



Harbour Equity Partners

Phone 631.757.9700

Fax 631.991.9142

LETTER OF EXPLANATION

2/5/2012

RE: Blocked funds at CITI Group via Control Agreement

Dear Sir/madam:

The purpose of the CITI control agreement is to provide comfort in a transaction between a buyer and a seller. As a buyer, we will allocate an account specific to our transaction with a seller or counterparty. This account will have the amount of value to cover the transaction between the Harbour Equity Partners (the buyer) and the seller or counter party. We will then block the funds with the control agreement issued buy CITI Group in New York.

1. The Control agreement will be draw from the CITI legal group listing the account to be blocked.
2. Harbour Equity Partners and the seller will sign the agreement.
3. The account is then verified by the seller or representative and provided with the Banker contact as well as the contact info for our compliance attorney Eugene Suh.
4. Once the agreement are signed we will expect a delivery date to be issued with product to be CIF to the location that we specify.
5. Upon delivery the we will transport, assay and pay for the product and look to repeat this process as often as possible.

Also Note: although we may accept a transaction through a broker, we **do not have an official mandate for these transactions and therefore no one is authorized to represent us. Therefore, all sellers will need to discuss with our office directly to prevent any misrepresentation by 3rd parties involved.**

For more information please fee free to call contact privateequity@harbourequitypartners.com

Frank Romano

A handwritten signature in black ink that reads "Frank Romano".

Managing Director
Harbour Equity Partners, LLC