

Customers are  
our #1  
priority.



*"The Bank of Spare Capacity"*

## SERVICE CENTRES

### AUSTRALIA

#### HEAD OFFICE

916 Pacific Highway,  
Gordon NSW 2072 PO Box  
733, Gordon NSW 2072  
Ph: 02 9499 1100  
Fax: 02 9499 1199  
headoffice@ebbx.com

#### BBX ADELAIDE

332A The Parade Kensington,  
Adelaide SA 5068  
Ph: 08 8333 1082  
Fax: 08 8333 3689  
adelaide@ebbx.com

#### BBX BRISBANE

Level 3, 91 Upton Street  
Bundall QLD 4217  
Ph: 07 5571 2463  
Fax: 07 5571 2465  
brisbane@ebbx.com

#### BBX BRISBANE SOUTH

PO BOX 332  
Waterford QLD 4133  
Ph: 0407 733 432  
brisbanesouth@ebbx.com

#### BBX BUILDING SUPPLIES QLD

2016 Gold Coast Hwy  
Miami QLD 4220  
Ph: 0412 395 747  
bbxbuilding@ebbx.com

#### BBX CENTRAL COAST

Unit 3, 9 Tumbi Creek Road  
Tumbi Umbi NSW 2261  
Ph: 02 4388 6664  
Fax: 02 4388 6601  
centralcoast@ebbx.com

#### BBX GOLD COAST

Level 3, 91 Upton Street  
Bundall QLD 4217  
Ph: 07 5571 2463  
Fax: 07 5571 2465  
goldcoast@ebbx.com

#### BBX HOBART

2/10 Magnet Court,  
Sandy Bay TAS 7005  
Ph: 03 6223 1577  
Fax: 03 6223 1588  
hobart@ebbx.com

### BBX MELBOURNE

Suite 6 / L4, Greenborough  
Plaza,  
25 Main St  
Greensborough VIC 3088  
Ph: 03 9606 0666  
Fax: 03 9600 0606  
melbourne@ebbx.com

### BBX MID NORTH COAST

Suite 207/39 Grafton St  
Coffs Harbour NSW 2450  
Ph: 02 6651 2454  
Fax: 02 6651 3856  
midnorthcoast@ebbx.com

### BBX NEWCASTLE

Suite 2, 4/276 Macquarie Rd,  
Warners  
Bay NSW 2282  
Ph: 02 4956 7891  
Fax: 02 4956 7893  
newcastle@ebbx.com

### BBX NORTHERN BEACHES

Suite 1302 Quattro Corporate  
Level 3, 4 Daydream Ave  
Warriewood NSW 2102  
Ph: 02 9999 5404  
Fax: 02 9622 9011  
nortnenbeaches@ebbx.com

### BBX PERTH

102 Walters Drive,  
Osborne Park WA 6017  
Ph: 08 9202 3814  
Fax: 08 9202 3815  
perth@ebbx.com

### BBX SUNSHINE COAST

PO Box 700  
Mooloolaba QLD 4557  
Ph: 07 5443 3319  
sunshinecoast@ebbx.com

### BBX SYDNEY

916 Pacific Highway,  
Gordon NSW 2072  
Ph: 02 9499 1100  
Fax: 02 9499 1199  
sydney@ebbx.com

### BBX WESTERN SYDNEY

1/238 Prospect Highway  
Seven Hills NSW 2147  
Ph: 02 9622 9000  
Fax: 02 9622 9011  
westernsydney@ebbx.com  
Please log in to www.ebbx.com

### BBX NEW ZEALAND

#### GLOBAL BARTER BBX AUCKLAND

(Head Office)  
Suite 4, Level 2, Albert  
Plaza Building 87-89  
Albert St. Auckland NZ  
Ph +64 9262 0212  
Fax +64 9262 0213  
Auckland@bbx.co.nz

#### BBX CHRISTCHURCH

5 Klondyke Dr  
Hornby South Christchurch  
SI 8042 NZ  
Ph +64 33721 562  
Fax +64 33721 563  
Christchurch@bbx.co.nz

### BBX INDIA

#### BBX NEW DELHI CENTRAL

B-39, Basement,  
Greater Kailash – 1,  
New Delhi, India  
newdelhicalentral@ebbx.com

#### BBX MUMBAI CENTRAL

D6, plot No. 35,  
Vishwa Shanti Co-operative  
Housing Society,  
MHADA Colony, Mulund (E),  
Mumbai, India  
mumbaicalentral@ebbx.com

#### BBX GOA CENTRAL

922, (next to state bank of  
India,  
Siolim Branch) Tarchi Bhatt,  
Siolim, Bardez, Goa India  
goacentral@ebbx.com

### BBX TAIWAN

#### BBX TAIWAN

7F, No.300, Dadun 10  
Nantun Dist.,  
Taichung City., Taiwan  
Ph +886-4-2251 1743  
Fax +886-4-2255 2211  
info-taiwan@ebbx.com

### BBX INDIA GBI

#### GLOBAL BARTERS

Savers Impex, 430-431  
Mastermind IV,  
Royal Palms Estate, Aarey  
Colony,  
Goregaon (E) Mumbai India  
Ph +91 22 2879 2170  
Fax +91 22 2879 2178  
gbi@ebbx.com

### BBX SINGAPORE

#### BARTER XCHANGE(S)

105 Cecil Street #05-00  
The Octagon Singapore  
069534  
Ph: +65 64383128  
Fax: +65 64383918  
info-singapore@ebbx.com

### BBX MALAYSIA

#### MODERN BARTER

Suite 4B, Level 4,  
Menara KLK, No.1, Jalan  
PJU 7/6,  
Mutiar Damansara, 47810  
Selangor Darul Ehsan, Malaysia  
Toll Free: 1800 220 229  
Phone: 603 7728 1088  
Fax: 603 7728 4188  
info-malaysia@ebbx.com

### BBX COSTA RICA

#### BOLSA DE INTERAMBIO BBX CENTROAMERICA S.A

La Uruca, de la plaza 200 mts  
Norte San  
José, Costa Rica  
Ph +506 2233 2839  
Fax +506 2233 2736  
info@ebbx.co.cr

## COMPANY AND MANAGEMENT PROFILE

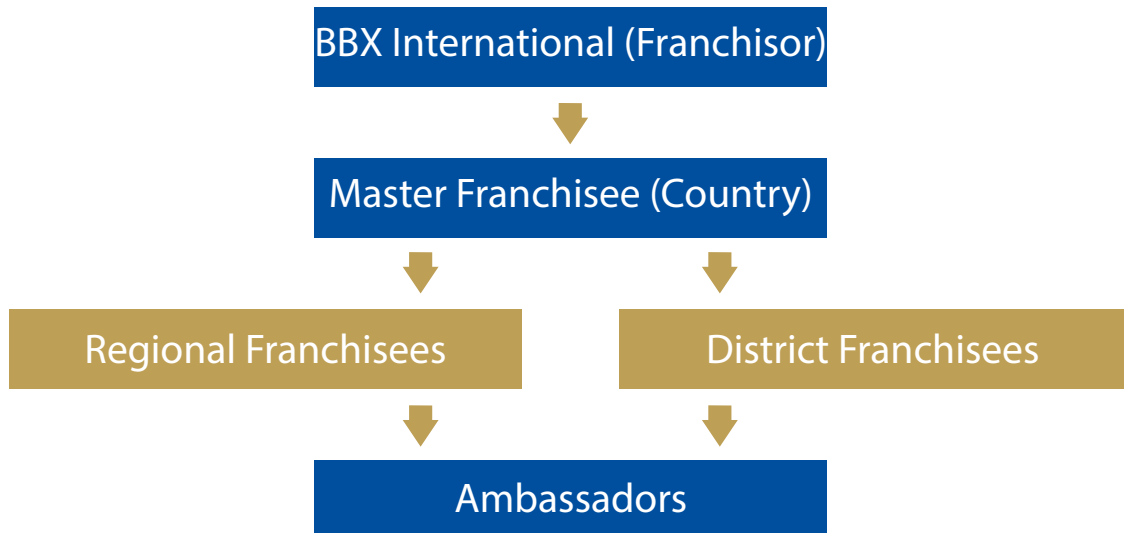
### BBX INTERNATIONAL



### MEMBER SERVICES

- Business Solutions
- Trading Services
- Reciprocal Services
- Real Estate Services
- Marketing Services
- Debtor
- Creditor
- Inventory Movement
- International Distribution

## FRANCHISE STRUCTURE



## TRADEMARKS



[www.ebbx.com](http://www.ebbx.com)

[www.webabrterit.com](http://www.webabrterit.com)

## INTRODUCING THE BBX COMPUTERISED TRADING PROGRAM

- All businesses naturally seek to maximise their own profits, and fundamental economic principles dictate that the two basic ways to increase profits are to: (a) Increase Sales; and (b) Cut Costs. There are various ways by which businesses can try to achieve these objectives but each method usually has its associated difficulties. Not so with the Trading System!
- A trading network represents a captive market of businesses within which account holders can buy and sell goods and services by using a simple means of debits and credits, instead of having to use cash!
- This cashless process is supplementary to the existing cash business of each account holder and means that: (a) Account Holders are able to utilise the capacity of their business to earn BBX pounds credits, by making incremental sales to customers who they may otherwise not have had access to: (b) Account Holders are able to spend BBX pounds to purchase various goods and services for which they would otherwise have needed to expend cash.
- The net effect of this trading process on any participating business is that cash income IS NOT REDUCED but cash expenditure IS REDUCED. Consequently, cash profits ARE INCREASED by virtue of conserving cash! In other words, the extra sales generated by trading clearly give rise to extra profits, regardless of the fact that the trading process is different to that of the cash system.
- BBX's organised trading program provides an extensive range of benefits to its account holders both as buyers and sellers. The following summary of benefits to its account holders can be explained by one of the professional Consultants from BBX.

## BENEFITS - As a Buyer and a Seller

- £ You will have an accredited broker.
- £ You will have 24 hour authorisations.
- £ You will gain additional market share.
- £ You can increase the value of your business.
- £ You will have a Online Directory listing of Account Holders.
- £ You will gain more leverage in your purchasing.
- £ You will utilise the idle capacity of your business.
- £ You will improve the profitability of your business.
- £ You will not incur bad debts under the trading system.
- £ You can provide productivity incentives for your staff.
- £ You can enhance your own personal buying and lifestyle.
- £ You will increase your turnover through incremental sales.
- £ You will be invited to functions, seminars and trade shows.
- £ You can use the Exchange as your selling and buying agent.
- £ You will possess an edge over the majority of your competitors.
- £ You can take advantage of the Exchange's professional services.
- £ You can access over 15,000 businesses.
- £ You can use trading in ways which will increase your cash sales.
- £ You will have greater buying power via your 'own marginal cost.'
- £ You will conserve cash through savings in your regular cash flow.
- £ You can offset your purchases with new sales of your own product.
- £ You can operate an interest-free overdraft facility for trading purposes.
- £ You will be exposed to a new and captive market of fellow businesses.



The level of benefits related to the level of activity by the member in both actively buying and selling via the Exchange.

## POTENTIAL RISKS FOR ACCOUNT HOLDERS

As with any business decision, there can be an element of risk and the following is designed to inform potential customers of the extent of any such risk associated with their account.

You may wish to discuss the following with your advisors prior to formalising your account. Generally speaking, the risks for account holders is restricted to:

- On-going viability of the management company.
- Account holders businesses closing down.

Q. What if the Exchange company is sold or changes hands?

A. In the normal course it would be business as usual, under the new management.

Q. What happens if the continued viability of the Management company is in question?

A. see Page 16 - DISSOLUTION OF TRADING PROGRAM

Q. What happens if an account holder closes up or goes out of business?

A. see Page 16 - DEBT RESERVE FUND

Q. What happens if I'm unhappy with the quality of work or products sold to me by other account holders?

A. see Page 12 - WHAT ARE MY CONSUMER RIGHTS AS A MEMBER?

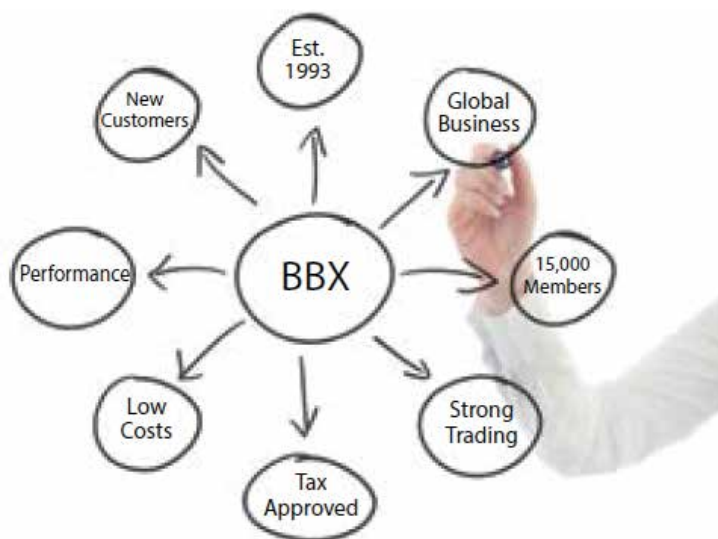
Should the trading programme cease trading, account holders in debit may be required to make good all debit balances in cash. The ongoing success of the manager is affected by the growth in new accounts.

## THE CONCEPT OF RECIPROCAL TRADE

- Direct exchanging of goods and services was once the only way to conduct business. They called it the TRADING system (BARTER).
- The common medium of exchange was invented to simplify business transactions. They called it the CASH system (MONEY).
- However, cash is often an impediment to commerce, especially when businesses are confronted with cash shortages and / or idle capacity.
- In the economic world of today, many progressive businesses have now discovered the solution to overcoming these shortages - SUPPLEMENT the CASH system with the cashless TRADING system!
- The BBX trading program provides businesses with a proven and innovative means of utilising 'idle capacity' such as excess stock.
- Any degree of capacity represents lost potential for a business to finance the purchase of various goods and services needed to maintain its own operation.
- Purchases made by a business through a Computerised Trading Program, are offset (paid for) by that business making additional sales of its own goods or services within the Trading Program itself.
- Organised Trading Programs, which operate as 'Trade Exchanges' or as 'Barter' organisations, have existed in the major countries for many years.

## OPERATION OF THE BBX COMPUTERISED TRADING PROGRAM

- The age-old form of trading / barter was restricted to “one-on-one” transactions between two parties. Such reciprocal dealings have obvious limitations concerning the matching of each party’s needs, values and timing in relation to the goods or services involved.
- The advent of the computer has enabled a third party to enter the trading / barter process. This approach has eliminated all those problems associated with the old “one-on-one” transactions and has made trading as flexible as the cash system.
- The third party is the Trade Exchange itself which, like a form of bank, acts as a “central clearing house” between traders.
- A medium of exchange has been created for trading purposes only. This medium uses the currency of “BBX Pounds” which are simply book-entry debits and credits (ie. non physical accounting units).
- **Trading transactions are valued on the basis that one BBX pound is equivalent to one pound sterling.** The transactions are conducted in a manner similar to standard credit card transactions. Each account holder is issued with a plastic debit/credit card. An authorisation is required for all transaction.
- The Exchange operates a computerised Trading Account for each account holder with individual Debit and Credit limits set according to the trading capacity of the account holder. The processing of each transaction voucher results in the Selling Trader’s account being credited with the specific BBX pound value, and Buying Trader’s account being debited by the same BBX pound value. The Exchange provides all account holders with an electronic monthly statement of their BBX account.
- This computerised system of trading using its own currency means that, unlike traditional methods traders are not restricted to an exchange of goods or services between two parties. That is, a selling trader does not have to buy from the same trader whom he sells to, and vice versa, since BBX pounds credits are redeemable in any business within the network of the Exchange.
- BBX provides an attractive range of services to its account holders:
  1. **As a Marketer**, BBX actively promotes an account holder’s goods or services to a captive market formed by the network of other account holder’s businesses. That is, the Exchange acts as a “promoter” through its publication of a master directory, new accounts, news flashes, newsletters, frequent Trade events (dinners, functions, shows or auctions) and personal representations, etc.
  2. **As a Broker**, BBX actively seeks trading opportunities for all its account holders by sourcing goods or services which account holders require, internationally.
  3. **As a Record-Keeper**, BBX functions like a computerised bank clearing house, providing monthly statements of account holder’s trading activities.
  4. **As a Consultant**, BBX provides its account holders with the knowledge, procedures, tools and contacts necessary to conduct successful trading within the BBX Network.





## QUESTIONS & ANSWERS ABOUT THE BBX COMPUTERISED TRADING PROGRAM

### WHAT COMMODITIES ARE TRADEABLE?

All goods or services, such as: advertising, printing, stationery, vehicle maintenance and repairs, tradesmen and professional services, hire equipment, travel and entertainment. There is really no limit.

### WHAT DOES IT COST TO OPEN AN ACCOUNT?

1. **Life Time Marketing Fee** - a once only establishment charge (not renewable annually).
2. **Annual Card Fee** - an annual levy covering account service and a debt reserve fund, charged on application and at subsequent anniversaries.
3. **Sales Success Fee** - a percentage of the face value of the sales trading transaction paid in cash. This is a performance based fee and is charged when an account transacts a successful sale.

It is important to recognise that these costs are very minimal, by comparison with the potential additional sales and profitability which the trading system may bring to its members businesses.

### WHAT ARE THE REGULATIONS REGARDING TAXATION?

Trading is not a means of avoiding tax. Trade income is tax assessable and trade expenditure for substantiated business purchases is tax deductible, along with the associated cash fees.

This simply means that the trader should maintain separate columns for trading transactions in their cash receipts and cash payments books, and that they should keep copies of trading vouchers and statements for accounting purposes. Remember, trading is a marketing tool.

### WHAT IS A BASIC EXAMPLE OF TRADING?

An Account Holder of a trade Exchange are not just selling on trade, they are also buying on trade. For example, if you make a sale of your goods or services in return for 1000 BBX pounds, and it actually costs you £400 to supply these goods or services, you are out of pocket by the £400 since the fixed costs of your business are not accountable with any trade sale. (Remember, these are sales made out of the previously "capacity" of your business, or in other words, sales which you would otherwise not have made were you not in the trading system.) However, when you spend the 1000 BBX pounds to buy something which you would normally have paid £1000 cash for, you have effectively conserved £600 in Cash! This means that you have obtained £1000 worth of goods or services for an outlay of only £400 plus fees (ie purchasing at your own "marginal cost").

### WHAT PROTECTION IS THERE AGAINST TRADING COMPETITION?

Exchanges are structured to provide members with goods and services which compliment each other. While some competition is good for business, too much is detrimental. BBX is careful to monitor that once the Exchange has a sufficient number of the same types of businesses, more are not given membership until turnover reaches a level which will support their inclusion. This ensures that each member has a fair chance of regular trading and that uneconomical price discounting does not occur. It also means that if you have the opportunity to join **'take it - before a competitor does!'**

## BRIEF HISTORY OF RECIPROCAL TRADE

The Reciprocal Trade industry began in Switzerland 70 years ago and in the United States 50 years ago, and today there are in excess of 550 retail trade exchanges. The development of the Personal Computer has allowed for accurate financial control and management of trade exchanges.

The barter system was one of the earliest forms of trading. It facilitated exchange of goods and services, as money was not invented and the history of barter can be traced back to 6000BC. The Europeans started travelling across the globe and used barter services to trade their goods like fur and crafts to the East, in exchange of perfumes and silks. Colonial America adopted the system of barter in exchange of wheat and deer products across the globe. The history of the barter system can also be linked to the initial years of Oxford and Harvard Universities, where students used to their fees as food items, firewood or livestock.

Barter Services became popular during the Great Depression in the 1930's, which witnessed a scarcity of money. The barter system was utilised as a means of obtaining food and other services across the globe. At that point in time the trading was done between people and or through groups, who acted as agents and facilitated third party bartering.

These groups were like banks, where people maintained their accounts. In case of sale of any of the items, the account of the owner would be credited and the account of the buyer would be debited. In past history the bartering system has also funded World War 1 and World War 11. Post World War 11 the people of Germany resorted to bartering, as the German currency had lost its value.

Barter systems have been in use throughout the world for centuries. The invention of money did not result in the end of the bartering systems and services. Sometimes, monetary crisis fuelled the barter system, and current recessions has also set the stage for barter systems.

In today's economic market barter systems are flourishing across the globe and it is estimated \$16 trillion of business is facilitated per annum. (Sourced from various web sites).

## BBX FUNCTIONS

BBX prides itself in its excellence and quality of service to its account holders. In order to maintain the expectations of account holders, BBX will be required to:

- Process and store received transaction.
- Conduct the management of the Exchange at all times in a professional and ethical manner, to maintain records and bookkeeping at a high standard.
- Set and review approved credit limits in accordance with the rules of the trading program. Deliver in a professional manner BBX statements to all active account holders of the trade exchange.
- Organise the delivery of new account fliers, newsletters, directories, updates, functions, trade expo's, trade nights, auctions, seminars, and other material that may arise for the benefit of the trade exchange and account holders, from time to time.
- Source new accounts and expand areas of trade and process applications according to applicants, viability and the rules of the trading program.
- Administer the rules of the trading program.
- Administer the debt reserve fund. (refer Debt Reserve Fund)
- Levy (refer Schedule of Fees) and collect fees of the Trading Program.



## WHAT IS THE MANAGER'S ROLE?

### CAN BBX TRADE?

Not actually as an account holder, but yes. BBX Trades in much the same manner as other account holders of the trading program. BBX earns part of its income in BBX pounds and offsets part of its expenses in BBX pounds.

BBX can be extended a trade credit limit against future BBX pound earnings to assist in the development of The Trading Program.

For situations where Manager trades within the program as a seller of goods, the Rules contain a retention of title clause of kind frequently used within commercial supply agreements.

## BBX IS COMMUNITY FOCUSED

We focus on major partnerships with non-profit organisations in every country.

This provides non-profit organisations with a secondary source of income.

Provides tax-deductibility for donated goods.

We work to offset a businesses current and planned expenses and only charge once we find the things they need.

Non-profit organisations act as affiliates and referral providers.

Builds organic support from within the community.

Provides greater outreach to business owners & socially responsible individuals.

Mobilises the local community.

Recovers wealth from existing assets, time and space.



## OPENING AN ACCOUNT

### HOW TO OPEN AN ACCOUNT

Application for an account can only be made on the application forms provided or on the official BBX Website <http://joinbbx.co.uk/Join/>.

### REALISATION OF ACCOUNT BENEFITS

The clients of BBX comprises of a large variety of businesses in a cross-section of industries. However, despite BB's best endeavours to provide an account that will enable businesses to participate as both a buyer and a seller, it is possible that:

Having sold goods or services by trade and acquired a credit balance, an account holder may not be able to redeem that credit balance for particular goods or services that it needs. An account holder may not necessarily be able to trade out of a debit balance, because there may not be a market amongst other members for its goods and services.

### PAYMENT OF FEES

All account holders will be required to pay their fees at point of transaction via credit or debit card through our automated billing system.

While the above payment method is being put in place payments must be received by BBX by the 14th of the month.



A & B CITIZEN  
AHSTON CITIZENELD  
PO BOX 655

HORNSBY, NSW, 1630

Account Number
6220430170204105
Your Brokerage
BBX SYDNEY
BBX Management Pty Ltd PO BOX 733 GORDON, NSW 2072 ABN 29 027 030 681 Tax Invoice: 12150104145 Interim January 2012 Statement For transaction through 31/01/12 For Enquiries Call: 02 9499 1100 Or Fax: 02 9499 1199 info@ebbx.com www.ebbx.com

Date	Auth	Traded With	Sales	Purchase	Cash	Trade Fee	Payment
04.01.2012	89725	THE ITALIAN RESTAURANT GOODS 04/01/11 INVOICE NUMBER 205041 AND 205445	553.20	0.00	45.64	0.00	0.00
09.01.2012	90154	THE ITALIAN RESTAURANT BLUE SEAS INVOICES	585.20	0.00	48.28	0.00	0.00
11.01.2012	91670	BBX CASH ACCOUNT PAYMENT	0.00	0.00	0.00	0.00	1,611.53
11.01.2012	91811	THE ITALIAN RESTAURANT INVOICE # 206147 AND 206241	666.36	0.00	54.97	0.00	0.00
13.01.2012	92249	THE ITALIAN RESTAURANT INVOICE # 206378 AND 206181	419.38	0.00	34.60	0.00	0.00
31.01.2012	61204	BBX INTERNATIONAL LTD - DEBT RESERVE Annual Debt Reserve	0.00	0.00	0.00	100.00	0.00
31.01.2012	61205	BBX MANAGEMENT INCOME ACCOUNT Annual Fees	0.00	0.00	250.00	150.00	0.00
TOTAL			2,224.14	0.00	433.49	250.00	1,611.53

Prev BBX Balance	+	New BBX Sales	-	New BBX Purchases	=	New BBX Balance	+	BBX Credit Line	-	Pending Sales	=	Available Spending
157,229.07		2,224.14		0.00		159,453.21		15,000.00		0.00		174,453.21

GST Cash	+	GST Trade	=	TOTAL	Prev Cash Balance	+	New Cash Fee	-	Cash Received	=	Cash Fee Due
39.41		0.00		39.41	1,198.88		433.49		1,611.53		20.84


Dear Members  
Welcome to 2012. BBX will shortly conduct an analysis on all members' businesses. This will be part of an international survey to quantify expenditure on electricity, gas, landlines, mobile phones, internet, insurance and other business needs. We are currently negotiating with many companies to facilitate business expenses on BBX. We will further request the top 5 expenditure items for each business and approach the relative national suppliers. We look forward to your assistance. Have a great New Year.

Account Number:  Company:

Please disregard this account if you are on direct debit/credit card.  
Return payment advice slip. Please detach and send with your payment

Payment due upon receipt:

Please indicate method of payment, sign if by credit card, and return to BBX Management Pty Ltd

<b>Direct Deposits To:</b> ACCOUNT NAME: BBX Management No 2 Pty Ltd BANK: CBA BSB: 062-000 ACCOUNT NO: 13765711 Please note BBX Account Number as deposit reference Your Account Number: 6220430170204105	<b>BPay Details</b>  Biller Code: 114561 Ref: 6220430170204105 Telephone & Internet Banking - BPAY® Contact your bank, credit union or building society to make this payment from your cheque, savings, debit or credit card account. More info: www.bpay.com.au	<b>Credit Card</b> Visa__ Mastercard__ Amex__ Diners__ Credit Card Number: _____ Cardholder Name: _____ Expiry Date: ___/___/___ Amount: \$ _____ Signatur _____ Your Account Number: 6220430170204105
--	---	--

## WHAT ARE MY CONSUMER RIGHTS AS AN ACCOUNT HOLDER?

The fact that transactions are conducted through the Trading Program does not affect the rights or warranties imposed under common law or statute law as between the purchaser and seller of the goods and services traded. These rights include for example, a seller's implied warranties (such as the implied warranty that goods are of merchantable quality) as well as other rights arising under the laws relating to contracts, the sale of goods, consumer protection, fair trading, trade practices, product liability, negligence and fraud. In other words, a purchaser's right to make a claim against a seller under these laws will not be lost because of the fact that the transaction occurred within the Trading Program.

The conduct of business through the Trading Program does not remove the normal risks faced by purchasers and sellers of goods and services. Of course, the Manager cannot guarantee any transaction entered into by an Account Holder who provides goods or services.

## CAN I CLOSE MY ACCOUNT?

Yes, a customer can close their account as per the Rules of the Trading Program. An account holder who wishes to close their account must give notice in writing of intention to cease participation in the Trading Program.

## CAN MY ACCOUNT BE TERMINATED?

Yes. Your account can be terminated at the discretion of BBX.

If an account holder has not traded for a period of ninety (90) days, BBX may at its discretion terminate its account.

If an account holder is in breach of any of the Rules of the Trading Program or Members Information Booklet, BBX may at its discretion terminate its account.

Upon termination of an account, all Cash and BBX pound fees outstanding and fees applicable to zero your BBX account become due and payable immediately. A fee for damages for a breach of the Rules of the Trading Program may also be payable, presently set at £250.

If your account is in debit you have thirty (30) days to provide acceptable goods / services to the Trading Program to that value of your debt. On expiration of the thirty (30) day period the total debt outstanding will become payable in cash to settle your account.

If the customer's account balance is in credit after receipt of all fees outstanding and pre-payment of fees applicable to zeroing and finalising their account, BBX will issue to the account holder a pre-paid BBX card to the value of their credit balance, which may be used within one hundred and twenty days (120) (or therefore forfeited).

**Q. CAN BBX POUNDS BE TRANSFERRED ON A TERMINATION OF AN ACCOUNT?**

**A.** No. The transfer can only be approved if all sales success fees outstanding and fees applicable to zeroing the account are pre-paid.

**Q. CAN MY ACCOUNT BE SOLD OR TRANSFERRED?**

**A.** No, an account can not be sold or transferred.

**Q. ARE BBX POUNDS REDEEMABLE FOR CASH?**

**A.** No. The account holders BBX Pounds are not redeemable for cash.

## TRADING PROCEDURE

There are a number of ways to process a transaction;

### ELECTRONIC OPTION

IPOS: (Interactive Point of Sale)

Free downloadable program from [www.ebbx.com](http://www.ebbx.com) which allows for real time transactions and authorisations to occur and receipt / tax invoice for the both the buyer and the seller.

### WEB IPOS

Log into [www.ebbx.com](http://www.ebbx.com) and click "Web IPOS", enter details for an instant transaction including receipt and tax invoice.

### MANUAL AUTHORISATIONS

Available Mon - Fri 8.30am to 5.00pm (EST). Phone either your local office or BBX head Office for operator assisted transactions. Seller will generate their own tax receipt or invoice.

### BBX VOUCHER

This is a manually transacted process done at point of sale if other options are not available to the seller.

## RESPONSIBILITIES OF THE SELLER

1. To sell goods and / or services at prevailing or normally advertised retail prices and on the same priority given to cash customers.
2. Request Purchaser's BBX Card.
3. When the amount of the purchase has been determined an authorisation must be obtained from BBX.

## RESPONSIBILITY OF A BUYER

1. All account holders must identify themselves as a BBX customer at the outset of purchase. This is done by identifying yourself as a fellow BBX account holder .
2. Purchaser is deemed to be aware of seller responsibilities. Purchaser will sign the Transaction invoice after he or she is satisfied of its accuracy and that the transaction has been properly processed.
3. It is the purchaser's responsibility to realise its purchase limits and may have to pay to BBX an interest charge of two percent (2%) per month or part thereof (24% per annum) in cash. for that amount which exceeds members authorised credit limit, and at the option of BBX purchaser may be billed in cash on seven (7) days notice for purchases made in excess of the authorised credit limit.

## Q. CAN BBX REFUSE TO PROCESS A TRANSACTION VOUCHER?

A. Yes, BBX can refuse to process a transaction voucher under the following circumstances.

1. The transaction voucher amount exceeds the predetermined limit set by BBX and authorisation has not been obtained.
2. The transaction not approved by the purchaser.
3. The transaction is illegible.
4. The transaction is not received by BBX within fourteen (14) days from the date of transaction.
5. Either party is not a 'Account Holder in Good Standing' (as defined in the Rules or the Trading Program).
6. BBX believes the transaction is not in the best interest of all parties.

## A TRANSACTION MAY BE REVERSED IF:

1. Both the purchaser and the seller request the Manager in writing to do so within 30 days; Both the seller and the purchaser must have available funds to facilitate reversal, after 30 days the trade can be reversed. However normal fees will still apply.
2. The Transaction in respect of the Trade was not or does not appear to have been signed by an authorised signatory or was not signed at all; or the seller has no proof of sale.
3. There was, in the Managers opinion, some breach of the Rules of the Trading Program or a fraudulent act.
4. If the buying account holder produces an independent report showing the work, or goods, or services were of poor or inferior quality.

## CREDIT LIMITS

### HOW TO OBTAIN A CREDIT LIMIT

BBX Management will examine the information provided in the application form and upon a credit check shall make an informed decision and may grant an Initial Credit Limit.

Credit Limits may be reviewed every six (6) months by the management company.

Credit limit will reflect the capacity of the type of business to efficiently trade out the debt.

### INITIAL CREDIT LIMIT

The Initial Credit Limit granted to an Account Holder shall not exceed the following BBX pounds amounts:

1. in the case of a FREE Bronze Account, the sum of up to £1,000;
1. in the case of a Bronze Account, the sum of up to £5,000;
2. in the case of a Silver Account, the sum of up to £25,000;
3. in the case of Gold Account, the sum of up to £50,000;
4. in the case of a Black Account, the sum of up to £100,00;

Condition - guarantee or security. As a condition of granting an Initial Credit Limit, BBX may require an Account Holder to provide Guarantees from its directors, shareholder, or any other person or such other security as BBX sees fit.

Increase of Limit. BBX may increase the Initial Credit Limit in respect of any good trading account holder.

Reduction of Limit. BBX may reduce or withdraw the initial Credit Limit in respect of any member, including but not limited to, the following:

1. Account Holder refuses to sell on 100% trade/BBX.
2. Account Holder fees are overdue
3. Manager believes the Account Holder has no intention or capacity to trade out Credit Line.
4. Previous 12 months sales were less than Credit Line.
5. Account Holder has not traded for ninety (90) days.
6. Account Holder accept alternative currency to BBX

### REVISED CREDIT LIMIT

An Account Holder may apply for a revised credit limit after a six month period of being an Account Holder. However a revised credit limit greater than the maximum initial credit limit will be subject to and not limited to:

1. Trading history
2. Financial information supplied by the Account Holder
3. Net assets of the Account Holder
4. Security Offered
5. Account Holder will be required to pay £100 for each £1000 of credit increase

### SPECIAL CREDIT LIMIT

An Account Holder may apply at any time for a Special Credit Limit, however an offer of a registered mortgage over real property or property or a charge or registered bill of sale over a tangible asset owned by the Account Holder or any other party (prescribed security) must accompany the application.



## DEBT RESERVE FUND

1. Purpose. A sinking fund (to be known as the "Debt Reserve Fund") shall be maintained as a separate account and applied by BBX International Ltd. on behalf of all account holders for the purpose of offsetting BBX Pounds at its discretion where an account holders or account holders are or may be unable to honor their obligations under the Trading Program (for example, due to insolvency).
2. Levy of Contribution. BBX International Ltd. will, in its absolute discretion, levy from each account holders a contribution in BBX Pounds and/or cash to the Debt Reserve Fund on a monthly basis and may additionally levy special contributions on a once off basis as it shall deem appropriate to cover any shortfalls that may arise within the trading program from time to time so that the quantum of account holders in credit and account holders in debit including the managers accounts and the Debt Reserve Fund remain in balance at all times.
3. Adequacy of Debt Reserve Fund. The adequacy of the Debt Reserve Fund is not guaranteed by BBX International Ltd. large value transactions conducted by account holders, who are later considered by the manager to be delinquent, could impact upon the adequacy of the Debt Reserve Fund from time to time.
4. Property. Any funds in the Debt Reserve Fund remain the property of the account holders at all times and do not under any circumstances vest in BBX International Ltd. or any manager from time to time. Any shortfall in the Debt Reserve Fund remains equally with all current account holders of the exchange.

## MISCELLANEOUS

### AMENDING THE RULES OF THE TRADING PROGRAM

BBX has the right to amend the Rules of the Trading Program by giving account holders of the trading Program thirty (30) days written notice of the amendments.

Account holders unwilling to participate in the Trading Program under the amendments to the Rules may withdraw, under the Rules of the Trading Program, prior to the notice of amendments, by the account holder giving notice of its intention to withdraw within seven (7) days after receiving such notification.

### DISSOLUTION OF TRADING PROGRAM

The events triggering dissolution are:

- a. An order is made that BBX be wound up;
- b. Where the Manger retires and a replacement is not found;
- c. A Receiver / Receiver Manager is appointed under any charge granted by BBX Management.

In the unlikely event of dissolution the Rules of the Trading Program will apply.

It should be noted , Account Holders must pay transaction / service fees upon a nominal transaction necessary to bring their accounts to zero balances.

Further, in that event, Members whose trade accounts were in debit at the time of dissolution are required to pay the cash equivalent of their debit balance.

BBX International (BBXI) reserves the right to appoint a new manager to the exchange. BBXI may further terminate BBX license or franchise to operate and appoint a new franchisee or licensee.