



# ***OPERATIONAL PROTOCOL***



**PROYTEC**  
P A N A M A

**International Capital Partner**



## **Customers**

PROYTEC PANAMA CORP. offers companies, entrepreneurs and project developers financial services, financial engineering and structured finance programmes that enable the growth, development and realisation of projects, through investments, financing and the raising of financial resources on the International Capital Market, in different technical forms depending on the needs and projects.

PROYTEC PANAMA Corp. also works for public and social Bodies, Institutions, Organisations and Companies.

## **Financial Institutions**

The financial institutions to which PROYTEC PANAMA Corp. turns, either directly or through qualified Partners and/or Advisors, are Private and Public Financial Organisations: such as B.E.I. (European Investment Bank), Inter-American Development Bank, EBRD (European Bank for Reconstruction and Development), B.A.D. (African Development Bank), the World Bank, IFF (World Bank body that grants loans) U.N.I.D.O. (United Nations Industrial Development Organisation, a body of the O. N.U. - United Nations Organisation), Ministries of Foreign Affairs of some Countries (that grant aid and financing to countries with which they have cooperation relations), Merchant Banks, Investment Funds, Pension Funds, Savings Funds, International Foundations, Companies, Business Angels and Family Offices (that grant loans to companies in the development or restructuring phase).



## **Investment, Financing, Financial Engineering, Structured Finance:**

PROYTEC Panama Corp. is able to provide all the necessary services, including the definition of the necessary investments, and compatibility with the project results.

PROYTEC PANAMA Corp. can invest, participate in investment or finance, it can also lead clients in the International Capital Market or promote innovative financial activities in order to find the necessary resources for the realization of their projects.

### **INVESTMENT**

Investment is the main activity of PROYTEC Panama Corp. which can intervene directly, indirectly and in partnership with other companies through Venture Capital or Private Equity.

### **FINANCING**

PROYTEC Panama Corp. does not finance directly, but can lead the client to the international capital market.

### **FINANCIAL ENGINEERING**

PROYTEC Panama Corp. can assess the opportunity, verify the possibility and promote financial engineering programs for clients in need.

### **STRUCTURED FINANCE**

PROYTEC Panama Corp. can structure financial programs to leverage the assets (even limited assets) of clients in order to raise the financial resources needed to develop their projects.

**Complementary services:**

1. Engineering
  - a. Environmental
  - b. Biological
  - c. Chemical
  - d. Civil
  - e. Electronics
  - g. Industrial
  - j. Mechanics
2. Architecture
3. Econometrics
4. Business Jurisprudence
5. Accounting
6. Project Management
7. Internationalization
8. Strategy and Marketing
9. Business development

**Procedure - The Steps**

PROYTEC PANAMA Corp. follows a defined and consolidated protocol consisting of seven steps:

1. Pre-evaluation
2. Documentation
3. Summary Analysis of Documentation
4. In-depth Analysis of Documentation
5. Contract Signature
6. Due Diligence
7. Preparation of the Request Dossier

### **Preevaluation (Step n° 1)**

1. Compilation of the CIS/KYC and the questionnaire that will be sent with the first and second communication and sending to PROYTEC PANAMA CORP.
2. The CIS/KYC must be completed in all its parts by the Customer, printed on the Customer's letterhead and signed on each page, then sent to PROYTEC PANAMA CORP. The questions in the questionnaire must be written on the client's headed paper with the relative answers, and sent to PROYTEC PANAMA CORP. with signature on each page.
3. The first step ends with the analysis of the customer's answers and if the analysis gives a positive result, we proceed to the second step.

### **Documentation (Step n° 2)**

1. Passed the first step, they will be sent to the customer :
  - a) APPLICATION FORM
  - b) BUSINESS PLAN REPORT
  - c) NCNDA (if the Client requires it)
2. The APPLICATION FORM must be filled out in full by the Customer and signed on each page, then sent to PROYTEC PANAMA CORP. with the documents indicated in the APPLICATION FORM attached. The BUSINESS PLAN must be elaborated as indicated in the BUSINESS PLAN REPORT.
3. The second step is concluded after a summary analysis of the submitted documents.

### **Summary Analysis of Documentation (Step n° 3)**

1. A synthetic analysis of the BUSINESS PLAN and of the documents sent by the Client is carried out.
2. If from this summary analysis it emerges that the loan/investment request is compatible with the financial policies of PROYTEC PANAMA CORP. and declarations of interest have already been received from lenders/investors a pro-forma invoice will be sent to the customer for the payment of the work which will be carried out for an accurate verification of all the project variables.
3. The third step concludes with the payment by the customer of the pro-forma invoice and we proceed to the fourth phase.

**In-depth Analysis of Documentation (Step n° 4)**

1. Upon receipt of payment, PROYTEC PANAMA CORP. proceeds to thoroughly evaluate all documents.  
Clarifications, additional documents, changes to documents already received, etc. may be requested at this stage.
2. The assessment may be carried out by a PROYTEC Group company or by a partner company to which PROYTEC PANAMA CORP. entrusts the task for reasons of speed or otherwise.
3. Once the in-depth analysis is concluded, all the elements that it is important for the Client to know are communicated, so that the Contract can be signed.

**Contract Signature (Step n° 5)**

1. The Customer will receive the FUNDRAISING, FINANCING, INVESTMENT, CONSULTANCY CONTRACT, which he/she must complete with the required data, sign on all pages and send to PROYTEC PANAMA CORP.
2. By signing the Contract, PROYTEC PANAMA CORP. is authorised to carry out all activities necessary for the procurement of the resources required for the development of the project presented by the Customer.
3. Once this step has been completed, the Due Diligence required by all the Financial Institutions will be processed to assess the risk and consequently determine the best financing/investment proposal to be made to the Customer.

**Due Diligence (Step n° 6)**

1. The customer will be sent two forms (Due Diligence RFI 1/2 and Due Diligence RFI 2/2) with questions to which he will have to answer as precisely as possible.
2. The customer will have to copy the questions and write the answers on headed paper, sign each page and send the letters to PROYTEC PANAMA CORP.
3. The administrative costs of the Due Diligence will be invoiced to the Client by PROYTEC PANAMA CORP. or more likely by the Company that will have been appointed by the Lender / Investor

**Preparation of the Request Dossier (Step n° 7)**

1. Once the Due Diligence has been completed, all the necessary documentation will be prepared for the presentation of the request to lenders/investors who in the meantime have expressed an interest in intervening financially for the development of the Project.
2. The dossier will be accompanied by a report that will highlight all the strengths of the Project and the positive results that emerged from the analysis of the documents and the Due Diligence.
3. At this point, all that remains is the analysis of the customer's credit compliance, which will be carried out directly by the lenders/investors concerned.

It is important to highlight that from the moment of the closure of the second step, PROYTEC PANAMA CORP. carries out a survey to evaluate how many, which lenders/investors may be interested in the Client's Project and under what conditions.

Acquired positive responses, interest and availability PROYTEC PANAMA Corp. identifies, also in collaboration with the Partner Companies, the Advisors and its own Professionals, all the subsequent steps are always developed also with the Financial Institutions that declare interest in order to have a great probability of success.

This is why the relationship with the customer must be constant.

Obviously it is not possible to guarantee 100% success, as in the course of the Due Diligence possibly updated by lenders/investors or by Credit Compliance, news and information could emerge that appear only in the various information systems of the Financial Institutions one faces or temporary crises in the country where the Project is to be implemented.

**Honorary, Commission, Expenses and Indemnities**

Normally the Honorary, Commissions and Expenses and Indemnities provided for in the Contract are as follows:

1. The activities referred to in steps 1. and 2. have their own specific cost, which is not charged to the Customer, as it is included in the Fee provided for by the Contract.
2. PROYTEC PANAMA CORP's honorary for its Advisor activity is US\$ 15,000 (fifteen thousand US dollars) plus US\$ 500 (five hundred US dollars) for administrative and bank reception expenses which are regularly invoiced by electronic invoice. The amount will be determined in the pre-screening and feasibility analysis according to the value of the dossier, the difficulties it may present, the area in which the project will be developed and the risk.
3. Commission is between 4% and 10% of the financial resources requested, in relation to the project or inversely proportional to the amount of the project which will be paid at the time of delivery to the Client and regularly invoiced.
4. The Due Diligence has a cost of US\$ 20,000 (twenty thousand US dollars) and will be paid to the Company which will carry it out against a regular invoice.
5. Expenses for any elaborations or re-elaborations, modifications or updates of the documents presented by the Customer, if necessary, will be the subject of a specific agreement with the Customer.
6. Possibly expenses related to travel, food and lodging and allowance for the working day for the lender/investor's Advisors, if they intend to inspect the project development site.
7. Any additional expense, commission, fee or tax, requested by the Financial Institution with which the Customer will be connected, will be charged to the Customer and must be paid according to the terms and conditions imposed by said Financial Institution.

**PROYTEC PANAMA Corp.**

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