure prints the Note Set Up Report**,** assembled in presentation format from the data shown on the Structure screen.

Note Summary Screen provides a quick view and buttons to advanced features.

Acts as a portal to detailed parameters for individual notes.



Print note data in several versions for different audiences including issuer and supplier.

Export note data in several file formats allowing users to create their own reports, carry out additional analysis, or incorporate results into other applications.

Show additional screens for complete control over all note variables and parameters. Spread-like screen permits entry of different dates, rates, and amounts for each note to tailor notes to almost any business situation. Price Deal applies terms for an existing deal to find the selling price, book value, and breakeven rate for sale to the next holder. Details allows additional editing and viewing of every value for every note.

Left click on a note number and go to the Note Details Screen.

Note Summary Screen *continued.....*

Note Set Schedule, one of the reports printed from this screen, shows net, face, principal, interest, discount, fees, dates, and rates for each note within a deal.

ENVIRONMENT

Deal	SECOND
Issuer	PRIME-COMPUTER-000
Guarantor	NOTEWELL-CORPO-000
Currency	USD
Country	Romania

Note Set Schedule

NOTE SET RATES, %

Average Life	1.169 178	years
Base @ AL	5.974 036	
Agreed base	0.000 000	
Average Base	5.929 550	
Straight Rate	7.511 570	
Simple Rate	8.245 805	

EQUIV. %:	DISCOUNT	ISSUER
Int. Rate Ret.	8.397	--
Monthly	7.838	8.563
Quarterly	7.887	8.625
Semiannually	7.962	8.719
Annually	8.087	8.870
None	9.098	
Prin./Net =>	8.269	11.330

Note	DATES Issue / Maturity / Received	Commit. / Discount	DAYS Tenor / Disc. / Grace	DISC.% Base + / Margin / All-in	Net Proceeds	+ FEES Commit / Fee 1 / Fee 2	+ Discount	= Face	- Issuer Interest	= Principal
1	1 Jan 2000	1 Dec 1999	184	5.789 583	953,613.78	1,722.22	33,664.00	**1,000,000.00**	0.00	1,000,000.00
	3 Jul 2000	1 Feb 2000	153	2.000 000		10,000.00				
			8	7.789 583		1,000.00				
2	1 Jan 2000	1 Dec 1999	367	5.948 480	915,646.07	1,722.22	71,631.70	**1,000,000.00**	0.00	1,000,000.00
	2 Jan 2001	1 Feb 2000	336	2.000 000		10,000.00				
			7	7.948 480		1,000.00				
3	1 Jan 2000	1 Dec 1999	548	5.982 192	879,359.44	1,722.22	107,918.34	**1,000,000.00**	0.00	1,000,000.00
	2 Jul 2001	1 Feb 2000	517	2.000 000		10,000.00				
			8	7.982 192		1,000.00				
4	1 Jan 2000	1 Dec 1999	732	5.997 945	844,318.19	1,722.22	142,959.59	**1,000,000.00**	0.00	1,000,000.00
	2 Jan 2002	1 Feb 2000	701	2.000 000		10,000.00				
			7	7.997 945		1,000.00				
	TOTALS				3,592,937.48	6,888.88	356,173.63	**4,000,000.00**	0.00	4,000,000.00
						40,000.00				
			457			4,000.00				
	AVERAGES		426	7.929 550	898,234.37	12,722.22	89,043.40	**1,000,000.00**	0.00	1,000,000.00

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Spread Screen allows tailoring of each note.

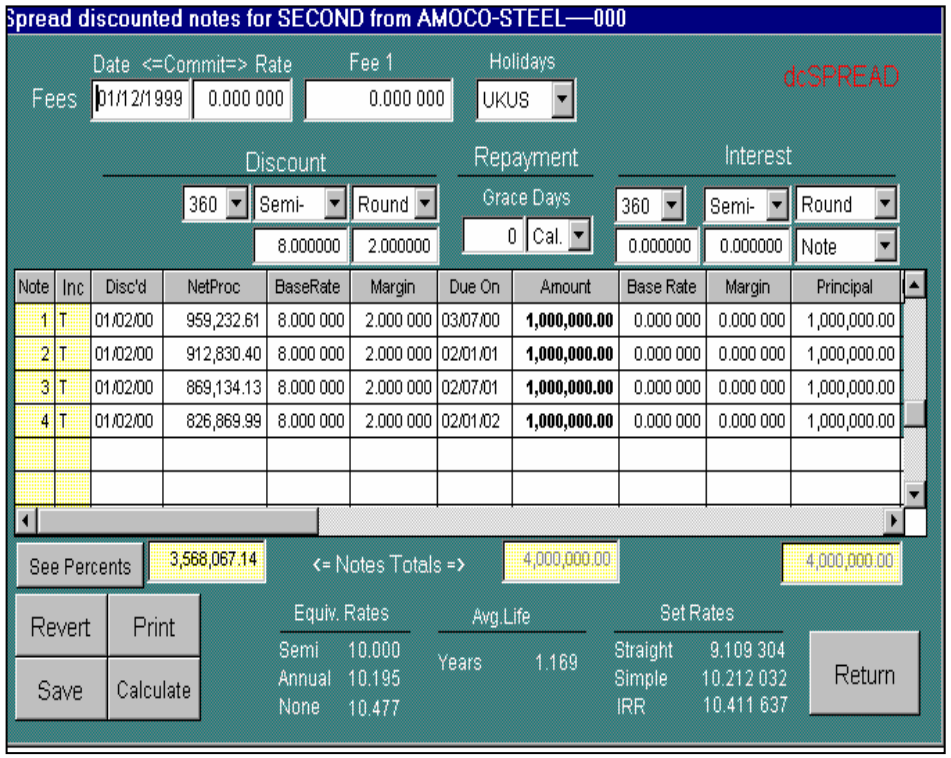
A **Spread-**like screen permits changing elements of any note to meet the financial requirements of a Note Issuer, Supplier, and Discounter.

Discount dates can be chosen to correspond to shipments
for project financing. Different rates, dates and amounts may be entered for each note.

A different but functionally similar screen appears for floating rate notes.

Equivalent rates for other compounding options are shown.

Set rates will produce the same total discount at average life.



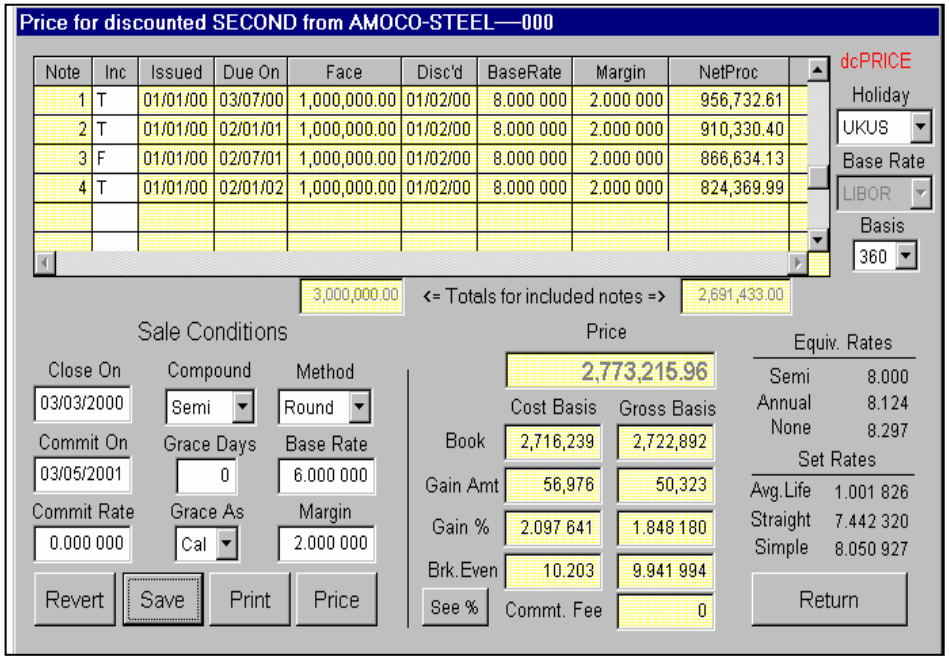
Print the Note Set Report. Assembled in presentation format from the data shown on the Spread screen.

Price Screen for discounted notes allows analysis and pricing after a holding period.

Price Deal screen permits a quick repricing of an existing set of notes for a secondary market sale, without changing the existing settings for the notes.

The new price, book value, holding gain (or loss), and breakeven are shown. Equivalent and Set Rates are shown as they would be seen by the next holder.

Original note details continue to be displayed for reference.



Print the Discounted Note Set Price Report.

Price Screen for floating rate notes between fixing dates.

Price Deal facility for interest bearing notes differs from that for discounted notes.

On a single screen, it calculates three adjustments to principal for selling on any date between interest periods.

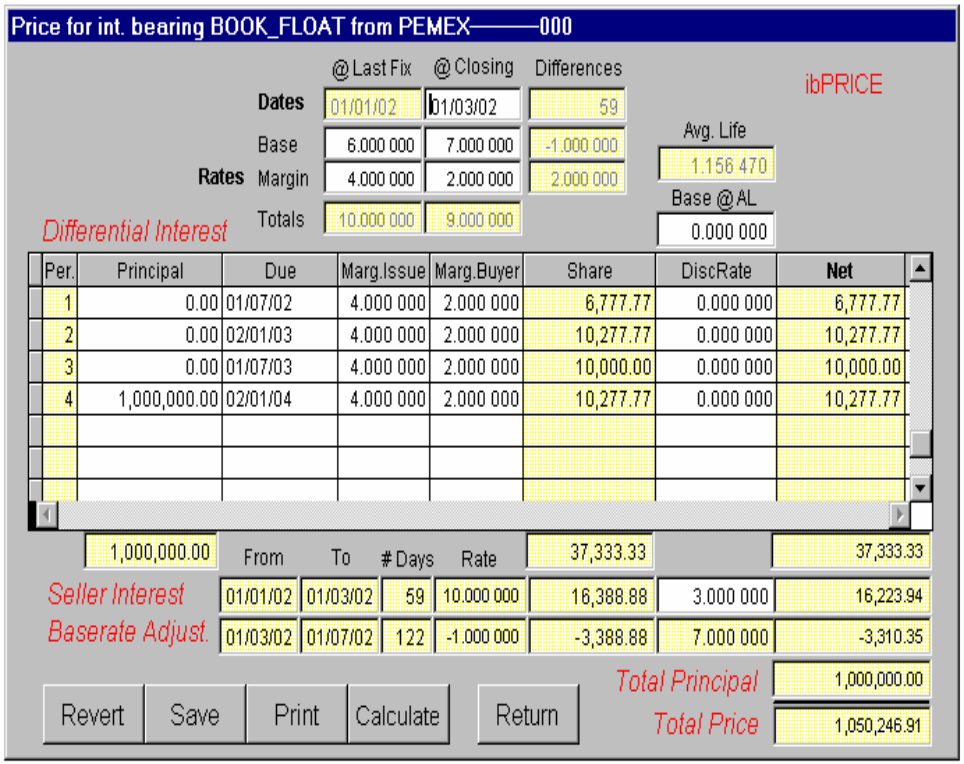
It adjusts for:

Seller Interest earned during the period held but not yet collected.

Differential Interest for the Seller to retain a portion of future interest as payment for arranging the deal and to meet initial expectations or to provide the buyer with greater margin than is inherent in the note.

Base Adjustment provides for the Buyer to earn interest for the balance of the current period based on the current base rate.

Print the Interest Bearing Note Price Report. Assembled in presentation format from the data shown on the Price screen.



Price Screen for floating rate notes between fixing dates *continued.....*

The Interest Bearing Note Price Report shows the results for floating rate notes priced and printed from this single window.

Interest Bearing Note Price

Deal ID: BALLOON
Currency: USD

		Dates		Rates		
			Base	Margin	Total
Last	01/01/00		3.000 000	4.000 000	7.000 000
Close	01/03/00		4.000 000	5.000 000	9.000 000

Differential Interest

Per.	Principal	From	Date To	Days	Share Rate	Avg. Life (yrs) 0.460 Share Amt.	Discount Rate	Cum. Days	Discount	Net at Closing
1	0.00	01/03/00	01/04/00	31	4.000 000	6,200.00	0.000 000	31	0.00	6,200.00
2	900,000.00	01/04/00	01/07/00	91	4.000 000	18,200.00	0.000 000	122	0.00	18,200.00
3	0.00	01/07/00	01/10/00	92	4.000 000	9,200.00	0.000 000	214	0.00	9,200.00
4	900,000.00	01/10/00	01/01/01	92	4.000 000	9,200.00	0.000 000	306	0.00	9,200.00
	1,800,000.00					42,800.00			0.00	42,800.00
	Seller Interest	01/01/00	01/03/00	60	7.000 000	21,000.00	0.000 000		0.00	21,000.00
	Baserate Adjust.	01/03/00	01/04/00	31	-1.000 000	-1,550.00	4.000 000		-5.32	-1,544.67
									Total Face	1,800,000.00
									Total Price	**1,862,255.32**

Printed: 10/09/03 12:30:11 PM Form: ReptFloat Screen: ib-PRICE **Page** 1

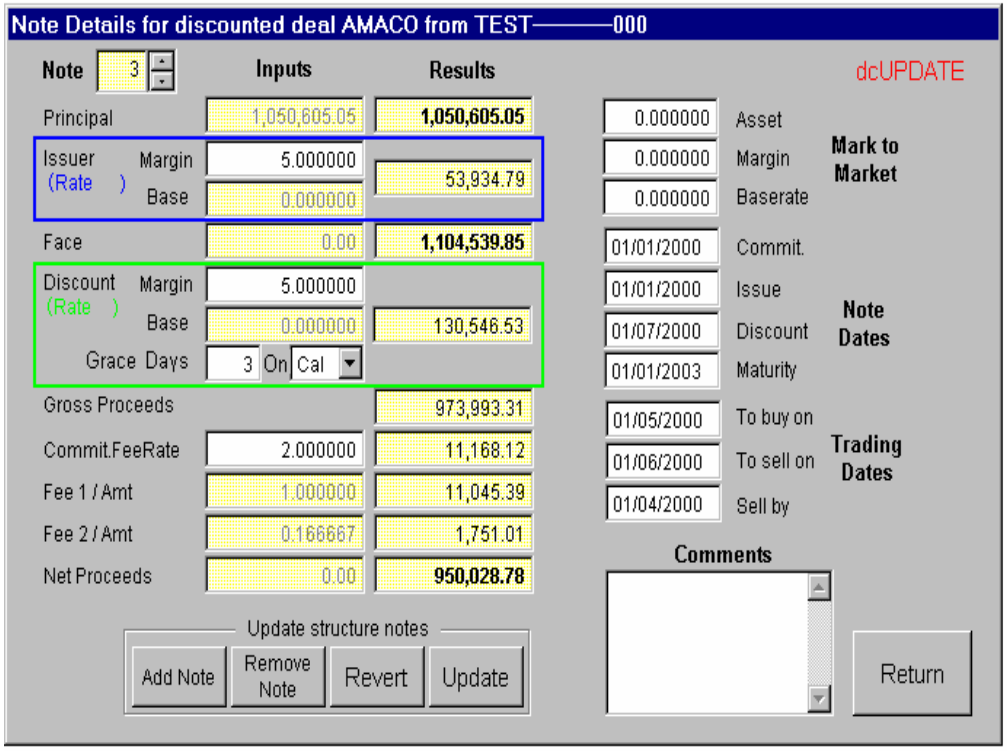
Note Details Screen allows for further tailoring of notes.

The Note Details window displays all input and output values for each note for use in editing the note details.

The **Update** option recalculates and preserves relations among notes established in the Structure Screen.

The **Add Note** button duplicates the currently displayed note and places it at the end of the note series. This can be used to double up or split a note, or truly add another note to the series.

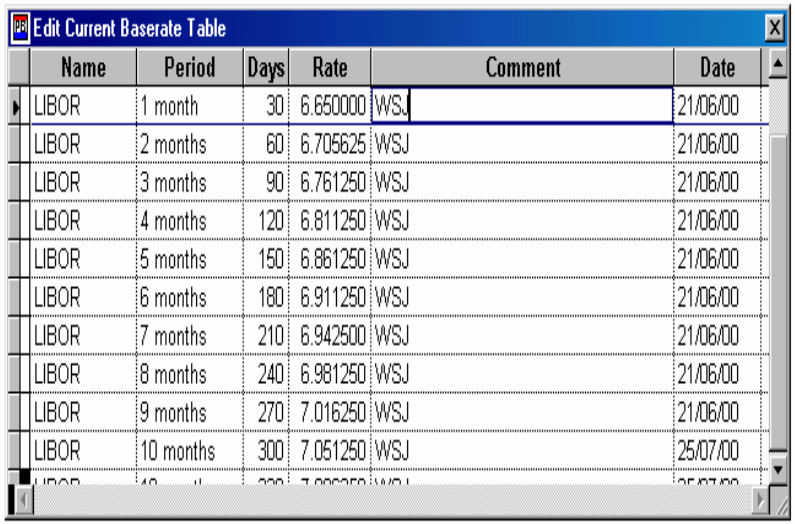
The **Remove Note** button deletes the currently displayed note.



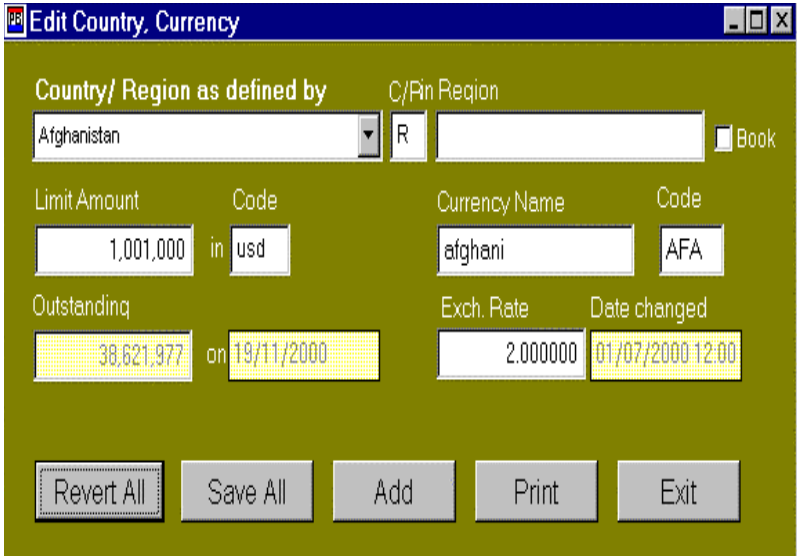
Maintain menu provides maintenance of four tables.

Base Rate Table allows for an unlimited number of base rate tables for any length of time, loaded from an Excel file, taken from a quote service, or edited or amended line by line.

PortoBene determines the interpolated rate from the Base Rate Table selected based on the note tenor.



Name	Period	Days	Rate	Comment	Date
LIBOR	1 month	30	6.650000	WSJ	21/06/00
LIBOR	2 months	60	6.705625	WSJ	21/06/00
LIBOR	3 months	90	6.761250	WSJ	21/06/00
LIBOR	4 months	120	6.811250	WSJ	21/06/00
LIBOR	5 months	150	6.861250	WSJ	21/06/00
LIBOR	6 months	180	6.911250	WSJ	21/06/00
LIBOR	7 months	210	6.942500	WSJ	21/06/00
LIBOR	8 months	240	6.981250	WSJ	21/06/00
LIBOR	9 months	270	7.016250	WSJ	21/06/00
LIBOR	10 months	300	7.051250	WSJ	25/07/00

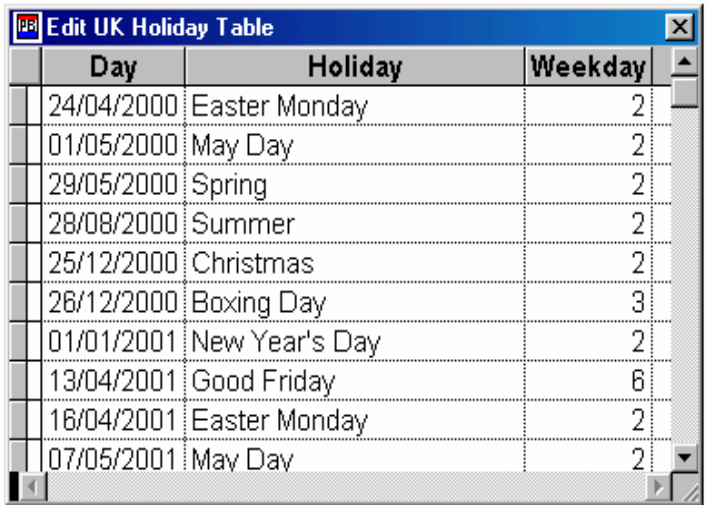


Currency Table contains a screen for each country, country limits, and exchange rate to some defined base currency. Current outstandings are shown. Countries can be assigned to regions for additional credit limits, which may be set to zero to prohibit deals.

Add an unlimited number of countries beyond the 112 countries provided.

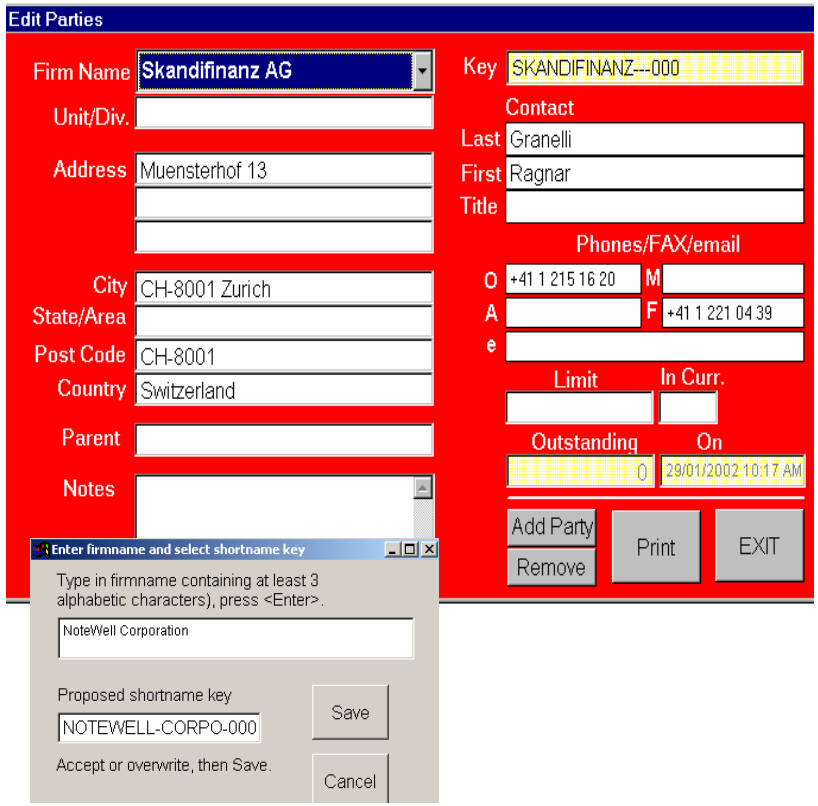
Print the currency/country list.

Maintain menu provides maintenance of four tables continued....



Day	Holiday	Weekday
24/04/2000	Easter Monday	2
01/05/2000	May Day	2
29/05/2000	Spring	2
28/08/2000	Summer	2
25/12/2000	Christmas	2
26/12/2000	Boxing Day	3
01/01/2001	New Year's Day	2
13/04/2001	Good Friday	6
16/04/2001	Easter Monday	2
07/05/2001	May Day	2

Holiday Table allows for an unlimited number of holiday tables to be used and maintained, beyond the five provided.



Parties Table holds all counterparties in one file, whether in the role of Issuer, Guarantor, Note Seller or correspondent. The Party file allows a user to assign a counterparty to a deal and a role by scanning and selecting a registered entity in the View Deal window. This feature saves time and ensures data integrity.

Add Party. The system nominates a unique party identifier, a short name, constructed from letters taken from the party's name plus a numeric suffix. Alternatively, the user can type in his own shortname. Print two party lists: sorted by firm name and shortname.

Utility Menu provides for cleanup and interface with other systems.

Export Files allows the user to export the Deal, Note, and Party files to Excel, system, and delimited text formats for use in other systems or custom reporting.

Import Base Rates allows the user to load today's rates from Reuters, Bloomberg, or the treasury department.

Import Party Records permits the user to load existing counterparty data from Excel, Act, and other organization sources.

Update scans deals, posting outstandings to Party and Country/Currency files.

Archive Data places in archives the Deal and Note records marked for deletion that have been physically deleted from the files. These can be used to reconstruct "deleted "records, aggregated into "completed" files, or thrown away.

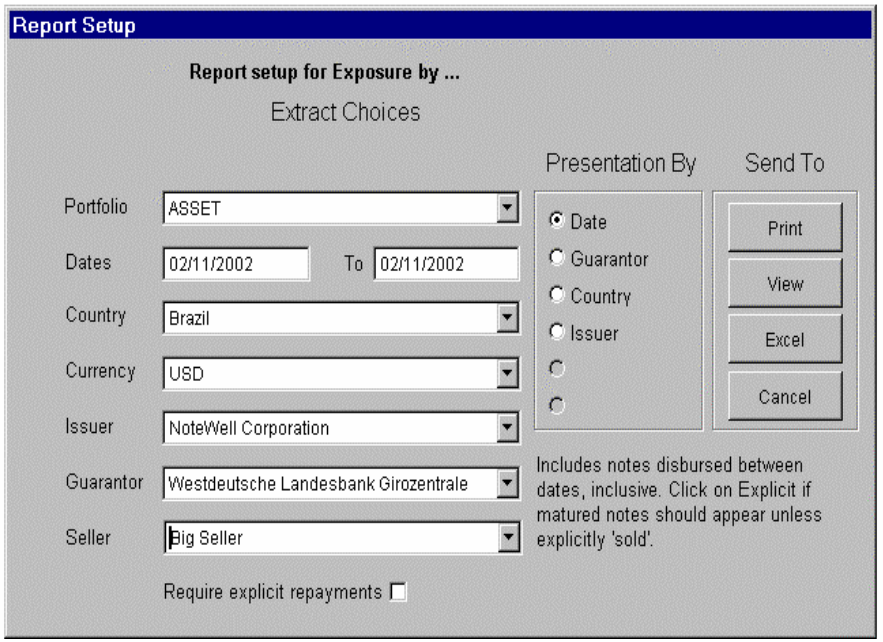
Portfolio Reports Module reports on aggregations of deals.

Fifteen reports describe portfolios under management and support management analysis and control.

View data, export to excel, or print a report. Seven extract criteria and up to six sort sequences can be independently specified. With Acrobat installed, the print option creates a pdf file that can be e-mailed.

Reports include:

Currency Exposure
Deal List by ID
Due In & Out
Exposure by Country
Exposure by Date
Exposure by Guarantor
Exposure by Issuer
Holding Gains
Mark to Market by Rates
Mark to Market by Assets
Maturities by Due Date
Maturities by Currency
Maturities by Guarantor
Sell By
Sold To List



Portfolio Reports continued...

CURRENCY EXPOSURE

The total outstanding by Issuer is reported by currency. The amount is translated into the book currency and compared to each Issuer's limit on the specified date.

Currency Exposure
As Of 01/01/2000

Issuer	In Currency Limit	In Currency Outstand.	In Currency Open	Equivalent In Book Limit	Equivalent In Book Outstand.	Equivalent In Book Open	Reference
Currency: EUR							
Oceantrade S.A.	0	3,143,301	-3,143,301	0	898,086	-898,085	
					898,085	**-898,085**	
Currency: GBP							
Holbrook Forfaiting Limited	16,000,000	10,000,000	6,000,000	26,199,443	16,374,652	9,824,791	
					16,374,652	**9,824,791**	
Currency: USD							
Indover Bank	0	5,634,098	-5,634,098	0	5,634,098	-5,634,098	
K.P.M. Halcrow	1,234,560	1	1,234,559	1,234,560	1	1,234,559	
Test01	0	1,000,000	-1,000,000	0	1,000,000	-1,000,000	
					6,634,099	**-5,399,539**	
				Report Total	**23,906,837**	**3,527,166**	

Portfolio Reports continued...

DEAL LIST BY ID

This is an inventory list of all notes disbursed within the requested date range regardless of their activity status and indicates if a note has been sold or will mature in the period.

Deal List by ID

		Disburse	Maturity	All-in Rate	Amount
A / Ghana / Fix					
Issuer	Holbrook Forfaiting Limited				
Guar.	.NULL.				
Seller	.NULL.				Face
1		1 Jan 00	1 Feb 02	23.000000 GBP	1,000,000.00
2		1 Jan 00	1 Mar 04	23.000000 GBP	1,000,000.00
3		1 Jan 00	1 Apr 06	23.000000 GBP	1,000,000.00
4		1 Jan 00	1 May 08	23.000000 GBP	1,000,000.00
5		1 Jan 00	1 Jun 10	23.000000 GBP	1,000,000.00
6		1 Jan 00	1 Jul 12	23.000000 GBP	1,000,000.00
7		1 Jan 00	1 Aug 14	23.000000 GBP	1,000,000.00
8		1 Jan 00	1 Sep 16	23.000000 GBP	1,000,000.00
9		1 Jan 00	1 Oct 18	23.000000 GBP	1,000,000.00
10		1 Jan 00	1 Nov 20	23.000000 GBP	1,000,000.00
					10,000,000.00
AMACO / United Arab Emirates / Fix					
Issuer	ENGLAND-CREDIT LYONN				
Guar.	Landesbank Baden-Württemburg				
Seller	London Forfaiting Company PLC				Face
1		31 Dec 00	31 Dec 01	10.000000 USD	1,000,000.00
2		31 Dec 00	30 Jun 02	10.000000 USD	1,000,000.00
					2,000,000.00
BANKLOAN / Peru / Fix					
Issuer	Indover Bank				
Guar.	.NULL.				
Seller	.NULL.				Face
1	M	1 Jan 00	1 Jul 00	10.000000 USD	1,502,777.77
2	M	1 Jan 00	1 Jan 01	10.000000 USD	1,441,719.61
3		1 Jan 00	1 Jul 01	10.000000 USD	1,375,694.44
4		1 Jan 00	1 Jan 02	10.000000 USD	1,313,906.54
					5,634,098.38

		Disburse	Maturity	All-in Rate	Amount
BDDABA / Slovakia / Fix					
Issuer	.NULL.				
Guar.	Westdeutsche Landesbank Girozentrale				
Seller	.NULL.				Face
1	M	1 Apr 00	2 Oct 00	7.200000 DEM	1,174,119.80
2		1 Apr 00	2 Apr 01	7.200000 DEM	1,122,358.81
3		1 Apr 00	1 Oct 01	7.200000 DEM	1,065,042.62
4		1 Apr 00	2 Apr 02	7.200000 DEM	1,005,172.65
					4,366,693.89
EQUAL PAY / United States of America / Fix					
Issuer	.NULL.				
Guar.	.NULL.				
Seller	NoteWell Corporation				Face
1	M	6 Jan 00	1 Jan 01	10.000000 USD	1,013,107.63
2		6 Jan 00	1 Jul 01	10.000000 USD	1,064,044.13
3		6 Jan 00	1 Jan 02	10.000000 USD	1,118,429.08
4		6 Jan 00	1 Jul 02	10.000000 USD	1,174,660.88
					4,370,241.75
FLOAT4 / Noplace / Float					
Issuer	K.P.M. Halcrow				
Guar.	Landesbank Baden-Württemburg				
Seller	.NULL.				Principal
1	M	1 May 00	2 Oct 00	10.815878 USD	250,000.00
2		1 May 00	2 Apr 01	10.968836 USD	250,000.00
3	S	1 May 00	1 Oct 01	10.984418 USD	250,000.00
					750,000.00

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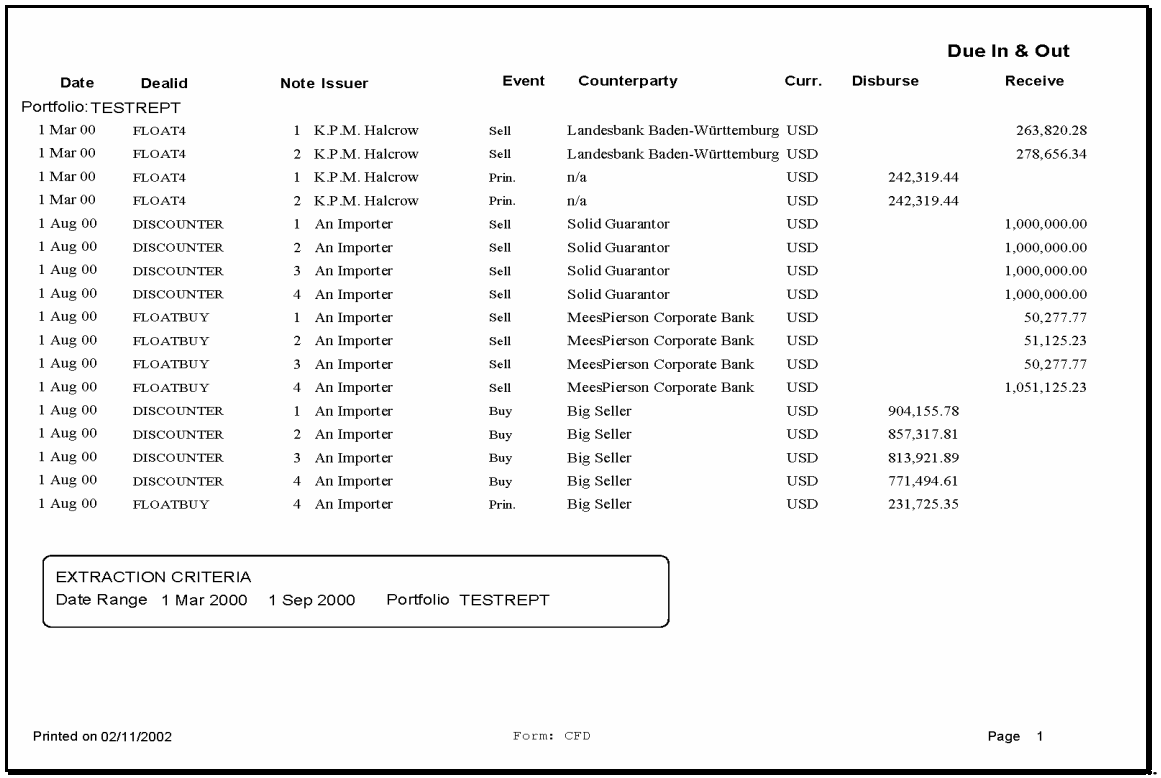
Portfolio Reports continued...

Due In & Out

This report helps forecast cash flow between the specified dates with items shown in chronological order.



Due In & Out

Date	Dealid	Note	Issuer	Event	Counterparty	Curr.	Disburse	Receive
Portfolio: TESTREPT								
1 Mar 00	FLOAT4	1	K.P.M. Halcrow	Sell	Landesbank Baden-Württemburg	USD		263,820.28
1 Mar 00	FLOAT4	2	K.P.M. Halcrow	Sell	Landesbank Baden-Württemburg	USD		278,656.34
1 Mar 00	FLOAT4	1	K.P.M. Halcrow	Prin.	n/a	USD	242,319.44	
1 Mar 00	FLOAT4	2	K.P.M. Halcrow	Prin.	n/a	USD	242,319.44	
1 Aug 00	DISCOUNTER	1	An Importer	Sell	Solid Guarantor	USD		1,000,000.00
1 Aug 00	DISCOUNTER	2	An Importer	Sell	Solid Guarantor	USD		1,000,000.00
1 Aug 00	DISCOUNTER	3	An Importer	Sell	Solid Guarantor	USD		1,000,000.00
1 Aug 00	DISCOUNTER	4	An Importer	Sell	Solid Guarantor	USD		1,000,000.00
1 Aug 00	FLOATBUY	1	An Importer	Sell	MeesPierson Corporate Bank	USD		50,277.77
1 Aug 00	FLOATBUY	2	An Importer	Sell	MeesPierson Corporate Bank	USD		51,125.23
1 Aug 00	FLOATBUY	3	An Importer	Sell	MeesPierson Corporate Bank	USD		50,277.77
1 Aug 00	FLOATBUY	4	An Importer	Sell	MeesPierson Corporate Bank	USD		1,051,125.23
1 Aug 00	DISCOUNTER	1	An Importer	Buy	Big Seller	USD	904,155.78	
1 Aug 00	DISCOUNTER	2	An Importer	Buy	Big Seller	USD	857,317.81	
1 Aug 00	DISCOUNTER	3	An Importer	Buy	Big Seller	USD	813,921.89	
1 Aug 00	DISCOUNTER	4	An Importer	Buy	Big Seller	USD	771,494.61	
1 Aug 00	FLOATBUY	4	An Importer	Prin.	Big Seller	USD	231,725.35	

EXTRACTION CRITERIA
Date Range 1 Mar 2000 1 Sep 2000 Portfolio TESTREPT

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Portfolio Reports continued...

EXPOSURE BY ... (4 reports)

The four reports show all notes active on or between the report dates sorted by: Date (month), Guarantor, Issuer, or Country of risk.

Sample - Exposure by Date

Exposure by Date

Date / Issuer	Dealid	Note	Rate	Type	Portfolio	Maturity	Curr.	Amount Due	Book=
January 2004									
An Importer	DISCOUNTER	4	10.000000	Fix	TESTREPT	2 Jan 2004	USD	1,000,000.00	1,000,000
An Importer	FLOATD	4	10.000000	Float	ASSET	2 Jan 2004	USD	1,051,417.13	1,051,417
An Importer	FLOATDD	4	10.000000	Float	ASSET	2 Jan 2004	USD	1,051,417.13	1,051,417
An Importer	FLOATER	4	10.000000	Float	ASSET	2 Jan 2004	USD	1,051,417.13	1,051,417
An Importer	FLOATERNS	4	10.000000	Float	INVESTMEN	2 Jan 2004	USD	1,219,063.55	1,219,063
An Importer	FLOATN	4	10.000000	Float	ASSET	2 Jan 2004	USD	1,584,782.62	1,584,782
An Importer	SALE_DISCO	4	10.000000	Fix	TRADE	2 Jan 2004	USD	1,000,000.00	1,000,000
An Importer	SFLOATD	4	10.000000	Float	SALES	2 Jan 2004	USD	1,051,417.13	1,051,417
An Importer	SFLOATDD	4	10.000000	Float	SALES	2 Jan 2004	USD	1,051,417.13	1,051,417
An Importer	SFLOATN	4	10.000000	Float	TRADE	2 Jan 2004	USD	1,584,782.62	1,584,782
An Importer	TEST_DISCO	4	10.000000	Fix	TRADE	2 Jan 2004	USD	1,000,000.00	1,000,000
Pemex	TEST_FLOAT	4	10.000000	Float	TRADE	2 Jan 2004	USD	1,051,417.13	1,051,417
March 2004									
Holbrook Forfaiting Limited	A	2	23.000000	Fix	BOOK	1 Mar 2004	GBP	1,000,000.00	1,637,465
NoteWell Corporation	SECON	4	10.000000	Fix	INVESTMEN	1 Mar 2004	USD	1,000,000.00	1,000,000
April 2006									
Holbrook Forfaiting Limited	A	3	23.000000	Fix	BOOK	1 Apr 2006	GBP	1,000,000.00	1,637,465
May 2008									
Holbrook Forfaiting Limited	A	4	23.000000	Fix	BOOK	1 May 2008	GBP	1,000,000.00	1,637,465
June 2010									
Holbrook Forfaiting Limited	A	5	23.000000	Fix	BOOK	1 Jun 2010	GBP	1,000,000.00	1,637,465
July 2012									
Holbrook Forfaiting Limited	A	6	23.000000	Fix	BOOK	1 Jul 2012	GBP	1,000,000.00	1,637,465

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The layouts for the four reports differ slightly to allow for the different data arrangement, but the selection criteria have the same effect on all.

Portfolio Reports continued...

HOLDING GAINS

For notes sold or matured, this report shows the amount of gain and a simple annualized percentage gain over purchase price.

Holding Gains

Month / Deal Name/Issuer	Date Bought/ Sold	Days Outs.	Amount Received	Amount Paid	Net Amount	Annualized Rate Earned, %
July 2000						
FLOAT4	1 May 2000	61	250,000.00	242,319.44	7,680.55	18.96
K.P.M. Halcrow	1 Jul 2000					
	2000 Total		**250,000.00**	**242,319.44**	**7,680.55**	
February 2001						
CONTRACT-B	1 Feb 2001	0	90,000.00	91,331.71	-1,331.71	-
Oceantrade S.A.	1 Feb 2001					
May 2001						
SDISCOUNTER	1 Feb 2001	89	900,000.00	834,199.67	65,800.33	32.34
An Importer	1 May 2001					
October 2001						
DISCOUNT-S	1 Feb 2001	242	900,000.00	877,595.59	22,404.40	3.85
An Importer	1 Oct 2001					
	2001 Total		**1,890,000.00**	**1,803,126.97**	**86,873.02**	
	Report Totals		**2,140,000.00**	**2,045,446.41**	**94,553.58**	

EXTRACTION CRITERIA

Date Range	1 Jan 2000	1 Jan 2002	Issuer	ALL
Portfolio	ALL		Guarantor	ALL
Country	ALL		Seller	ALL
Currency	ALL		Book Curr.	dollar

Portfolio Reports continued...

MARKET VALUES

The value of each note of the selected set is shown as of a given date.

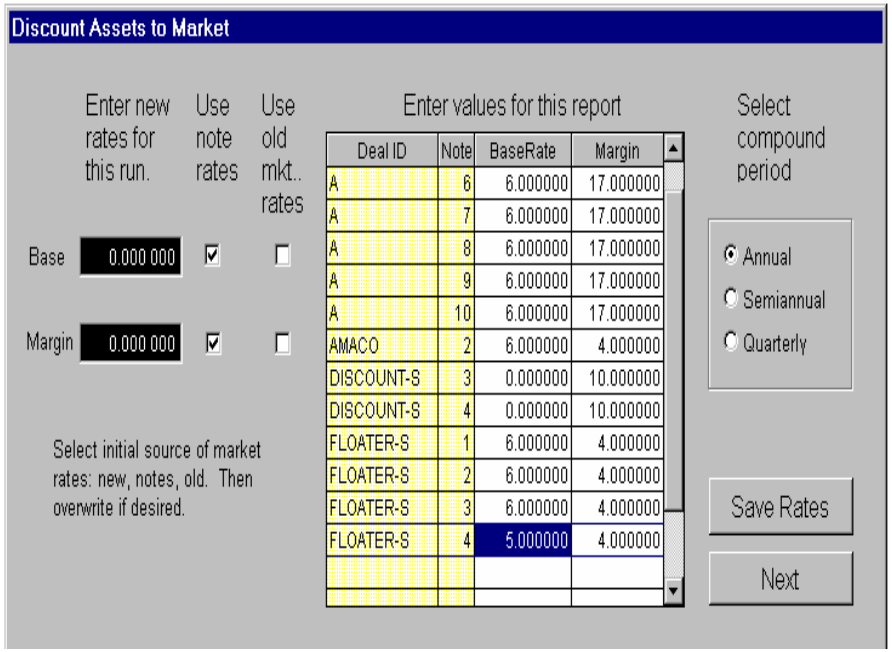
Two report versions are available. "Rate" discounts the face value by an interest rate (as 4% + 2%). "Asset" reduces the amount to some percentage of its value (as 97%).

Rates Choices

The Market Rates window, which pops up after making parameter selections, invites entry of any of four choices for market rates for both base rates and margin:

- New rates for the entire run.
- Rates associated with the notes as booked.
- Previously used rates.
- Rates entered for individual notes.

Separate market rates can be applied to different countries, guarantors, and portfolios.



The setup panel for Asset mark-to-market is similar to that for discounting rates, but simpler.

MARKET VALUES continued...

Market Values–Rate

For Portfolio BOOK as of 1 Jan 2002 — Market Values

Deal ID / Note	Book Figures: Bought at	Type	Base Rate/ Margin	Value	Matures	Face, Principal	Base, Margin	Market Value	Ratio %
Deal: AMACO, Iss: ENGLAND-CREDIT LYONN, Guar: Landesbank Baden-Württemburg, In USD									
2	861,294.22	Fix	6.000 000 4.000 000	954,272.82	30 Jun 2002	1,000,000.00	6.000 000 4.000 000	954,085.22	95.40
	861,294.22			**954,272.82**		**1,000,000.00**		**954,085.22**	**95.41**
Deal: DISCOUNT-S, Iss: An Importer, Guar: Solid Guarantor, In USD									
3	867,977.44	Fix	0.000 000 10.000 000	953,599.84	1 Jul 2002	1,000,000.00	0.000 000 10.000 000	953,836.12	95.38
4	825,550.16	Fix	0.000 000 10.000 000	908,787.66	2 Jan 2003	1,000,000.00	0.000 000 10.000 000	908,853.55	90.88
	1,693,527.61			**1,862,387.50**		**2,000,000.00**		**1,862,689.67**	**93.13**
Deal: FLOATER-S, Iss: An Importer, Guar: Landesbank Baden-Württemburg, In USD									
1	0.00	Float	6.000 000 4.000 000	0.00	1 Jul 2002	0.00	6.000 000 4.000 000	0.00	0.00
2	0.00	Float	6.000 000 4.000 000	0.00	2 Jan 2003	0.00	6.000 000 4.000 000	0.00	0.00
3	0.00	Float	6.000 000 4.000 000	0.00	1 Jul 2003	0.00	6.000 000 4.000 000	0.00	0.00
4	1,100,000.00	Float	6.000 000 4.000 000	1,100,000.00	2 Jan 2004	1,000,000.00	5.000 000 4.000 000	841,481.29	84.14
	1,100,000.00			**1,100,000.00**		**1,000,000.00**		**841,481.29**	**84.15**

The report can also be used to evaluate potential price, rate sensitivitiy or profitability, or forecast value for a set of notes.

MARKET VALUES continued...

Market Values–Asset

For Portfolio BOOK as of 1 Jan 2002 — **Market Values**

Deal ID / Note	Book Figures: Bought at	Type	Base Rate/ Margin	Value	Matures	Face, Principal	Mark Factor	Market Value	Ratio %
Deal: AMACO, Iss: ENGLAND-CREDIT LYONN, Guar: Landesbank Baden-Württemburg, In USD									
2	861,294.22	Fix	6.000 000 4.000 000	954,272.82	30 Jun 2002	1,000,000.00	95.000 000	950,000.00	95.00
	861,294.22			**954,272.82**		**1,000,000.00**		**950,000.00**	**95.00**
Deal: DISCOUNT-S, Iss: An Importer, Guar: Solid Guarantor, In USD									
3	867,977.44	Fix	0.000 000 10.000 000	953,599.84	1 Jul 2002	1,000,000.00	95.000 000	950,000.00	95.00
4	825,550.16	Fix	0.000 000 10.000 000	908,787.66	2 Jan 2003	1,000,000.00	95.000 000	950,000.00	95.00
	1,693,527.61			**1,862,387.50**		**2,000,000.00**		**1,900,000.00**	**95.00**
Deal: FLOATER-S, Iss: An Importer, Guar: Landesbank Baden-Württemburg, In USD									
1	0.00	Float	6.000 000 4.000 000	0.00	1 Jul 2002	0.00	95.000 000	0.00	0.00
2	0.00	Float	6.000 000 4.000 000	0.00	2 Jan 2003	0.00	95.000 000	0.00	0.00
3	0.00	Float	6.000 000 4.000 000	0.00	1 Jul 2003	0.00	95.000 000	0.00	0.00
4	1,100,000.00	Float	6.000 000 4.000 000	1,100,000.00	2 Jan 2004	1,000,000.00	85.000 000	850,000.00	85.00
	1,100,000.00			**1,100,000.00**		**1,000,000.00**		**850,000.00**	**85.00**

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Portfolio Reports continued...

MATURITIES BY ... [3 reports]

All scheduled note payments, due within the specified date range, are listed in one of three reports sorted by: Date, Currency, and Guarantor.

Sample - Maturities By Date

Maturities by Date

Maturity	Issuer / Guarantor	Dealid	Note	Portfolio	Due	Curr.	Amount	Book=
1 Jan 02	An Importer / MeesPierson Corporate Bank	FLOATBUY	2	TESTREPT	Intr.	USD	51,125.23	51,125
1 Jul 02	An Importer / Solid Guarantor	DISCOUNTER	1	TESTREPT	Disc	USD	1,000,000.00	1,000,000
1 Jul 02	An Importer / MeesPierson Corporate Bank	FLOATBUY	3	TESTREPT	Intr.	USD	50,277.77	50,277
1 Jan 03	An Importer / MeesPierson Corporate Bank	FLOATBUY	4	TESTREPT	P&I	USD	1,051,125.23	1,051,125
2 Jan 03	An Importer / Solid Guarantor	DISCOUNTER	2	TESTREPT	Disc	USD	1,000,000.00	1,000,000
1 Jul 03	An Importer / Solid Guarantor	DISCOUNTER	3	TESTREPT	Disc	USD	1,000,000.00	1,000,000
2 Jan 04	An Importer / Solid Guarantor	DISCOUNTER	4	TESTREPT	Disc	USD	1,000,000.00	1,000,000
						Report Total		5,152,528

EXTRACTION CRITERIA

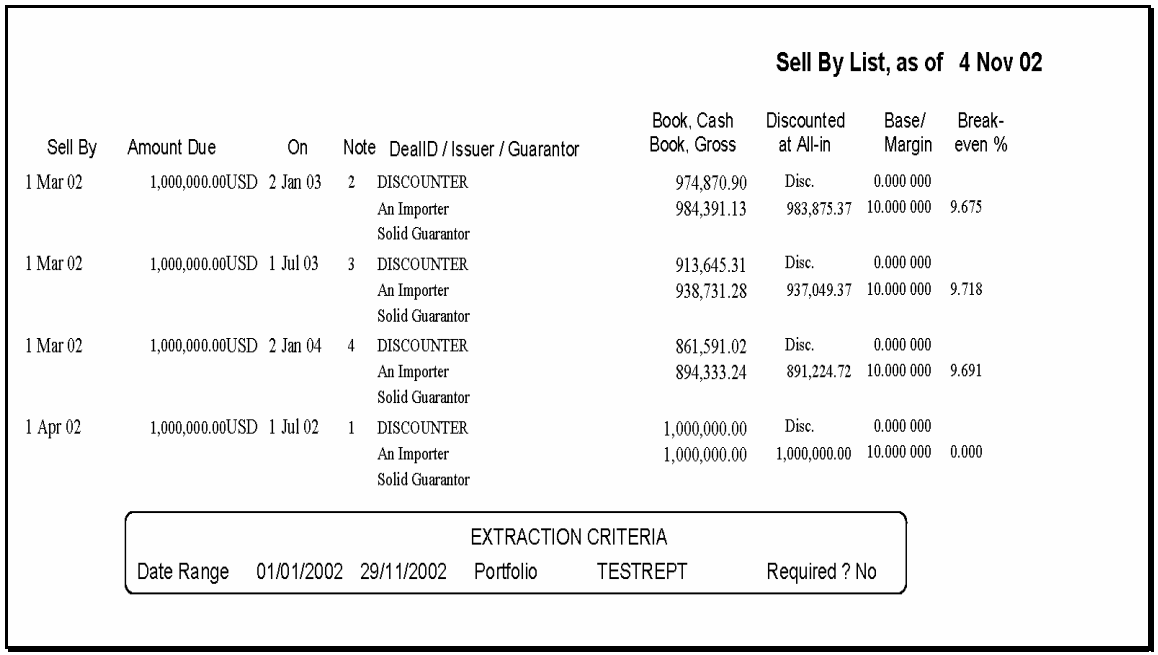
Portfolio	TESTREPT		Issuer	ALL
Date Range	01/01/2002	01/01/2042	Guarantor	ALL
Country	ALL		Seller	ALL
Currency			Book Curr.	dollar

Amounts due are shown in native currencies and converted to book currency at the exchange rate on the report date.

Portfolio Reports continued...

SELL BY

This calendaring report lists the notes according to their sale deadlines. It also shows the book and discounted values and the breakeven percentage on the date of the report, as an aid to the trader.



Sell By List, as of 4 Nov 02

Sell By	Amount Due	On	Note	DealID / Issuer / Guarantor	Book, Cash Book, Gross	Discounted at All-in	Base/ Margin	Break-even %
1 Mar 02	1,000,000.00USD	2 Jan 03	2	DISCOUNTER	974,870.90	Disc.	0.000 000	
				An Importer	984,391.13	983,875.37	10.000 000	9.675
				Solid Guarantor				
1 Mar 02	1,000,000.00USD	1 Jul 03	3	DISCOUNTER	913,645.31	Disc.	0.000 000	
				An Importer	938,731.28	937,049.37	10.000 000	9.718
				Solid Guarantor				
1 Mar 02	1,000,000.00USD	2 Jan 04	4	DISCOUNTER	861,591.02	Disc.	0.000 000	
				An Importer	894,333.24	891,224.72	10.000 000	9.691
				Solid Guarantor				
1 Apr 02	1,000,000.00USD	1 Jul 02	1	DISCOUNTER	1,000,000.00	Disc.	0.000 000	
				An Importer	1,000,000.00	1,000,000.00	10.000 000	0.000
				Solid Guarantor				

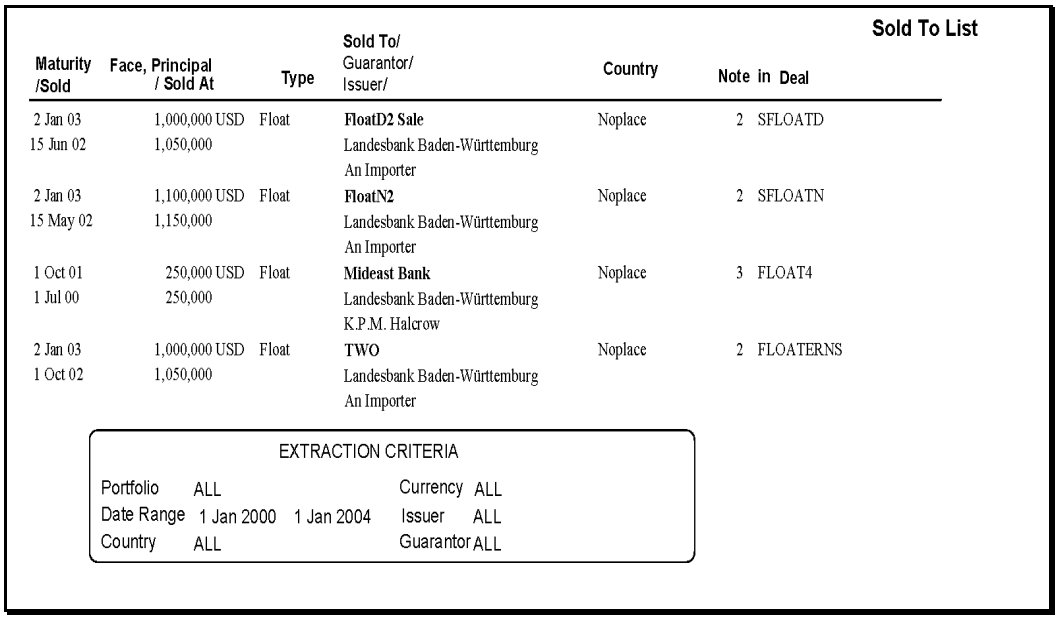
EXTRACTION CRITERIA

Date Range 01/01/2002 29/11/2002 Portfolio TESTREPT Required ? No

Portfolio Reports continued...

SOLD TO

Notes sold, which are maturing within the designated date range, are listed and enable follow-up for possible replacement.



Sold To List

Maturity /Sold	Face, Principal / Sold At	Type	Sold To/ Guarantor/ Issuer/	Country	Note	in Deal
2 Jan 03 15 Jun 02	1,000,000 USD 1,050,000	Float	**FloatD2 Sale** Landesbank Baden-Württemburg An Importer	Noplace	2	SFLOATD
2 Jan 03 15 May 02	1,100,000 USD 1,150,000	Float	**FloatN2** Landesbank Baden-Württemburg An Importer	Noplace	2	SFLOATN
1 Oct 01 1 Jul 00	250,000 USD 250,000	Float	**Mideast Bank** Landesbank Baden-Württemburg K.P.M. Halcrow	Noplace	3	FLOAT4
2 Jan 03 1 Oct 02	1,000,000 USD 1,050,000	Float	**TWO** Landesbank Baden-Württemburg An Importer	Noplace	2	FLOATERNS

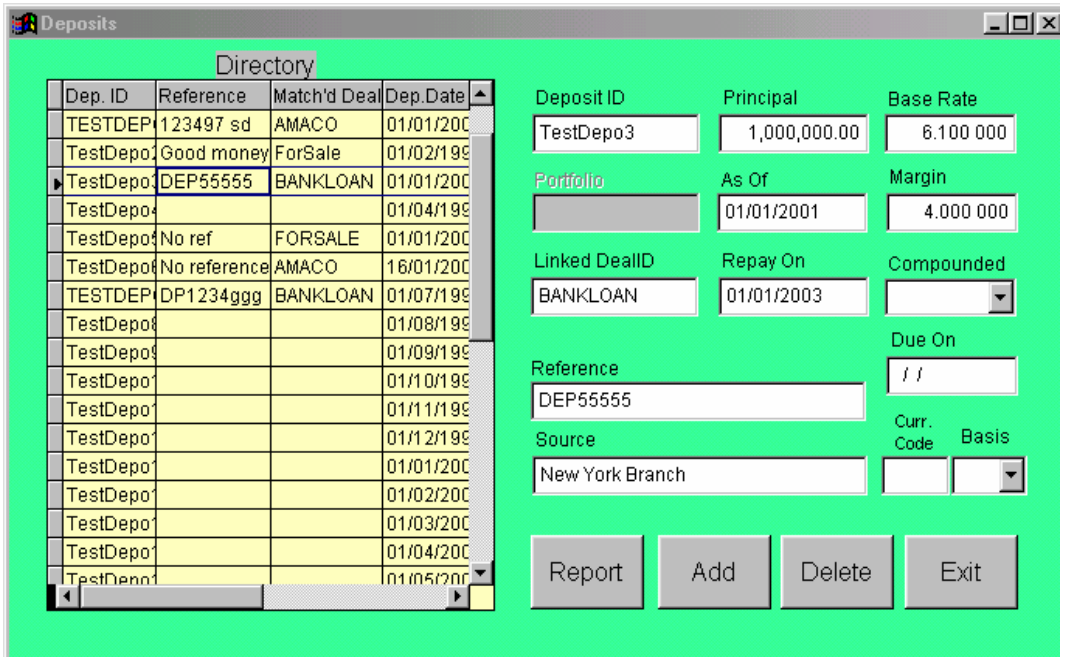
EXTRACTION CRITERIA

Portfolio	ALL		Currency	ALL	
Date Range	1 Jan 2000	1 Jan 2004	Issuer	ALL	
Country	ALL		Guarantor	ALL	

The Funding (Deposits) Module matches funding and determines profitability for each note.

The Funding Module records the liability (deposits) data for funding portfolios, determines cost of funds, and reports on gross profitability.

Deposits screen allows input of deposit data and linkage to notes and DealID.



Deposits screen continued.....

Deposits extant during the discount life of a note are used to determine profitability.

The compounding method and day basis for the deposit is used.

PortoBene calculates the weighted rate, if more than one deposit is outstanding, using both principal and term.

The Pool Rate is used, if there are no deposits matched to specific deals.

Deposit reports by Deposit ID or Deposit Date:

Identify deposits, their accruals, and other details.

Indicate deals funded, if any, by the deposit.

Security Module restricts a user's rights to certain PortoBene functions.

The Security Module is intended for use by database or security administrators belonging to units separate from PortoBene users.

Architecture

The security rights are part of the PortoBene database and travel with it.

Although the PortoBene program is aware of the security restrictions and enforces them, establishing the rules is a separate process, carried out by a separate department using separate software. The restrictions cannot be viewed or set from the PortoBene user software. A casual hacker is unlikely to find or be able to modify the encoded security module's restrictions.

Portfolios

The security module can label a portfolio as restricted so that only users granted specific rights can modify its deals.

Security Module restricts a user's rights to certain PortoBene functions continued...

Rights

Any of five rights can be granted individually to any user. The rights relate to operations carried out within PortoBene, unlike the file access rights granted by an operating system.

The rights include the ability to:

- Change (correct) parameters, variables, or calculation results on deals in a restricted portfolio.
- Archive (remove) deals from a restricted portfolio.
- Alter credit limits.
- Print reports showing overall positions.
- Edit base rate, calendar, or currency tables.

Users can be identified at different degrees of specificity. The user's Windows Name is required.
If desired, the network Domain and Computer Names can also be used to further qualify a user.

Add-ins extend functions using results or data from any PortoBene modules.

Add-ins for PortoBene can be developed to:

Meet unique requirements of trade finance professionals, special needs of Treasury, and to integrate with bank systems and accounting departments.

Create special modules for calculations, reports, or data interfaces.

Become integral since Add-ins are available on the PortoBene menu.

Add-ins can be developed by: NoteWell, users, or third parties.

Existing Add-ins, developed by NoteWell for banks, provide accounting functions including earnings reports, book value, and transaction tickets.

Any of the existing Add-ins detailed on subsequent pages can be purchased from NoteWell "as is" or after further customization.

Existing add-ins continued...

EARNINGS TRACKER extends PortoBene results to provide traders and portfolio managers with an earnings statement for any specified period. Earnings Tracker calculates interest, allocates premiums, and finds earnings for periods other than those implicit in the notes themselves.

Earnings Tracker
From 2 Feb 2003
To 1 Jan 2004

Pmt.	Due Amount	Due on	Bought/Sold on	for	Active Period From	To	Financials		Net
Portfolio: TRADE									
Deal: TEST_DISCO	*Issuer: An Importer*		*Type: discounted in USD*						
3	1,000,000.00	1 Jul 03	1 Jan 02	860,100 @ 86.01 %	2 Feb 03	1 Jul 03	Interest	38,177.67	(149 days)
							Cost @ 3.5000%	-12,288.84	**25,888.83**
4	1,000,000.00	2 Jan 04	1 Jan 02	818,030 @ 81.80 %	2 Feb 03	1 Jan 04	Interest	82,894.64	(333 days)
							Cost @ 3.5000%	-26,120.93	**56,773.71**
Deal: TEST_FLOAT	*Issuer: Pemex*		*Type: int. bearing in USD*						
3	50,000.00	1 Jul 03	1 Jan 02	0 @	2 Feb 03	1 Jul 03	Interest	41,388.89	(149 days)
							Diff. Intr.	-8,277.78	
							Res. Prem.	-11,031.56	
							Cost @ 3.5000%	-14,963.50	**7,116.05**
4	1,051,417.13	2 Jan 04	1 Jan 02	1,100,000 @ 110.00 %	1 Jul 03	1 Jan 04	Interest	51,139.20	(184 days)
							Diff. Intr.	-10,222.22	
							Res. Prem.	-13,622.86	
							Cost @ 3.5000%	-18,066.84	**9,227.28**

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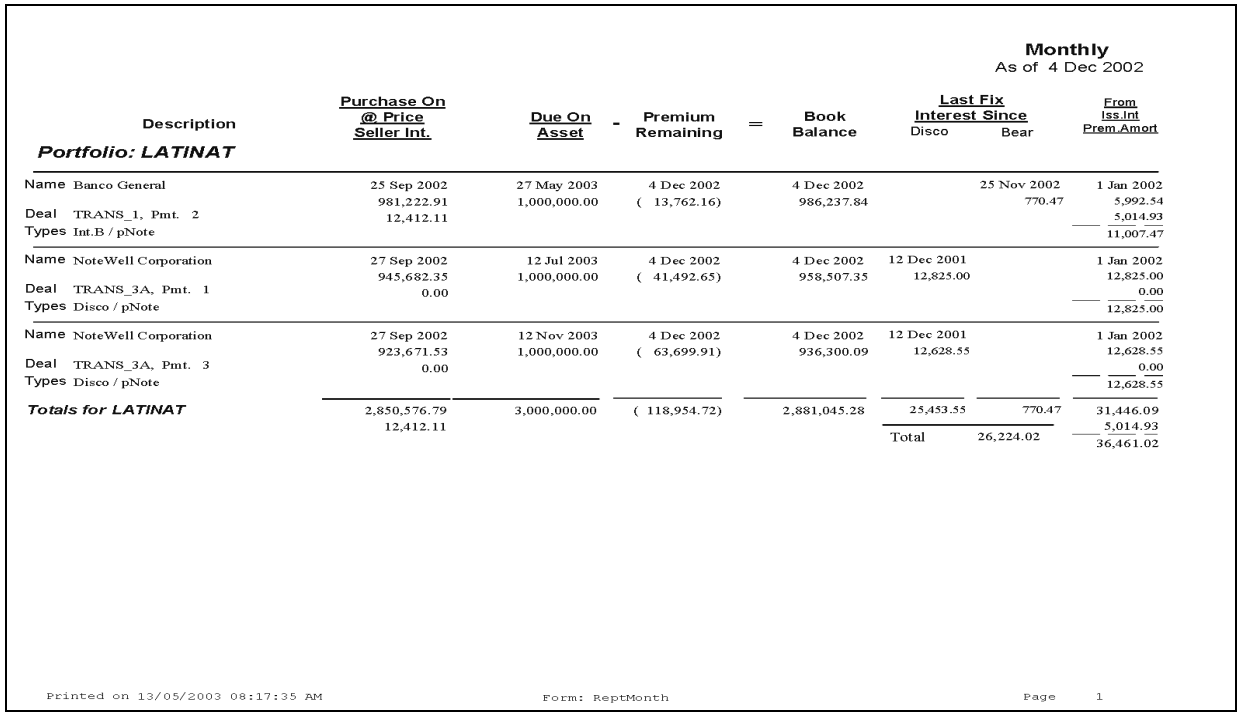
Existing add-ins continued...

MONTHLY reports the position of several balance sheet accounts (as a sub-ledger) on a specified report date including interest earned, book balance, trading gain or loss, and various amortized premiums (seller, base rate adjustments and differential interest).



Monthly
As of 4 Dec 2002

Description	Purchase On @ Price Seller Int.	Due On Asset	- Premium Remaining	= Book Balance	Last Fix Interest Since Disco	Bear	From Iss.Int Prem.Amort
Portfolio: LATINAT							
Name Banco General	25 Sep 2002	27 May 2003	4 Dec 2002	4 Dec 2002		25 Nov 2002	1 Jan 2002
	981,222.91	1,000,000.00	(13,762.16)	986,237.84		770.47	5,992.54
Deal TRANS_1, Pmt. 2	12,412.11						5,014.93
Types Int.B / pNote							11,007.47
Name NoteWell Corporation	27 Sep 2002	12 Jul 2003	4 Dec 2002	4 Dec 2002	12 Dec 2001		1 Jan 2002
	945,682.35	1,000,000.00	(41,492.65)	958,507.35	12,825.00		12,825.00
Deal TRANS_3A, Pmt. 1	0.00						0.00
Types Disco / pNote							12,825.00
Name NoteWell Corporation	27 Sep 2002	12 Nov 2003	4 Dec 2002	4 Dec 2002	12 Dec 2001		1 Jan 2002
	923,671.53	1,000,000.00	(63,699.91)	936,300.09	12,628.55		12,628.55
Deal TRANS_3A, Pmt. 3	0.00						0.00
Types Disco / pNote							12,628.55
Totals for LATINAT	2,850,576.79	3,000,000.00	(118,954.72)	2,881,045.28	25,453.55	770.47	31,446.09
	12,412.11				Total	26,224.02	5,014.93
							36,461.02

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Existing add-ins continued...

BOOK VALUE reports the book value for specified notes as of a specified date for use as the basis for pricing a sale, calculating breakeven, determining costs of funds, or assessing risks.

A report sample is not provided since book value can be defined differently by departments within the same organization and the report can be supplied in different variations. For example, treasury may view a commitment to purchase as a component of book value whereas the trader may view book value as the purchase price less amortizations and today's interest receivable.

Existing add-ins continued...

TRANS-ACT shows any transaction for any user defined period that involves cash paid including purchases (Paid Out report) or cash received including interest and principal received (Received report).

Paid Out

Trans-Act
FROM 1 Jan 2002
TO 1 Jan 2004

Description	Paid On Note Price	Due On Asset	Premium Net	Seller Interest - Discount = Net		Total Paid
Portfolio: LATINAT						
Name Banco General	25 Sep 2002	27 May 2003	25 Sep 2002	25 Sep 2002		
		1,000,000.00	(18,777.09)	12,450.00		
Deal TRANS_1, Pmt. 2				37.88		
Types Int.B / pNote	981,222.91	----------	+	12,412.11	=	993,635.02
Name NoteWell Corporation	27 Sep 2002	12 Jul 2003	27 Sep 2002			
		1,000,000.00	(54,317.65)	0.00		
Deal TRANS_3A, Pmt. 1				0.00		
Types Disco / pNote	945,682.35	----------	+	0.00	=	945,682.35
Name NoteWell Corporation	27 Sep 2002	12 Sep 2003	27 Sep 2002			
		1,000,000.00	(65,248.06)	0.00		
Deal TRANS_3A, Pmt. 2				0.00		
Types Disco / pNote	934,751.94	----------	+	0.00	=	934,751.94
Name NoteWell Corporation	27 Sep 2002	12 Nov 2003	27 Sep 2002			
		1,000,000.00	(76,328.47)	0.00		
Deal TRANS_3A, Pmt. 3				0.00		
Types Disco / pNote	923,671.53	----------	+	0.00	=	923,671.53

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Existing add-ins continued...

TRANS-ACT continued....

Trans-Act
FROM 1 Jan 2002
TO 1 Jan 2004

Description	Received On Amount	Due On Asset	Premium Remaining	Seller Interest Remaining	Last Reset Interest Since	Gain (Loss)
Portfolio: LATINAT						
Name Banco General	25 Nov 2002	25 Nov 2002			25 Nov 2002	25 Nov 2002
	18,778.75	0.00	0.00	0.00	0.00	0.00
Deal TRANS_1, Pmt. 1						
Types Int.B / Interest						
Name Banco General	5 Dec 2002	27 May 2003			25 Nov 2002	5 Dec 2002
	988,385.42	1,000,000.00	(13,683.07)	0.00	856.07	1,212.41
Deal TRANS_1, Pmt. 2						
Types Int.B / pNote						
Name NoteWell Corporation	17 Jan 2003	12 Jul 2003			27 Sep 2002	17 Jan 2003
	969,957.05	1,000,000.00	(33,194.12)	0.00	21,123.53	3,151.16
Deal TRANS_3A, Pmt. 1						
Types Disco / pNote						
Name NoteWell Corporation	17 Feb 2002	12 Sep 2003			27 Sep 2002	17 Feb 2002
	974,957.05	1,000,000.00	0.00	0.00	0.00	40,205.11
Deal TRANS_3A, Pmt. 2						
Types Disco / pNote						
Name NoteWell Corporation	5 Apr 2003	12 Nov 2003			27 Sep 2002	5 Apr 2003
	975,887.54	1,000,000.00	(41,042.80)	0.00	35,285.66	16,930.34
Deal TRANS_3A, Pmt. 3						
Types Disco / pNote						

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Existing add-ins continued...

TICKOFF produces tickets, as source documents for general ledger accounting systems, for any transaction recorded in PortoBene such as purchase and sale of notes, commitment, or funds receipt.

Different organizations use different formats to fit with their internal processing requirements.

FILE EXTRACT (OFAC) is a file that extracts fields from the Party and Country files in PortoBene for checking those files against lists of prohibited countries and parties published by the U.S. government's Office of Foreign Asset Control (OFAC). If prohibitions are found, the appropriate PortoBene files can be blocked.

PortoParts provides software developers with discounting functions.

PortoParts:

Is easily included in a developer's proprietary software.

Speeds development.

Reduces development costs.

Discounting (forfaiting) requires a unique set of functions.

Compound Interest is found using an unusual date sequence.

Iteration is required to find rates, given amounts and discounts on individual notes where amounts depend on other notes' discounts.

Calendar functions use holiday tables to pick future business dates.

Complex calculations determine fees expressed as a percentage of amounts that include fees.

Pricing is based on conventions not found for other negotiable instruments.

PortoParts provides software developers with discounting functions continued...

PortoParts provides a COM object, NoteOne.dll, containing 25 functions in several categories:

Interest Calculation. Eleven functions provide date and rate calculations.

Trading. Seven functions return values of interest to traders such as book value and note price.

Utility. Three functions include converting number of business days to calendar days or reporting inconsistencies among dates with a note and between notes of a single deal.

Development. Four aids include routines that analyze a parameter set or date values and return a diagnostic message if errors are found.

PortoParts includes a manual that:

Documents the use of the functions.

Explains the underlying process.

Provides examples as a reference.

Describes the use of Visual Basic utilities that demonstrate key functions.

NotaNet Web Calculators can be used to attract newcomers or new customers.

The NotaNet Web calculator shown on the following pages consists of:

A selector page.

Seven mini calculators.

Discount a Forfaited Note

Find Repayment from Proceeds

Set up Contract Price

Find Equivalent Rates

Discount a Receivable Invoice

Calculate Interest on Principal

Discount Multiple Payment Note

A custom request form as an alternative to the mini calculators.

The web calculator has distinguishing features from other web facilities, spreadsheets, and forfaiting aids including:

Several discount interest methods are available including straight, simple, and compound discount-to-yield.

Discount and Issuer Interest is separately calculated.

Separate base and spread rates are used.

Fees can be included both as a flat percentage and given amount.

Grace Days and First Payment dates

Edited inputs help prevent typographical errors and odd results.

Help text explains input fields as the mouse cursor moves over each field such as Face Amount or interest rate.

A written Guide is provided.

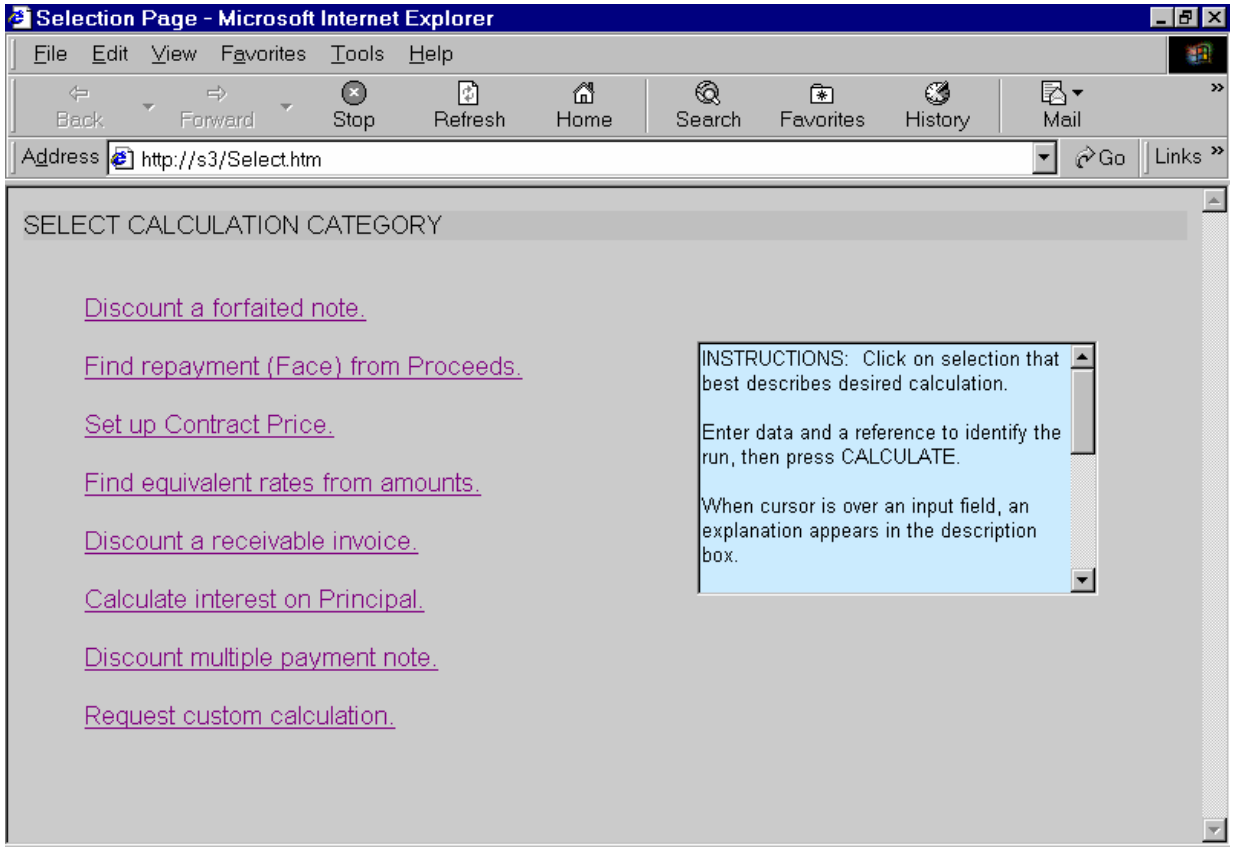
Open ended architecture facilitates changes and additions.

Software requirements are minimal:

For the user: a workstation with Microsoft Internet Explorer or Netscape Navigator.

For the web server host: Active Server Pages, or equivalent, running under an operating system with the Internet Information Service running.

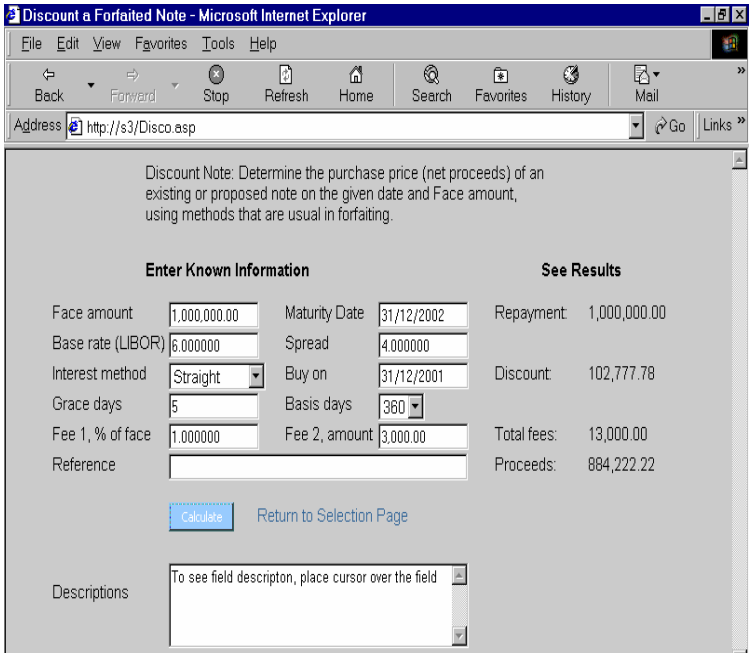
To get started, the user selects the type of calculation desired from the Selection Page.



Calculation Category

DISCOUNT A FORFAITED NOTE

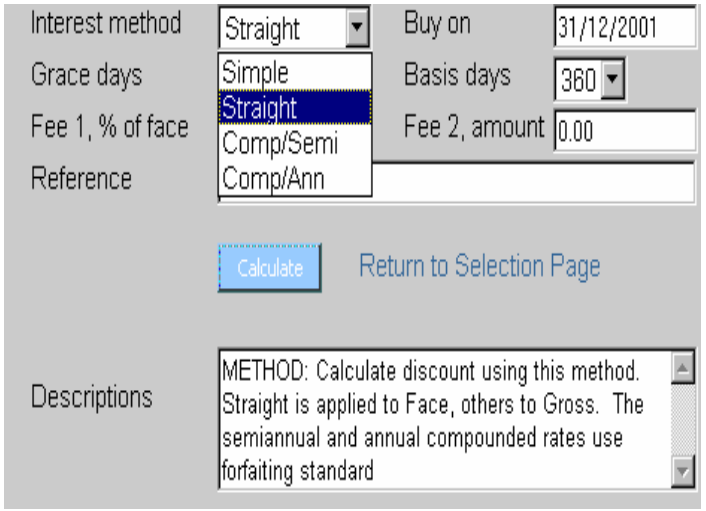
Determine the purchase price (net proceeds) of an existing or proposed note on a given date and Face amount, using forfaiting methods.



Although grace days and 360-day years are not usual with Straight discount, the example demonstrates capability.

The Basis Day pop-down has a 365 and 360 day choice.

An Interest Method pop-down provides four choices as shown below. The Help text for Interest Method is shown in the Descriptions field; this is the result of moving the cursor over the Interest Method field.



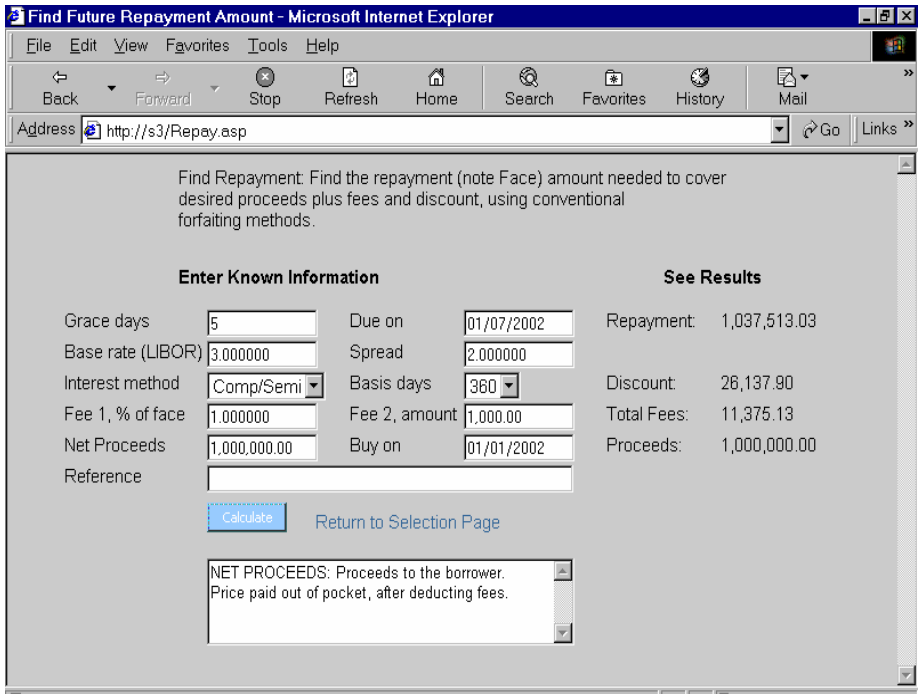
CALCULATION CATEGORY *continued...*

FIND REPAYMENT FROM PROCEEDS

This page shows the amount to be repaid by a note issuer that will yield the desired Proceeds at time of discounting.

The first compounding period is for 183 days using the standard forfaiting method for semiannual compounding. The second, much shorter period, includes five grace days.

The same results can be obtained using the "Discount a Forfaited Note" calculation starting with a Face amount. The two calculations involve the same arithmetic but simply start from different known values, Proceeds or Face.



CALCULATION CATEGORY continued...

SET UP CONTRACT PRICE

This page finds a Contract Price that can be quoted by a primary forfaiter or deal originator to an importer (goods buyer), when the Cost of Goods, Net Proceeds, is a given.

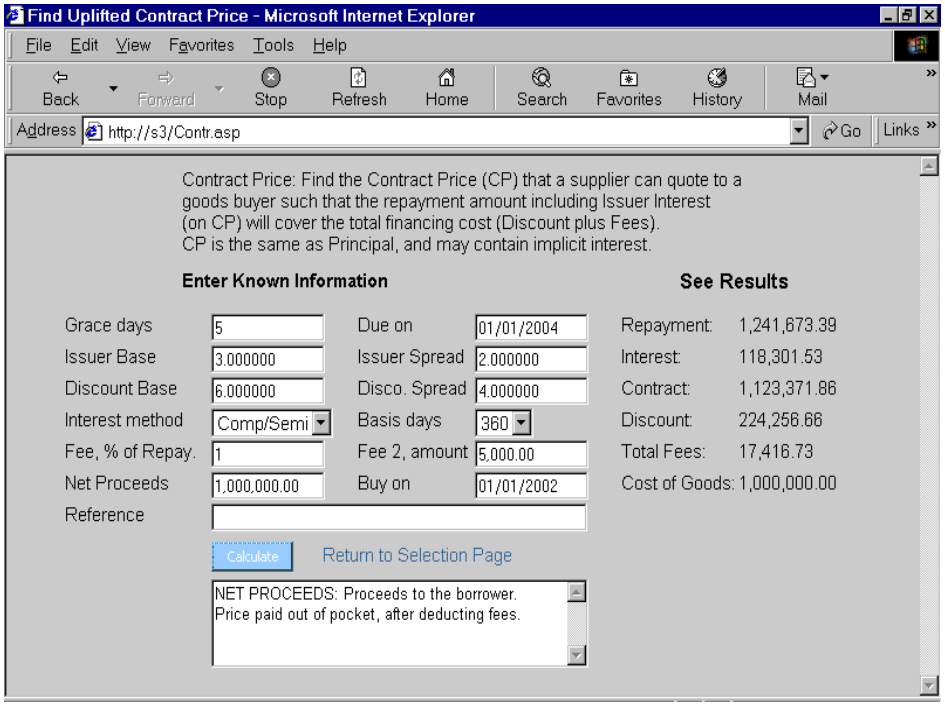
Two sets of interest rates are used:

Issuer rates determine the explicit,
Issuer Interest charged on the Contract Price (Principal).

Discount rates determine the Discount Interest which, along with any fees, constitutes the total financing cost.

Both rates share the same Interest Method and Basis days.

If the Discount rate is higher than the Issuer rate, the Contract Price contains implicit interest.



CALCULATION CATEGORY continued...

FIND EQUIVALENT RATES

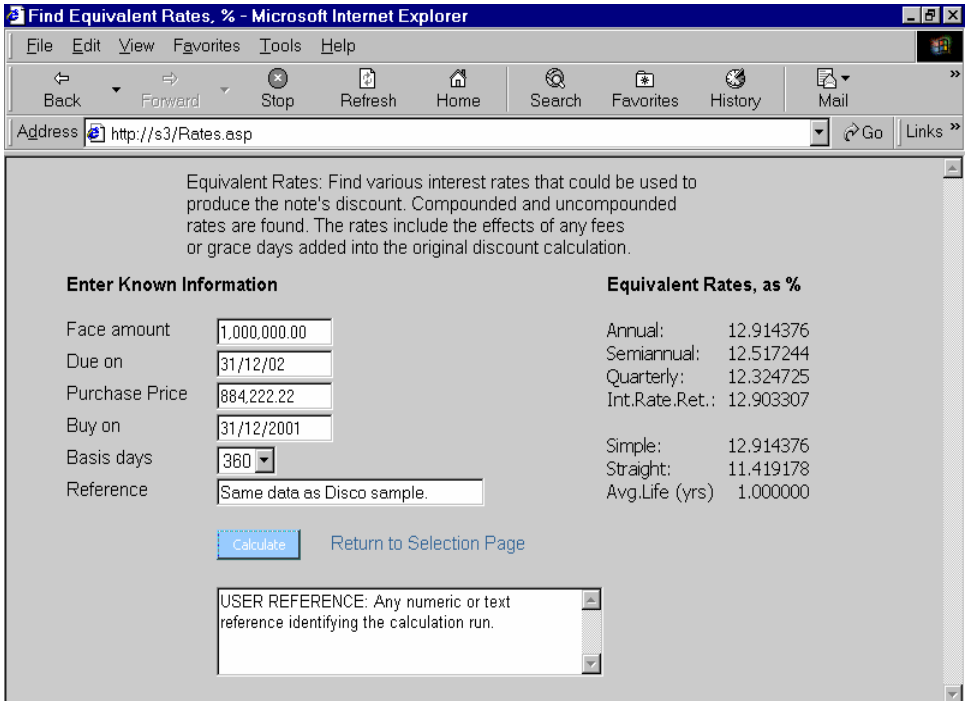
This page finds several interest rates and methods that will each produce the same finance cost on a note, irrespective of the rates or method that were used for the creation of the note.

The results are useful when comparing notes that are set up using different discount methods, fees, and rates.

The computed quarterly and semiannual rates assume the conventional forfaiting method of determining compound interest periods.

The Internal Rate of Return uses annual compounding.

Although the 360 day year is not typically used for Straight and IRR calculations, it is permitted.

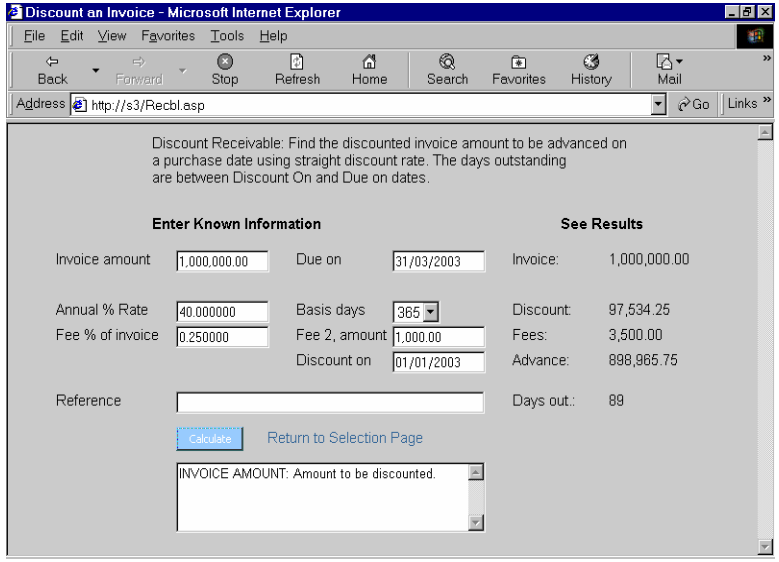


Calculation Category continued...

DISCOUNT A RECEIVABLE INVOICE

This is a simplified version of the "Discount a Forfaited Note" page, with parameters preset for receivables for simpler processing.

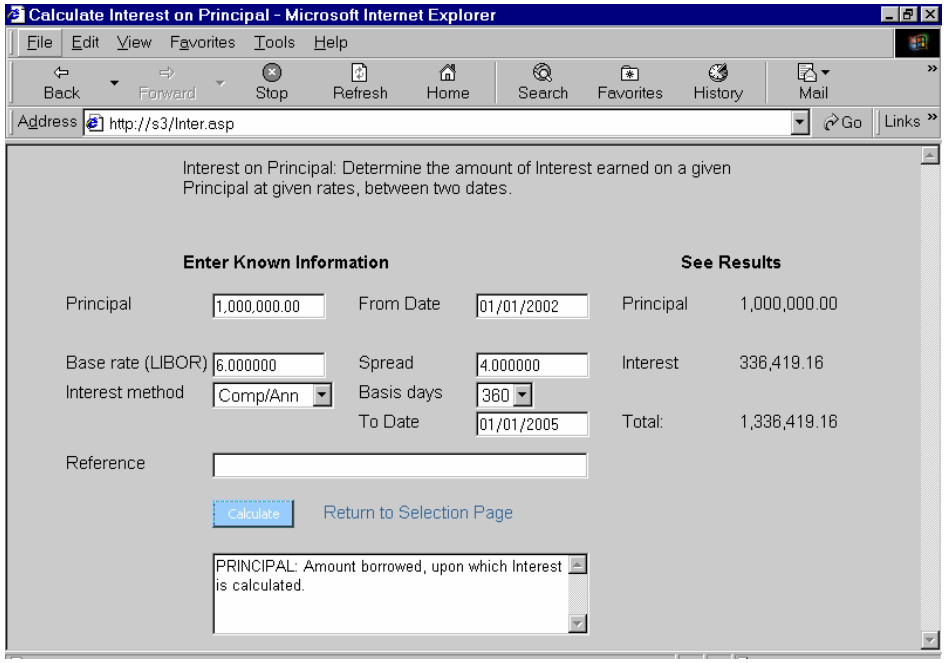
Since receivables are frequently discounted for short periods, the number of days outstanding is shown. Consequently, this page can also be used to calculate days between dates by filling in only the two dates and pressing Calculate.



Calculation Category continued...

CALCULATE INTEREST ON PRINCIPAL

The interest on a given Principal between two dates is calculated. Interest and Principal are summed into a Total on the end date for the situation where this is the repayment date.



This example uses annual compounding over three years. There are actually four compounding periods over the 1096 day period because of an additional day during the intervening leap year.

Calculation Category continued...

DISCOUNT MULTIPLE PAYMENT NOTE

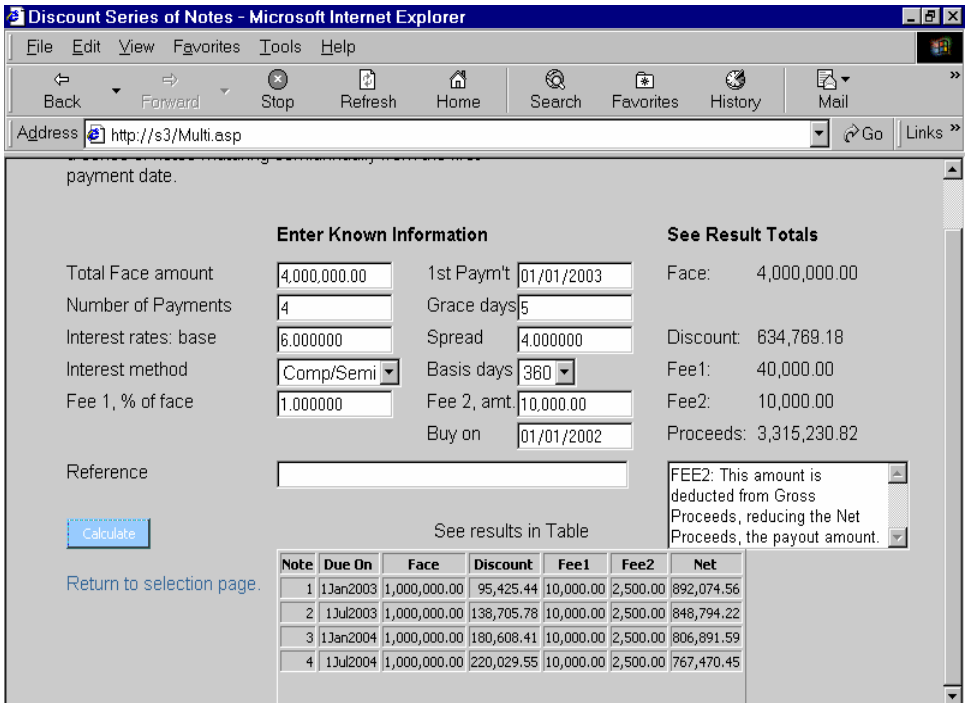
This page shows the discounts and net proceeds for up to 10 equal note payments.
This example:

Finds the Net Proceeds for four $1 million notes with fees and grace days.

Compounds interest semiannually using the traditional forfaiting method, at a 10% discount- to-yield (DTY) rate.

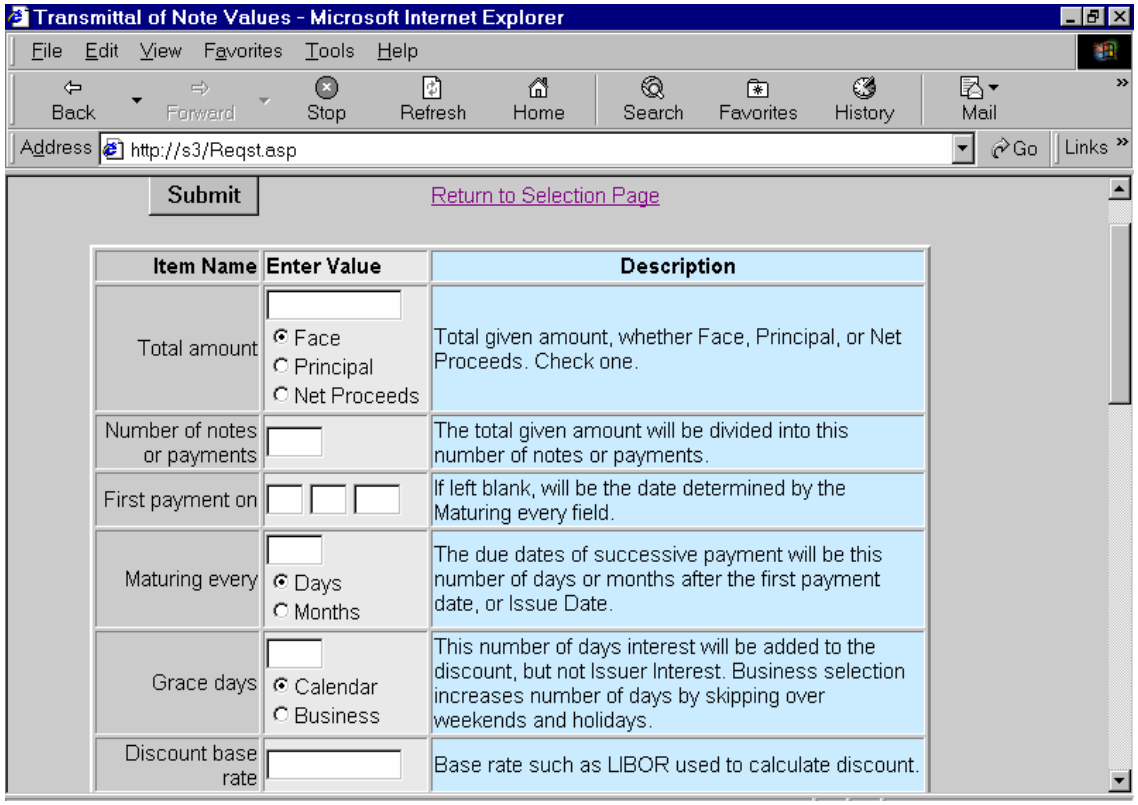
Adds five grace days of interest to each note.

Uses a first payment date to permit an initial moratorium with the subsequent six monthly payments generated by the calculator.



REQUEST CUSTOM CALCULATION

A request page permits the user to enter and transmit more general requirements to the web master for calculation using the more comprehensive PortoBene software. A partial view is shown below.



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