



## Guidance Notes for PFX Authorised Introducers (AI)

Thank you for your interest in registering as a PFX Authorised Introducer (AI). These guidance notes have been produced to clarify how PFX works for you, our registered investors and capital raising projects. For further information we strongly recommend that you read the [PFX Market & Media Backgrounder](#) so that you can familiarise yourself with our (and your) market positioning.

You are joining a long-term undertaking to consolidate the fragmented and opaque project finance market. With thousands of projects at any one time, and tens of thousands of potential investors, project finance has all the attributes of being a global \$multi-trillion capital market in its own right. PFX has built the global marketplace that is making this happen.

**Our structure is founded on the traditional intermediary business model, but with the following key enhancements:**

- We have added a ‘media layer’ to the traditional intermediary model. Any exchange in the world be it stocks, commodities, metals etc is supported by a media eco-system. **This releases the flow of information so that the flow of capital can naturally follow.** On this principal, PFX provides a pipeline of opportunities on its website but, critically, with project and investor information withheld. This complies with long-established market privacy and non-disclosure conventions, which was a major contributor to the fragmentation and opacity of the market. Only registered investors can access the detailed executive summary information supporting each listing.
- PFX registered investors are all subject to our stringent due diligence in order to exclude the advance fee and other fraudsters who infest our market. We develop close relationships with each investor so that we are fully aware of their prevailing investment preferences.
- Unlike other intermediaries, we take the time to work with clients to bring their submissions up to our demanding ‘submission ready’ standards. Only the investor and their counterparties (lawyers, tax advisors, underwriters etc) can say when a project is ‘shovel ready’.
- We can invest hundreds of hours in bringing a project to ‘submission ready’ standard. There is no charge for this work. Therefore we engage with projects only for which we are confident we have at least one investor.
- The value of many project financings are equal to or greater than IPO’s on any stock exchange, where investors expect the prospectus to provide all relevant information. The format for prospectuses varies from jurisdiction to jurisdiction but the information provision remains largely consistent across all of them. PFX has developed its listing process and executive summary structure (including the data-room) so that the content and presentation is uniform across all transactions. And, critically, meets all investor information requirements at the outset.
- Brokers and intermediaries will arrange a completion fee with their clients which is payable on closing. This can often create resistance among investors who are not prepared to include these fees in their terms sheet when they have had no involvement in setting them. At PFX we have direct agreements, payable on completion, with all our investors. Some of these are payable in full with the first tranche. Others are paid concurrent with tranches. This ensures fee payments for our AI’s.

- It is an essential part of your agreement with PFX that **you are direct to your client**, with no other broker or intermediary between you and them. We promise our investors that no project presented to them through PFX is part of any broker chain. They know as well as we do that countless projects have fallen at the last hurdle simply through arguments over fees between brokers.

In every respect, PFX is unique in the \$multi-trillion global project finance market. It is important to emphasise to your clients what separates PFX from normal brokers and intermediaries.

It is also important to highlight the fact that PFX will only engage with a client when we have been through the intake process in full. It is essential for us to have all the detail necessary to assess if we are going to be prepared to invest the time to properly prepare the client for investor due diligence. We do this in order to meet the high expectations our registered investors have of us.

## HOW TO SUBMIT YOUR CLIENT'S PROJECTS TO PFX

### Stage 1 Intake Form

You will be provided with a 'white label' PFX Stage 1 Intake Form which carries your own company logo. PFX is not mentioned on this form to ensure that there is no circumvention by your clients.

This should be sent to your clients with a request to ask them to complete it in full and return to you with their project plan, executive summary or other document describing their project. We ask for a 300-word elevator pitch on the Stage 1 Intake Form because neither PFX nor investors have the time to work through the client's project plan/executive summary to find the high level information we need in the first instance.

Please add your own e-mail address to the foot of the Stage 1 Intake Form to ensure the submissions come to you in the first instance so that you have a record of them. Forward them to [DIS@PFX.Exchange](mailto:DIS@PFX.Exchange) (PFX Direct Intake Service) for further action.

### Initial Call

Provided the Stage 1 Intake form and executive summary present a positive picture, we will arrange a call with your client to get a further 'feel' for the project and the project principals themselves. Provided this goes well, we will send them the Stage 2 Intake Form. If, for any reason, we decline the submission at this stage we will provide summary information to guide you and your client into making further preparations before submitting again.

### Stage 2 Intake Form

We copy the Stage 1 Intake Form into the top of the Stage 2 Form, which then goes onto ask for a lot more detailed information about the project. Availability and provision of permits, permissions, contracts and agreements along with details of land ownership/access and further information are all gathered on this form. This enables us to build a much more detailed overview of the project and identify any weaknesses that might need to be addressed before moving forward.

### Second Call

We work through the Stage 2 Intake Form and discuss any issues it might have exposed. This call will finally decide whether PFX is prepared to invest the (sometimes) hundreds of hours necessary to bring the project up to our stringent 'submission ready' standards. Please note that only the investor and their counterparties (lawyers, underwriters, third party advisors, tax lawyers etc) can decide when a project is 'shovel ready'.



Please advise your clients never to use the term 'shovel ready' anywhere in their documentation. PFX senior executives have over 200 years market experience between them and none of them have ever taken in a new project that has met investor 'shovel ready' criteria.

### Engagement

Only after the second call, and if we are satisfied with the outcome, will PFX decide to move forward with the project. At this stage, we will issue the client with our Engagement Agreement, NCNDA and AML screening form.

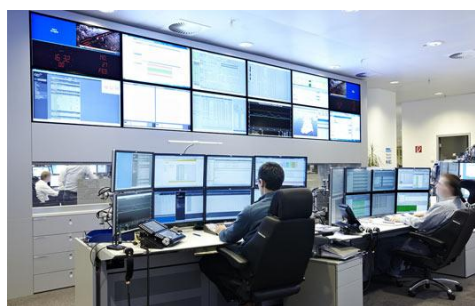
### Listing Worksheet

The client is also provided with their [PFX Listing Worksheet](#) (© PFX, link provides the download for the locked .pdf specimen Worksheet). The Worksheet provided to the client has additional notes from the PFX Analyst managing the transaction to guide them into developing a professional Executive Summary for the investor to work with.

The Listing Worksheet was developed in liaison with a number of PFX registered investors prior to launch and has been modified in light of actual usage. It is now regarded as the industry benchmark for guiding project principals into producing a professional executive summary, which is why it is only available as a locked .pdf for download for the public domain.

### Trade Desk

We recommend you view the [Trade Desk zone](#) at the PFX site. PPP (Private Placement Programs) are a long-established arbitrage trading structure. PPP's are not an investment but a **Placement of Private** capital into a PPP/arbitrage trading **Program**. A minimum \$1m placement (*not* investment) eight-digit private investment fund over the normal 40 week trading cycle. A \$10m placement will grow to a nine-digit fund over the same period. Revenues are trading profits, not a loan. It is not repayable. This enables the project to move forward with no oversight by outside investors.



There is an explanation of how PPP/arbitrage works as well as a summary of the history in the [Trade Desk zone](#). There is also an extensive FAQ available for download.

It is important to keep in mind that with the Trade Desk, we are not a facilitator, introducer or broker in any sense. We are part of a well-established trade group with our own traders on two Tier-1 desks (there are only seven in the whole world) in London.

If you have clients who might be interested please download the relevant Preliminary Enquiry Form (PEF) from the Trade Desk zone and insert the company name on your PFX AI agreement 'Introducer' in the green 'PFX User Only' panel. Provide this to your client to complete and return to the e-mail provided on the form. The fee share with you is the same as that for project finance transactions, paid monthly to us from the trade desk as trading progresses.

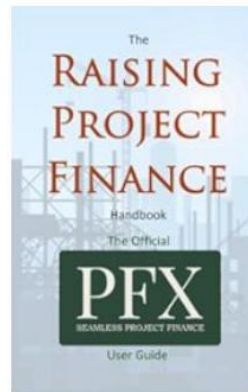
Clients should be advised that due diligence and other requirements may take as much as two to three months to complete before their trading can commence. The market is heavily regulated in order to ensure that the exceptional profits generated by PPP's are directed into genuine projects and not into personal wealth enhancement.

It is necessary for clients to provide a summary of the project they want to fund through their PPP and show that it is 'economically viable.' However, this does not need to be provided in as much granular detail as that required for normal project finance investment submissions.

Please return to the PFX site at

<https://PFX.Exchange>

If you or your clients are not experienced in project financing please refer to *The RAISING PROJECT FINANCE Handbook* (click cover below) now also the PFX User Guide. It costs little more than a visit to your coffee shop and has already assisted hundreds of project principals worldwide.



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Thank you.