

EXHIBIT 4

Majority Staff Report Supplemental
Committee on Finance
Committee on Homeland Security and Governmental Affairs
November 18, 2020

On September 23, 2020, the Senate Committee on Finance and the Senate Committee on Homeland Security and Governmental Affairs released a majority staff report entitled, “Hunter Biden, Burisma and Corruption: The Impact on U.S. Government Policy and Related Concerns.”¹ After the report was issued, new sources went public with additional information about business relationships and financial arrangements among and between the Biden family and their business associates, including several foreign nationals. In particular, some of that information concerned John Robinson Walker (“Rob Walker”) and his company, Robinson Walker LLC. The new information is consistent with other records within the Committees’ possession which show millions of dollars being transferred from a Chinese entity linked to the communist party to Robinson Walker LLC. Those transactions are described in more detail herein.

Robinson Walker LLC is controlled by Hunter Biden’s longtime business associate, Rob Walker.² Walker appears to have been associated with at least three companies connected to Hunter Biden: Oldaker, Biden and Belair LLP; Seneca Global Advisors; and Rosemont Seneca Advisors.³ Hunter Biden was a founding partner at Oldaker, Biden and Belair LLP, and he reportedly maintained an ownership stake in Seneca Global Advisors.⁴ Hunter Biden reportedly

¹ S. Rep., Hunter Biden, Burisma, and Corruption: The Impact on U.S. Government Policy and Related Concerns, S. Comm. on Homeland Sec. and Governmental Aff. and S. Comm. on Fin., 116TH CONG. (2020).

<https://www.finance.senate.gov/imo/media/doc/HSGAC%20-%20Finance%20Joint%20Report%202020.09.23.pdf>.

² According to Delaware records, a company named Robinson Walker, LLC was formed on February 28, 2008. According to Committee records, a company named Robinson Walker LLC, located at an address on V Street NW Washington, DC 20007, received \$6,000,000 in wire transfers from the CEFC China Energy-affiliated company, State Energy HK Limited. In a text exchange with Tony Bobulinski, a “Rob Walker” stated that he controls a single person entity incorporated in Delaware called “Robinson Walker LLC.” In another text message exchange with Tony Bobulinski, Rob Walker gave an address for Robinson Walker LLC located on Hawthorne Road in Little Rock, AR 72207. Publicly available address listings show that an individual named John Robinson Walker is associated with the V Street address and the Hawthorne Road address that Walker provided to Bobulinski. A confidential document on file with the Committees shows that the Arkansas address is associated with a “John R. Walker,” the Managing Director of Rosemont Seneca Advisors and includes a “robinsonwalker,” “pilotgrowth” (referring to a company associated with Walker) and “rstp” (most likely referring to Rosemont Seneca Technology Partners) email address. Further, public lobbying registration filings show that in the past, an individual named “John Walker” registered in association with lobbying work done for a company called Advanced Navigation and Positioning Corporation. Specifically, between June 2008 and July 2011 those lobbying registration filings show that a “John Walker” and “John Robinson Walker” was registered as a lobbyist for Advanced Navigation and Positioning Corporation, and, at different points during that timeframe, the registrants for the lobbying work were two Hunter Biden-linked companies, Oldaker, Biden & Belair LLP and Seneca Global Advisors, LLC, as well as Robinson Walker LLC. Addresses on lobbying disclosure forms for Robinson Walker LLC list the V Street NW Washington, DC 20007 address. See Lobbying Registration, Oldaker, Biden & Belair LLP (June 1, 2008), <https://soprweb.senate.gov/index.cfm?event=getFilingDetails&filingID=1D1CC1DD-8996-47B7-8F14-CB928F7D2B71&filingTypeID=1>; see also Lobbying Registration, Seneca Global Advisors, LLC (Oct. 1, 2008), <https://soprweb.senate.gov/index.cfm?event=getFilingDetails&filingID=475013C1-BF46-49C0-8ECE-E4646F01AAF1&filingTypeID=1>; Lobbying Registration, Robinson Walker LLC (Dec. 7, 2009), <https://soprweb.senate.gov/index.cfm?event=getFilingDetails&filingID=FE81B108-FEDA-4C87-BCDF-CC3B56924186&filingTypeID=1>; CONFIDENTIAL DOCUMENT 16, 17 (on file with Comms.); Hunter Biden reportedly has an ownership stake in Seneca Global Advisors. CONFIDENTIAL DOCUMENT 15 (on file with Comms.); Text message exchange between Rob Walker and Tony Bobulinski (May 21 and 22, 2017).

³ *Id.*

⁴ CONFIDENTIAL DOCUMENT 15 (on file with Comms.). CEFC China Energy Proposal for Investment Vehicle (April 10, 2017).

served as Chairman of Rosemont Seneca Advisors, and Walker reportedly served as its Managing Director.⁵

In October 2020, Tony Bobulinski came forward with a series of public statements and interviews in which he described his personal experience working with the Biden family and their associates, including Walker. When Bobulinski publicly disclosed his relationship with the Biden family, he also disclosed information about Walker's connection to the Biden family.

For example, in a May 21, 2017 WhatsApp message that Bobulinski produced to the Committees, Walker told Bobulinski that he was the owner of Robinson Walker LLC and confirmed that it was a single member LLC based in Delaware:

Rob Walker: I can. I have an llc: Robinson walker llc. Dont really know the pros and cons. Let's do Robinson walker llc if not too late.

Tony Bobulinski: it's a single member delaware llc?

Rob Walker: Yes⁶

Other WhatsApp exchanges between Walker and Bobulinski demonstrate a close working relationship between Walker and the Biden family. In a May 22, 2017, WhatsApp message from Walker to Bobulinski, Walker provided James Biden's contact information to Bobulinski for inclusion in a corporate agreement:

Tony Bobulinski: Plse docu sign the O agreement and herd up H and Jim

Rob Walker: Jim is [address listed] Merion Station, Pa. 19066.

Tony Bobulinski: Thx James has signed it, we are waiting on u 3 I need it signed so when I get confirmation from China we can execute⁷

During an interview with Tucker Carlson that aired on Fox News, Bobulinski stated:

Tucker Carlson: Let me ask you to pause. Will you explain to us who Rob Walker is?

Tony Bobulinski: Yes. Rob Walker was a partner in Rosemont Seneca and had a very close relationship with the Biden family and had developed and been working with James Gilliar throughout 2015 and 2016 to develop this deal with the Chinese and CEFC.

⁵ CONFIDENTIAL DOCUMENT 17 (on file with Comms.); CEFC China Energy Proposal for Investment Vehicle (April 10, 2017) at 3.

⁶ Text message exchange between Rob Walker and Tony Bobulinski (May 21, 2017).

⁷ Text message exchange between Rob Walker and Tony Bobulinski (May 22, 2017).

Tucker Carlson: What was his relationship with the Biden family?

Tony Bobulinski: So my understanding is, Rob had worked in prior administrations and had a very, very close relationship. In fact, in Rob Walker's own words, in an e-mail to me, he states that, you know, everyone was contributing or telling me how they wanted to participate in Sinohawk. And in an e-mail, he basically states in his own words, to me, I want to continue acting as a proxy for Hunter Biden, Jim Biden and the Bidens around the world.⁸

In a May 15, 2017, e-mail from Walker to Bobulinski, Walker explained to Bobulinski that in the context of their financial relationship, he saw himself as “[b]eing a surrogate for H or Jim when gauging opportunities.”⁹ In this e-mail, H appears to refer to Hunter Biden, and Jim appears to refer to Joe Biden’s brother, James Biden.

According to records on file with the Committees, on February 23, 2017, and March 1, 2017, a Shanghai-based company called State Energy HK Limited sent two wires, each in the amount of \$3,000,000, to a bank account for Robinson Walker LLC.¹⁰ The records note that “[i]t is unclear what the true purpose is behind these transactions and who the ultimate beneficiary is.”¹¹

These transactions are a direct link between Walker and the communist Chinese government and, because of his close association with Hunter Biden, yet another tie between Hunter Biden’s financial arrangements and the communist Chinese government. At the time of the transfers, State Energy HK Limited was affiliated with CEFC China Energy, which was under the leadership of Ye Jianming.¹² In the past, State Energy HK Limited transferred funds to at least one company associated with Hunter Biden’s business associate, Gongwen Dong.¹³ As detailed in the Committees’ September 23, 2020 report, Hunter Biden’s business partner, Ye Jianming, had established ties to the Chinese Communist Party and Chinese military, the People’s Liberation Army.¹⁴ So, too, did Gongwen Dong, in light of his relationship with Ye.

In 2017, Ye was actively working to build CEFC by making investments around the world. According to news reports, Ye actually “appeared to be China[’]s unofficial energy

⁸ *Bobulinski: ‘I think Joe Biden and the Biden family are compromised’*, Fox News (Oct. 27, 2020), <https://www.foxnews.com/transcript/bobulinski-i-think-joe-biden-and-the-biden-family-are-compromised>.

⁹ E-mail from Rob Walker to Tony Bobulinski (May 15, 2017).

¹⁰ CONFIDENTIAL DOCUMENT 16 (on file with Comms.).

¹¹ *Id.*

¹² *Id.*

¹³ CONFIDENTIAL DOCUMENT 7 (on file with Comms.); CONFIDENTIAL DOCUMENT 16 (on file with Comms.).

¹⁴ S. Rep., Hunter Biden, Burisma, and Corruption: The Impact on U.S. Government Policy and Related Concerns, S. Comm. on Homeland Sec. and Governmental Aff. and S. Comm. on Fin., 116TH CONG. (2020). <https://www.finance.senate.gov/imo/media/doc/HSGAC%20-%20Finance%20Joint%20Report%202020.09.23.pdf> at 71, 75.

envoy, meeting presidents across the globe and even becoming an adviser to a European government.”¹⁵

According to open source reporting, these efforts involved cultivating ties with Russia and actors connected to Russian President Vladimir Putin. The Committees’ September 23, 2020, report illustrated several financial links between Hunter Biden, his business associates and Russian interests.¹⁶ In 2017, during the time that Ye’s companies were sending millions of dollars to Hunter Biden associated companies, Ye had business dealings with Kremlin-controlled companies and Kremlin-aligned businessmen. In effect, Ye appears to have been China’s unofficial bridge to Russia on energy.¹⁷ As noted in the Committees’ September 23, 2020 report, in September 2017, CEFC announced its intention to purchase a 14.2 percent stake in the Russian state-owned energy company, Rosneft, for approximately \$9 billion.¹⁸ CEFC subsequently agreed to a reported 5 billion euro loan deal with Russian state-owned VTB Bank to finance the purchase.¹⁹ The 14.2 percent stake would have come from the 19.5 percent stake in Rosneft previously purchased by a consortium of Glencore (a Swiss mining company) and the Qatar Investment Authority (the sovereign wealth fund of the Qatari government).²⁰ According to one report, the fact that VTB agreed to loan CEFC money to assist in financing the purchase showed the links between Beijing and Moscow:

¹⁵ Jenni Marsh, *The rise and fall of a Belt and Road billionaire*, CNN (Dec. 5, 2018)

<https://www.cnn.com/interactive/2018/12/asia/patrick-ho-ye-jianming-cefc-trial-intl/>.

¹⁶ S. Rep., Hunter Biden, Burisma, and Corruption: The Impact on U.S. Government Policy and Related Concerns, S. Comm. on Homeland Sec. and Governmental Aff. and S. Comm. on Fin., 116TH CONG. (2020).

<https://www.finance.senate.gov/imo/media/doc/HSGAC%20-%20Finance%20Joint%20Report%202020.09.23.pdf> at 69. The report stated that a tablet company called “BAK USA LLC” received money transfers from Elena Baturina. Since the Committees published the report, former officials from that tablet company—which dissolved years ago—contacted the Committees and denied that it received money from Baturina, and denied having connections to Baturina or Hunter Biden and his associates. Finance Committee staff immediately attempted to resolve this apparent discrepancy. As part of these efforts, Committee staff have made multiple efforts to cure the ambiguity, including several discussions with and records requests to officials of the tablet company to ensure that it was not the company involved in the stated transactions and was not associated with Baturina, Hunter Biden, and his associates. But the former officials from the now-dissolved tablet company refused to provide any records each time they were requested. In one conversation, in response to questioning about whether an investor in the tablet company could have had access to accounts and engaged in activity unknown to other officials, the official responded that it was “entirely possible.” The Committees nevertheless continued to investigate in order to definitively exclude the tablet company from the transactions and determined that an identically named company, and not the tablet company, was the likely recipient of the wire transfers from Baturina. Specifically, around the time of those wire transfers, two companies named “BAK USA LLC” operated in the New York area; one made tablets, the other did not. After reviewing this information and additional records that have recently been made public and which were not previously available to the Committees, it appears that the tablet company did not receive the wires, but rather the other entity under the name BAK USA LLC was the recipient of those funds.

¹⁷ See, e.g., Dmitry Zhdannikov, *China's CEFC investigation hits \$9 billion Russian oil deal*, REUTERS (Mar. 22, 2018), <https://www.reuters.com/article/us-rosneft-cefc/chinas-cefc-investigation-hits-9-billion-russian-oil-deal-idUSKBN1GY1VO>;

Reuters Staff, *VTB claims repayment from Singapore's AnAn over En+ shares*, REUTERS (July 30, 2018), <https://www.reuters.com/article/us-usa-russia-sanctions-en-anan-vtb/vtb-claims-repayment-from-singapores-anan-over-en-shares-idUSKBN1KK19P>.

¹⁸ Scott Patterson and James Marson, *Glencore, Qatar Sell Rosneft Stake to Chinese Firm in \$9 deal*, THE WALL STREET JOURNAL (Sept. 8, 2017), <https://www.wsj.com/articles/glencore-qatar-sell-14-stake-in-rosneft-to-chinese-energy-company-1504881233>.

¹⁹ Katya Golubkova and Dmitry Antonov, *Russia's VTB CEO says ready to provide loan to CEFC for Rosneft stake*, REUTERS (Jan. 22, 2018), <https://www.reuters.com/article/us-russia-vtb-cefc/russias-vtb-ceo-says-ready-to-provide-loan-to-cefc-for-rosneft-stake-idUSKBN1FB0Z2>; Reuters Staff, *Russia's VTB agrees to 5 bln euro loan to China's CEFC – RIA*, REUTERS (Jan. 24, 2018), <https://www.reuters.com/article/russia-vtb-cefc/russias-vtb-agrees-to-5-blm-euro-loan-to-chinas-cefc-ria-idUSR4N1PE005>.

²⁰ Scott Patterson and James Marson, *Glencore, Qatar Sell Rosneft Stake to Chinese Firm in \$9 deal*, THE WALL STREET JOURNAL (Sept. 8, 2017), <https://www.wsj.com/articles/glencore-qatar-sell-14-stake-in-rosneft-to-chinese-energy-company-1504881233>.

Though the state-private distinction is incredibly blurry and often irrelevant in both Russia and China, [Igor] Sechin and his own network benefited from Ye's assumed connections to China's military-intelligence structures. That CEFC expected to raise \$5.1 billion in short-term loans from Russia's VTB – a funding vehicle for projects the Kremlin prioritizes – evidenced substantial support in Moscow.²¹

Hunter Biden was in close contact with Ye in 2017 and was aware of these developments. In an October 2017 message exchange produced to the Committees by Bobulinski, Hunter Biden told Bobulinski that although he “stayed out of that Russian mess,” he “discussed the Roseneft [sic] deal” with Ye personally and was familiar with the deal, including the fact that Ye was “pissed off...by the execution[.]”²² In the same exchange, Biden explained that he spoke to Ye on a “regular basis,” they have a “standing once a week call,” was the “first guest in his new apartment,” “he cooked me lunch himself and we ate in the kitchen together,” and was helping Ye “on a number of his personal issues (staff visas and some more sensitive things).”²³

Another document produced by Bobulinski and dated May 15, 2017, outlined plans for the expansion of CEFC in Oman, Colombia, Luxembourg, Romania, and other countries.²⁴ With regard to Oman, the document noted that Hunter Biden “was key in relationship set up, messaging the good will around the chairman [Ye Jianming] and the non-conflict status of CEFC entry, ‘a bridge between two great nations’.”²⁵ It also identified Hunter Biden as being responsible for “[w]riting to all parties and organizing meetings to continue CEFC promote [sic], as well as approving step-by-step strategic and operational elements.”²⁶ The document further referenced efforts by James Gilliar and his team and characterized their role as that of “liaison and confidant of HB [Hunter Biden] and partners[.]”²⁷

Accordingly, these new records confirm the connections between the Biden family and the communist Chinese government, as well as the links between Hunter Biden's business associates and the Russian government, and further support the Committees' September 23, 2020 report's finding that such relationships created counterintelligence and extortion concerns.

To date, the Committees have requested records from Hunter Biden, James Biden, James Gilliar, Tony Bobulinski, and Rob Walker. At this time, only Bobulinski has cooperated with the Committees.

²¹ Nicholas Trickett, *Russia's Unhappy Energy Marriage with China*, THE DIPLOMAT (Mar. 30, 2018), <https://thediplomat.com/2018/03/russias-unhappy-energy-marriage-with-china/>.

²² Text Message from Hunter Biden to Tony Bobulinski (October 16, 2017).

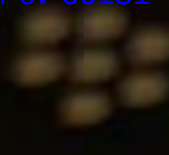
²³ *Id.* Notably, in one exchange, Hunter Biden referred to himself as Ye's attorney.


²⁴ Email from James Gilliar to Tony Bobulinski and Hunter Biden and cc'ing Rob Walker and Jim Biden (May 14, 2017) with attached document dated May 15, 2017, titled CEFC China Energy Investment Vehicle Phase I Countries Outline.

²⁵ *Id.* at 19.

²⁶ *Id.* at 19.

²⁷ *Id.* at 19.

 **BlackBerry**

 Rob Walker - RSTP

▶ I can. I have an llc: Robinson walker llc. Dont really know the pros and cons. Let's do Robinson walker llc if not too late.

May 21

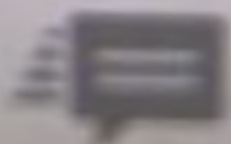
✓ it's a single member delaware llc?

▶ Yes

May 21

✓ Up to u, I just use my LLC for all my

You can't send messages to this chat because WhatsApp no longer supports this phone.





Rob Walker - RSTP

▶ I don't.

May 21

✓✓ OK m gng to bed

May 21

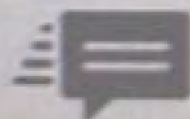
▶ For Robinson walker LLC [REDACTED]
Hawthorne Road
Little Rock, AR 72207

May 22

✓✓ Thx can u plse track down Jim and h and
get me their info asap

May 22

You can't send messages to this chat because
WhatsApp no longer supports this phone.



Send Message



CEFC China Energy Proposal for Investment Vehicle

Program Outline

April 10, 2017

Sensitive and Confidential

EEIG

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Part I: R. Hunter Biden Biography

R. HUNTER BIDEN

[REDACTED]
[REDACTED]
[REDACTED]

Hunter Biden is currently a partner at the investment advisory company Rosemont Seneca Partners, LLC and also serves as Counsel to Boies, Schiller, Flexner, LLP, a New York based law firm. Mr. Biden has been a member of the Board at World Food Program USA since 2009, serving as Chairman of the Board from 2012 to 2017. He also worked as Honorary Co-Chair of the 2009 Presidential Inaugural Committee, the Jesuit Volunteer Corps, and was a founding member of the law firm, Oldaker, Biden and Belair, LLP.

Prior to that, he worked on the Board of Directors of Amtrak for three years. In 1998, President Clinton appointed him to the U.S. Department of Commerce as Executive Director of E-Commerce Policy Coordination.

Hunter received a bachelor's degree from Georgetown University and a J.D. from Yale Law School. He has three daughters, Naomi, Finnegan and Maisy.

In terms of what Mr. Biden is going to keep or let go, he will likely drop all nonprofits to focus on getting the investment vehicle off the ground. He may keep his board member status at the Ukrainian gas company Burisma board member and will recuse himself where/when needed. He has a small interest as a General Partner in the BHR fund (Bohai Harvest Rosemont Seneca). His role here is quite passive, but he may decide to put that in trust. He has a stake in Eudora Global and will probably put that in trust. The vehicle would be his full-time job while possibly serving on a few boards.

Professional Experience

ROSEMONT SENECA ADVISORS, Washington, DC

August, 2008 – Present

Founder and Chairman

Rosemont Seneca Advisors is an advisory firm focused on providing strategic advice and business development assistance to firms in the infrastructure, energy, technology and alternative investment sectors.

BOIES, SCHILLER & FLEXNER LLP, New York, New York

June, 2009 – Present

Counsel

Boies, Schiller & Flexner LLP, founded in 1997, is one of the nation's premier law firms. Boies, Schiller & Flexner LLP represents some of the largest and most sophisticated organizations in the world and serves as lead counsel in many significant and highest profile disputes.

GEORGETOWN UNIVERSITY, Washington, DC

December 2011-April 2014

Adjunct Professor, Master's Program, School of Foreign Service

"The Art of Advocacy- Inside and Outside of Government" - The course examines the impact of advocacy on political leaders, staff, and other stakeholders responsible for shaping international policy and managing global crisis and conflict.

OLDAKER, BIDEN & BELAIR LLP, Washington, DC

2001-2008

Founding Partner

As a founding partner of the Washington, D.C, based law firm that provided a wide array of professional services to companies, organizations and individuals, Mr. Biden's primary focus was in the firm's representation of not-for-profit institutions and organizations.

U.S. DEPARTMENT OF COMMERCE, Washington, DC

1999 - 2001

Executive Director for E-Commerce Policy Coordination

A Presidential appointee to the U.S. Department of Commerce under Secretaries Daley and Mineta. As Executive Director, participated in the President's U.S. Government Working Group on Electronic Commerce, and helped to develop the Administration's position on such issues as the digital divide, on-line gambling and internet privacy initiatives and legislation.

MBNA AMERICA BANK, N.A., Wilmington, Delaware

November 1996 – 1999

Senior Vice President – Counsel

Worked with the following departments: Law, Personnel, Fraud Control, Office of the CFO and Project Manager for "Year 2000" Task Force.

JESUIT VOLUNTEER CORPS: NORTHWEST, Portland, Oregon

August 1992 – July 1993

Emergency Services Center Coordinator & Asst. Director of an After School Program

The Jesuit Volunteer Corps is a non-ecumenical organization devoted to assisting the impoverished and disenfranchised. Volunteers earn \$80 per month, and live in the communities where they work.

Professional Memberships and Board Positions

THE WORLD FOOD PROGRAM, USA

Chairman, Board of Directors

WFP, USA is a U.S.-based, nonprofit, nonpartisan organization that focuses on building support in the United States for the United Nations World Food Program (WFP) and other hunger relief operations.

TRUMAN CENTER

Member, Board of Directors

The Truman Center is an independent think tank dedicated to advancing the economic and

national security of the United States.

TRUMAN NATIONAL SECURITY PROJECT

Vice- Chairman, Board of Directors

The Truman National Security Project is a national security leadership institute, the nation's only organization that recruits, trains, and positions a new generation of progressives across America to lead on national security.

U.S. GLOBAL LEADERSHIP COALITION

Member, Board of Directors

The U.S. Global Leadership Coalition is a broad-based network of businesses and NGOs; national security and foreign policy experts; and business, faith-based, academic and community leaders in the U.S. who support a smart power approach of elevating diplomacy and development alongside defense to build a better, safer world.

NATIONAL DEMOCRATIC INSTITUTE

Member, Chairman's Council

NDI is a nonprofit, nonpartisan organization working to support and strengthen democratic institutions worldwide through citizen participation, openness and accountability in government.

CATHOLIC CHARITIES, ARCHDIOCESE OF WASHINGTON D.C.

Member, President's Council

THE ISRAEL IDONIJE FOUNDATION

Member, Board of Directors

The Israel Idonije Foundation helps underprivileged children in Chicago, Winnipeg, Canada and West Africa

BALTIMORE COLLEGIATE SCHOOL FOR BOYS

Founding Member, Board of Trustees

AMTRAK

2008 – 2009, Vice-Chairman; 2006-2009, Member, Board of Directors

Served On the Board of Directors of Amtrak (The National Passenger Rail Corporation), having been appointed by President George W. Bush and confirmed unanimously by the United States Senate.

45th PRESIDENTIAL INAUGURAL COMMITTEE

January 2009, Honorary Co-Chair

BAR MEMBERSHIPS:

State of Connecticut, the District of Columbia, the U.S. Supreme Court and the U.S. Court of Federal Claims.

Educational Background

YALE LAW SCHOOL

EEIG

Juris Doctor, May 1996

Editor, *Yale Journal of Law and Humanities*; Member, *Yale Law and Policy Review*; Yale
Barrister's Union.

GEORGETOWN UNIVERSITY

B.A., History, May 1992

Part II: Key Individuals and Profiles in the Investment Vehicle

Management/Board

R. Hunter Biden

Full profile above.

Tony Bobulinski

Managing Member, Global Investment Ventures(GIV). GIV is the investment vehicle that Tony uses to invest his own money in a variety of industries such as technology, manufacturing, hospitality, consumer goods, real estate and other operating businesses around the world. He is very well versed in everything from investing in startups to late stage cash flowing businesses directly and/or side by side with some of the world's top Venture, Private Equity, Distressed and Growth firms. He is the former CIO for the Nazarian family based in LA, who cofounded Qualcomm. He sits on a variety of boards of both public and private companies. He is also an entrepreneur and has built and sold companies he has founded and funded. He holds a Masters Equivalent in Electrical/Nuclear Engineering from Naval Nuclear Power Training Command where he was a Master Training Specialist Instructor and selected as the #1 Direct Input Officer @ the US Navy's most Elite Academic Command. He also holds a BS w Distinction Penn State University in Mechanical Engineering. While @ Penn State he was the Team Captain of Penn State's Wrestling Team and was voted the Big Ten Male Academic Athlete of the Year in 1995. He supports a variety of charities and philanthropic causes around the world.

CEO/CIO Responsibilities – Responsible leadership to build out a world class organization of the best human capital in the investment community we can find strategically situated in NYC, LA with a US focus as well as Prague and Asia with more of a global focus. He will define the business strategy of the firm working with the Chairman, Board of Directors and Advisors to deploy capital in a variety of businesses focused in the US but also that can expand globally. These businesses will be focused in finance, finance technology, banking, infrastructure, real estate, technology and manufacturing.

Advisors

James B. Biden, Sr.

James B. Biden (Jim) has 40 years of experience dealing with principals in business, political, legal and financial circles both domestically and internationally. At the age of 22, James was the finance chairman of his then 29-year-old brother's bid for a U.S. Senate seat in Delaware and successfully enlisted the support of unions, political leaders and financiers across the country.

Following the first campaign, James obtained his securities, insurance and real estate licenses and began consulting with national business leaders and developers. Jim honed his business development skills through a wide variety of commercial endeavors.

Since 1997, he has been the managing partner for the Lion Hall Group, a boutique domestic and international business consulting firm he founded. Jim is currently a partner with Argentum Health Partners, Trina Health, Earthcare International and BBS Benefit Solutions, among other socially and environmentally oriented businesses. Jim currently serves as a Global Strategic Advisor to Integra Capital headquartered in Buenos Aires and was instrumental in aggregating and resolving much of the Argentinian debt repositioning Argentina on the world stage. Jim was on the ground floor of developing the African Presidential Archives with Ambassador Charles Stith at Boston University and served on the first African Presidential Roundtable. Jim was an executive Vice President of Hill International, globally developing low cost housing through its subsidiary Hillstone International. Through the years, Jim personally met many key governmental and business leaders throughout the world. He remains a personal advisor to his brother.

James A. Gilliar

U.K. Passport [REDACTED]

Background

Specialist training In Civil / Military security operations and analysis, counter terrorism, close protection and firearms, armed and unarmed combat.

Security and intelligence based analytics and systems. Support for international path finding and mediation programs. Certified instructor and training specialist.

Commercial history

- 1997- 2002 Global communications Limited. Media and marketing, founder and CEO until sold to international partner
- 2003-to date Partner and advisor to H.H Dr Sheikh Sultan bin Khalifa al Nahyan, minister of presidential affairs of the U.A.E. Founder of SBK Holding
- 2004-2010 Advisor to Bilfinger Berger Chairman and board of Bilfinger Berger Middle East.
- 2009 – 2016 Advisor to E.C Harris London and Arcadis board. (US\$80bn of deliverable programs)
- 2010 - 2012 Advisor to Tae Sik Lee, Chairman of Kepco, South Korea
- 2011-2016 Advisor on internationalization to South Korean Foreign ministry.
- Advisor and partner, both equity and operationally of many companies including.
 - Metro AG. World's fourth largest retailer.
 - Mittal group.
 - Hochtief / Strabag / Alpine
 - Porsche

- Capita (UK Gov. contracts)
- Shell global solutions
- CEZ

Current roles with private and government Law enforcement, anti-smuggling and anti-human trafficking organizations and international legal agencies.

Numerous international and high net worth individuals as partner and advisor.

Rob Walker

Rob Walker serves as Co-Founder and Managing Director of Pilot Growth Equity, a technology growth equity firm providing world class operating, company building and advisory expertise, as well as global access to private and public sector customers for our portfolio companies. Rob has extensive private and public sector experience in international affairs, politics and government. After an influential role in both of President Clinton's successful campaigns, Rob worked at the Department of Transportation and Federal Aviation Administration – working directly for Secretary Rodney Slater and then Administrator Jane Garvey. Rob represented and furthered these officials' interests to other federal agencies, on Capitol Hill and with foreign governments. After leaving government, Rob created a robust international consulting practice aimed at assisting U.S. companies establish their operations internationally. Rob graduated with a Bachelor of Arts from the University of Arkansas.

Operations

Sanan S. Phutrakul

U.S. Passport [REDACTED]

Partner and director of international programs of EEIG, working closely with James Gilliar for the last 15 years. Manages technical oversight and program implementation, specifically, due diligence, research, technical evaluations and reports for governmental clients, and project management of delivery partners in large infrastructure. He has 15 years of experience in high security data implementation, network security and IP peering and transit portals. Thematic expert in information security and systems protection, cybersecurity, and serves as a member of the Czech government's GDPR Working Group. Sanan is fluent in English, Spanish and Czech. He speaks German at a conversational level. He is a PRINCE2 certified project manager and holds a Master's Degree in Comparative Sociology from Florida International University. Trusted person by the partnership, authorized person to handle classified information.

Part III: Target Geographies for Development - Phase 1

These are countries where we have already entered and are actively developing, or have developed the opportunities by applying our strategies and connections. In these countries, the prestige has been established, there is an entry to market and an established deal flow.

- Colombia
- Luxembourg
- Oman
- Romania

Part IV: Target Geographies for Development - Phase 2

These are countries where we have engaged in-country contacts and are actively developing the opportunities. In these countries, the prestige has yet to be established, yet there is an identified entry to market.

- Argentina
- Belgium
- France
- Mexico
- United Arab Emirates

Part V: Target Geographies for Development - Phase 3

These are countries where we can make a difference, but haven't yet started to lay the groundwork for market entry.

- United States

Market Entry

For each level of development outlined above, we have laid the groundwork for rapid market entry by having spent a significant amount of time and resources in creating the deal flow and the necessary in-country connections necessary to ensure CEFC China has success from the start. We have forged alliances with the highest levels of government, banking and enterprise.

Based on our evaluation process, the common entry criteria for an attractive geographically based market entry are:

1. Strong and easily definable relationship between our key U.S. executive(s) and their relations with the target country with the following persons:
 - a. senior political figures
 - b. royal family and/or aristocracy if they exist
 - c. dominant commercial/business figures and/or oligarchs
2. Definable and close relations with other countries which historically have close relations or support roles within the target countries' establishment (governance, commercial)
 - a. e.g. Oman has an establishment based on the UK judicial and framework/relationship systems. Egypt would be related to France. The Congo > Belgium.
 - b. We will demonstrate how this effect works when we define the proven market entry utilizing our strategy in Oman. How we delivered an exceptional condition for entry based on our previous level of understanding in a short timeframe, which we call the **AEP (Accelerated Entry Process)**.
3. Establish the area of opportunity within each target country for CEFC to quickly and effectively establish prestige.





Rob Walker - RSTP

✓✓ Plse docusign the O agreement

✓✓ And herd up H and Jim

May 22

▶ Jim is [REDACTED]
Pa. 19066.

Merion Station,

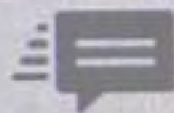
May 22

✓✓ Thx

✓✓ James has signed it, we are waiting on u 3

✓✓ I need it signed so when I get
confirmation from China we can execute

You can't send messages to this chat because
WhatsApp no longer supports this phone.



Send Message



From: Rob Walker <[REDACTED]>
Sent: Monday, May 15, 2017 3:49 PM
To: Tony Bobulinski [REDACTED]
Cc: James Gilliar [REDACTED]
Subject: Rob update

Hey Tony - Hope you're doing well. I'm on the road to Little Rock today with the family.

Here's what I've been working on:

- Provided a list of all of Trump's infrastructure desires ranking in every State with State input. Its a couple of months old and funding for infrastructure is popular among Dems, but not with republican budget hawks, so not positive we'll see a lot of funding, but might open up more space for private funding. James has this and has probably incorporated it into some sort of document already I believe. I will track down tonight if you like.

- Have an angle in Puerto Rico and have been provided a document on their priority infrastructure projects. One of my DC friends is based out of San Juan now as he's the new Governor's guy and acts like a liaison to DC. James has this doc. too. Again, I can forward.

- Romania - We are working on it from two angles. It's the Baneasa Land Development you've seen the piece from James in his doc. James' angle of Chinese purchasing some of Gabriel's assets to show goodwill and Romanian commitment is one way. Me? Probably better that I brief you over the phone on the whole project as there are many moving pieces and players that an email won't begin to touch it. Better in a brief where I can answer all questions.

- I've generally been acting as a surrogate for H around the country and abroad pursuing opportunities and.... I see myself continuing to do that. described more below.

What I see myself spending most of my time on:

- Being a surrogate for H or Jim when gauging opportunities, i.e. digging around in Texas on high speed rail with some of my republican friends or with board members of the project to see if our group would be welcomed or not. OR hitting new countries and contacts abroad where things are Luke warm, but not hot enough for H to close or too odd for H to be present, like . Been doing this with James for a bit already and it seems to work well. Places in Africa, such as Angola, where James and I have been planning to go to for a bit to take a look at forestry/timber operation....would be a good idea for me to go w/James and show an American face that has the political knowledge and BS that may not be time spent wisely for H or Jim....just an example.

-CEO support

General suggestions:

- I rarely see us all in the same location in the same time unless its at the office in New York or if we're all summoned somewhere by CEFC....or if we just need to be face to face somewhere for a few days for a team meeting, which I think will be necessary every quarter. I think we rely on you and James a little with collaboration from the group on who is needed where.

Conflicts that I plan to resolve:

-I'm a co-founder in Pilot Growth Equity Fund, which is a growth tech fund. I plan to become an advisor to the fund and minimize my role as I plan to spend all my time on SinoHawk. I don't see an advantage of dropping it all together as I frankly think it looks good on my resume, although they may ask me to step away. we will see.

-I do some NGO work on behalf of CARE that requires a lot of time in Africa, Middle East, Central America, but I've transferred all contracts to a friend. I only plan to support CARE if we collectively believe there's a benefit with regards to the countries visited or if we identify individuals as key people to know in the traveling delegation, i.e General Wesley Clark or CEO of a company or fund, etc.

-Upcoming travel/conflicts:

The only things solid that I have a commitment for is June 8th.....Need to be in DC. Family vacation first week in August. Im usually very avail and down for most anything.

Sorry for the shorter email and I can put it in more detailed form if preferred. This is more stream of consciousness while I'm on the plane. will add a bit tonight. Happy to discuss all or more in detail. Just landing in Atlanta and about to transport a three year old through the airport to the next flight. Talk soon. Rob

--
Rob Walker

[REDACTED]



Hunter Biden - DC



I'm trying to manage all the moving parts @ CEFC, hoping u didn't go down a different path as lots of noise in the channel

Director Zang had his visa denied 3x and his kids and wife's Visas denied 3x



I know. Zhang continues to have his Visa issues handled by that lawyer in VA. We are out of it per the instructions of the Chairman last time I saw him.



What's the word on all the deals you were negotiating? Wow they are taking a long time? Oman? Luxembourg? Russia? I've simply stayed out of that Russian mess. And I just assumed that you're plugging away.

Sat 10:38 PM

When was the last time u saw the Chairman



Type an SMS message



SMS



Hunter Biden - DC



Zang create a mess w that rosneft deal

Pics of himw Putin all over the place

H Well that's actually good for us. Chinese bailing out feckless Putin. Ze sticking it to him through the pictures along with Xe. Their saying just another business partner now.— here hang this on your office wall.

So u 1000% didnt reach out to Chairman Ye or Director Zang and create parallel noise? I didn't thin so but just trying to manage chaos

I am just trying to manage chaos

No I've been talking to the Chairman on a regular basis. I was his first guest in his new apartment/ he cooked me lunch himself and we ate in the kitchen together. He has me helping him on a



Type an SMS message



SMS



Hunter Biden - DC



No I've been talking to the Chairman on a regular basis. I was his first guest in his new apartment/ he cooked me lunch himself and we ate in the kitchen together. He has me helping him on a number of his personal issues (staff visas and some more sensitive things) but I was told to not engage with Zhang by you James and the Chairman.



He and I discussed the Roseneft deal and he is pissed off but only by the execution which I guess was Zhang's deal.



Anyway, he and I are solid so when and if you or James feel like I'm capable of telling him about your Oman or Luxembourg or The Russian guys deal just let me know. We have a standing once a week call as I am also his personal counsel (we signed an attorney client engagement letter) in the US.



Type an SMS message



SMS



Hunter Biden - DC



Well he has not funded the \$10 MM so am sure or would be surprised if u have discussed that?

When did u sign a US attorney client engagement letter?

I never said anything about engaging with Zang so not sure what u r referencing

US Attorney??? What do you mean? I'm his lawyer in the US. Never talked to him about your deals. I said "I havent" engaged with Zhang in months. I only talk to Chairman and in person. I assumed you lost interest as we haven't spoken for so long. Are any of the deals that you said were closing—



About "my deals" , they apparently are our deals not my deals



Type an SMS message



SMS



Hunter Biden - DC



US Attorney??? What do you mean? I'm his lawyer in the US. Never talked to him about your deals. I said "I havent" engaged with Zhang in months. I only talk to Chairman and in person. I assumed you lost interest as we haven't spoken for so long. Are any of the deals that you said were closing—

About "my deals" , they apparently are our deals not my deals

HB - not much for games, they were supposed to fund 10 MM USD, which they never did, and am assuming u know that

I lost interest? Really? They were supposed to fund \$10 MM USD into Sinohawk accounts

U know that, so not much for games!!



Type an SMS message



SMS



Hunter Biden - DC



assumed you lost interest as we haven't spoken for so long. Are any of the deals that you said were closing—

About "my deals" , they apparently are our deals not my deals

HB - not much for games, they were supposed to fund 10 MM USD, which they never did, and am assuming u know that

I lost interest? Really? They were supposed to fund \$10 MM USD into Sinohawk accounts

U know that, so not much for games!!

The wall street journal has been fighting to get a hold of the Sinohawk documents to tie u to the Chairman given the rosneft deal and your father

52 min • SMS



Type an SMS message



SMS

Attachments: CEFC_Report_Phase_1_Countries_v2.pdf

From: James Gilliar [REDACTED]
Sent: Sunday, May 14, 2017 11:39 PM
To: Tony Bobulinski <[REDACTED]>; Hunter [REDACTED]
Cc: Rob Walker [REDACTED]; Jim Biden [REDACTED]
Subject: Phase one countries [REDACTED]

Guys

AS per discussions this morning these are phase one countries and the defined targets

Input welcome

KR

Pass

[REDACTED]

James Gilliar
President and managing partner
Email: [REDACTED]
Skype ID: [REDACTED]

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CEFC China Energy Investment Vehicle

Phase I Countries Outline

May 15, 2017

Sensitive and Confidential

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Target Geographies for Development - Phase 1

These are countries where we have already entered and are actively developing, or have developed the opportunities, applying the strategies and connections from the Tao. In these countries, the prestige has been established, there is an entry to market and an established deal flow.

Oman – A Proven Strategic Approach and Philosophy

Executive Summary

Real GDP growth rate (MENA Economic Monitor Report) is estimated at 3.3% in 2015. New oil recovery technologies and greater efficiency led to record production levels in 2015, peaking at 0.98 million barrels per day. Hydrocarbon GDP grew by 4% in 2015, compared to a contraction of 0.8% in 2014. Non-hydrocarbon GDP is estimated to have grown by 3% in 2015. The central bank enacted expansionary monetary policy by reducing lending rates to support economic growth. The current account balance recorded a deficit in the first half of 2015.

Consumer price inflation averaged 0.1% in 2015. A record high fiscal deficit is estimated for 2015, at 17.7% of GDP. Hydrocarbon revenue fell by 45 % in 2015, which stymied government spending hindering potential economic growth and decreasing tax receipts. Approximately half of the deficit in 2015 was financed by drawing on reserves, and the remainder by borrowing from domestic and external sources. Oman issued its first sovereign Islamic bond (sukuk) for USD 519.5 million, and USD 1 billion through syndicated loan. Standard & Poor's downgraded the country's debt to BBB -/A-3 in February. The central bank is currently marketing an OMR 100 million 5-year bond, and announcing plans to raise between USD 5 and USD 10 billion from the international market, to avoid squeezing the domestic banking liquidity further.

The government reduced spending in 2015, avoiding an even larger deficit, and has laid out an extensive austerity plan for 2016. Reforms included the doubling of gas prices for industrial users, amending labor laws and designating an office for speeding up the process for issuing licenses. The 2016 budget indicates further reforms; with subsidy spending expected to fall by 64% in 2016 and diesel and petrol prices increasing by up to 33%. Revenue is expected to increase through a higher corporate income tax (from 12% to 15%), the removal of some tax exemptions, and the implementation of a GCC-wide VAT. Other measures envisaged to enhance revenue include: revising electricity and water tariffs and increasing fees for government services.

The macroeconomic outlook is highly vulnerable to the behavior of oil prices and hinges on the success of the government's efforts to capitalize on non-hydrocarbon revenues. Real GDP growth is projected at 1.6% in 2016, lower than in 2015, reflecting lower oil revenue and the associated dampening of spending and domestic demand. Growth is projected to pick up again starting 2017, as the non-oil sector expands, despite lower levels of investment spending, which



will constrain growth in the oil sector. Non-urgent projects are expected to be postponed. The government will continue to **prioritize infrastructure investment**, including tourism, airports, railways, ports and oil and gas. A new mining law is expected to streamline and centralize licensing processes and to improve the industry's efficiency. Since Oman has maintained consistently good relations with Iran, new trade and investment opportunities are expected including a gas pipeline between the two countries. However, in light of the projected level of oil prices, the fiscal and current account are estimated to be in deficit at 16.8% and 14.1% of GDP respectively in 2016. Oman is expected to maintain its peg to the U.S. dollar (1 USD = 0.38450 OMR), despite pressures, and raise interest rates Q4 2016.

The 9th Five-Year Plan for the Sultanate of Oman (2016-2020), which is the last in a series of five-year plans for the vision 2020, includes numerous policies and programs to diversify the Omani economy into sectors such as manufacturing, mining, transport and tourism. Targeted projects for private sector include Oman Rail (around OMR 5-6bn investment), tourism projects, logistics, fisheries projects and others. This will help expand the role of the private sector and reflects prudent and realistic goals.

The government's aim is to cut non-core expenditure in favor of additional attention towards investment spending on selected key programs and projects. The private sector's role is the backbone of the plan and the government have already been engaged in supporting this view through either public private partnerships (PPP's) or providing additional facilities.

As per the ninth plan statement, total targeted investments stand at OMR 41bn to be funded by 52% from private investments with the balance coming from public investments. The private investments shall be in the commodities production activities (32.6%), services activities (37%) and (29%) in infrastructure. Targeted projects for the private sector (on either an individual or partnership basis) cover Oman railway, tourism structures within Port Sultan Qaboos, Port Khasab, South Batinah Logistics Area and some fishing projects, which include investment into shrimp farms, Al Dhahirah Economic Area and Shinas Port. Historically, the government succeeds in engaging the private sector in vital capital projects, such as power and water. This will continue.

In addition, the government is keen to engage with strategic investors, particularly companies and investment groups seeking to expand international economic cooperation in the energy sector.

Omani History

In answer to a regional stability of operations question from DZ. Oman has long tradition of trading with Iran and other gulf countries and holds a unsurpassed friendship and trust with principals. The Sultanate constitutes one of the oldest communities in Arabia. A distinguishable ethnic and political entity as far back as two thousand years ago, its people were trading with distant lands as early as the third millennium B.C. From the second century B.C. onward, Oman's Arab population played an especially important role in shaping the country's culture and in influencing its history and development. Oman was one of the first countries to accept Islam, and its mariners helped to spread the faith to distant lands. In the process, the country was a

pioneer in establishing Arab and Islamic links with Asia, eastern and central Africa and the Indian subcontinent. Oman was also the first eastern Arab country to establish diplomatic relations with the United States – in 1833 – and in 1840 was the first Arab country to send an ambassador to the United States.

Oman's global and regional significance derives in large measure from its geographic location. The Sultanate has a 1,200-mile coastline along the Arabian Gulf, the Gulf of Oman, the Arabian Sea and the Indian Ocean. It is adjacent to the sea lanes leading to Europe and Asia, Iraq and Iran, and its fellow members in the Gulf Co-operation Council (GCC) -Saudi Arabia, Kuwait, Bahrain, Qatar and the United Arab Emirates.

The Sultanate is keenly aware of its pivotal position in terms of global real estate -at the north-western corner of the Indian Ocean, at the gateway to the Gulf. For these and other reasons - including, most recently, the fall of the Shah of Iran, the rise of Khomeini-inspired radicalism, and the Soviet invasion and occupation of nearby Afghanistan -Oman, many would argue, might well be spelled with italics by geo-strategic cartographers.

Certainly, such features of the Sultanate's international significance – although hardly in need of underlining for Britain and numerous other countries – have become increasingly apparent to many Americans. Indeed, from the almost unending flow of first-time American official visitors to the country during the past ten years, it has seemed at times as though the Sultanate was being not so much discovered as uncovered, stripped bare, as it were, in the eyes of the global strategist and the military planner. A decade and more into the effort, there is every evidence that the ensuing gaze is still in place, having become for some almost a fixation. The consequences of this concentrated focus by one country on another from halfway round the world are, in their broadest outlines, already clear: they have reshaped U.S. thinking about the Sultanate's role in regional and world affairs and the implications of that role for allied interests and policies.

U.S.-Omani Relations

While the foregoing developments have heightened U.S. appreciation of Oman's changing international and regional role, there have been parallel changes in the U.S.-Oman bilateral relationship. Such changes have been no less significant for their impact on the policies and attitudes of the two countries towards each other and, to a degree as well, on U.S.-British relations with respect to Oman.

Viewed from the perspective of the mid-1980s, American firms and individuals are currently playing more important roles in Oman's plans for development than at any point in the history of the relationship between the two countries. Quite apart from the military component of the overall U.S. involvement in contemporary Oman, Americans have been, and in some cases still are, involved in fishing surveys, the construction of processing plants for dates, the development of plans to mine copper, and the provision of agricultural, communications and computer technology expertise. Several companies – e.g. Amoco, Chevron, Mobil and Occidental – are partners in oil concessions.

Members of the Peace Corps have served in Omani villages, several hundred Omani students are currently attending American universities, and a dozen Omani army officers are enrolled in professional management and training programs at leading U.S. service institutions.

Signifying the symbolic importance of Oman's substantially broadened strategic orientation to the West, Sultan Qabus himself visited Washington in January 1975 and again in April 1983. On both occasions, he completed a full round of meetings with every high-ranking American official involved in the U.S.-Oman relationship. As the new ruler, Sultan Qabus immediately sought to involve the country more actively in the affairs of the outside world and, towards that end, channeled the Sultanate's modest oil income into an ambitious program of development.

Muscat's century-old isolation was swept away in a burst of enthusiasm over the change in rulership, as the government was expanded, new buildings went up, and Omanis returned from exile abroad. The cobwebs which had long surrounded the Sultanate were swept aside and relationships were eagerly sought with many states around the world. For the first time, Oman became a member of the Arab League and the United Nations. After a hiatus of over 130 years, an Omani ambassador returned to the United States and the first U.S. Ambassador to Oman took up residence in Muscat.

The growing significance of Oman to both GCC and Western planning interests in this regard is beyond argument. Regardless of the nature, pace or extent of progress on this front in the immediately foreseeable future, the Sultanate is likely to continue to serve simultaneously as guarantor of one of the world's most strategically vital lifelines – regardless of the day-to-day ups and downs of its growing defense and security relationships with the United States, Britain and others – and as an increasingly important actor in the Gulf region.

Investment environment

The sharp downturn in oil prices will mean the budget and the current account will remain in deficit in 2016-20, and efforts to rein in public spending and diversify the economy will be pushed forward. As a result of austerity measures, real GDP growth will slow to 1.6% in 2016 before gradually picking up to an average of 2.5% in 2018-20.

There are a number of high value projects that are available to strategic foreign investment in the Sultanate of Oman. These include: the Oman Railway (USD 15bn); the 200-million-ton tank storage for crude oil at Ras Markaz and terminal (USD 300-400 mil), which will be able to accommodate VLCC's (Very Large Crude Carriers); the establishment of new bunker hubs in the Port of Sohar, Port Al Duqm and possibly the Port of Salalah. A 240,000bbls a day refinery at Duqm (USD5bn) and South Al Batina Logistics Hub, which will cover an area of approximately 90 million m² (or 90 km²). In addition to a number of very large government construction projects. The fishing sector is seeking investment for research and shrimp farming.

Oman Economic Risk Assessments

Sovereign Risk – Rated A – Very Low

Low overall risk for Oman’s credit worthiness, but lower oil prices could potentially reduce government revenue generation. However, the government can leverage its foreign exchange reserves and wealth funds to settle debt obligations should they rise.

Currency Risk - Rated A - Very Low

Comfortable levels of foreign exchange reserves will help sustain OMR peg to the USD. The USD is forecasted to remain firm against major currencies in 2016-2017.

Banking Risk – Rated BBB- Low

Overall, Oman’s banking sector is low at low risk.

Economic Risk – Rated A – Very Low

Although the economy remains highly dependent on hydrocarbon revenues and therefore vulnerable to changes in oil and gas prices, Oman’s growing plans to diversify its economy through tourism and services sector keeps the country’s economic structure safe.

Population – October 2016

Current population – 5,001,528

Current male population – 2,951,200 (59%)

Current female population - 2,050,327 (41.0%)

Oman Economic Forecasts 2016-2020 Outlook

Economy	Actual	Q4/2016	Q1/2017	Q2/2017	Q3/2017	2020	Units
Unemployment Rate	7.20	7.60	7.50	7.50	7.50	7.80	%
Inflation Rate	1.34	1.90	1.80	2.10	2.30	3.67	%
Interest Rate	1.00	1.00	1.00	1.00	1.00	4.00	%
Balance of Trade	-45.20	-166.00	49.00	49.00	-199.00	248.00	OMR Million
Government Debt to GDP	9.20	9.83	9.72	9.61	9.50	10.50	%
Markets	Actual	Q4/2016	Q1/2017	Q2/2017	Q3/2017	2020	Units
Currency	0.39	0.39	0.39	0.40	0.38	0.46	
Stock Market	5674.70	5760.00	5700.00	5640.00	5576.00	4700.00	Points
GDP	Actual	Q4/2016	Q1/2017	Q2/2017	Q3/2017	2020	Units
GDP Annual Growth Rate	-14.1	-1.9	1.7	1.7	1.7	2.50	%
GDP	70.25	75.94	75.65	75.35	75.05	75.51	USD Billion
GDP Constant Prices	27566.60	28300.00	28492.00	28684.00	28877.00	31269.00	OMR Million

EEIG

Gross Fixed Capital Formation	8534.10	9392.00	9587.00	9782.00	9976.00	11286.00	OMR Million
GDP per capita	15305.67	15028.00	14949.00	14871.00	14792.00	18750.00	USD
GDP per capita PPP	35982.75	35388.00	35279.00	35169.00	35060.00	38966.00	USD
Gross National Product	25960.30	31150.00	31371.00	31593.00	31814.00	35698.00	OMR Million
GDP From Agriculture	427.40	468.00	476.00	485.00	494.00	621.00	OMR Million
GDP From Construction	2230.00	2340.00	2356.00	2372.00	2388.00	2423.00	OMR Million
GDP From Manufacturing	2939.60	3002.00	3002.00	3001.00	3000.00	3001.00	OMR Million
GDP From Mining	141.70	150.00	153.00	156.00	159.00	194.00	OMR Million
GDP From Public	3304.00	3469.00	3506.00	3543.00	3580.00	3967.00	OMR Million
GDP From Services	13215.90	13801.00	13816.00	13832.00	13848.00	13293.00	OMR Million
GDP From Transport	1636.50	1813.00	1845.00	1877.00	1909.00	2376.00	OMR Million
GDP From Utilities	417.60	431.00	435.00	439.00	443.00	501.00	OMR Million

Labour	Actual	Q4/2016	Q1/2017	Q2/2017	Q3/2017	2020	Units
Unemployment Rate	7.20	7.60	7.50	7.50	7.50	7.80	%
Population	4.15	4.26	4.26	4.26	4.27	3.85	Million

Prices	Actual	Q4/2016	Q1/2017	Q2/2017	Q3/2017	2020	Units
Inflation Rate	1.34	1.90	1.80	2.10	2.30	3.67	%
Consumer Price Index CPI	104.00	104.00	105.00	105.00	105.00	108.00	Index Points
Producer Prices	89.70	83.61	81.75	80.53	79.43	76.04	Index Points
Producer Prices Change	-19.10	-9.84	-10.22	-9.16	-12.74	-16.32	%
Inflation Rate Mom	-0.09	0.13	0.09	0.09	0.09	0.09	%
Food Inflation	-1.10	-1.35	-1.28	-1.25	-1.26	-1.26	%

Money	Actual	Q4/2016	Q1/2017	Q2/2017	Q3/2017	2020	Units
Interest Rate	1.00	1.00	1.00	1.00	1.00	4.00	%
Money Supply M0	1697.50	1903.00	1942.00	1982.00	2023.00	2651.00	OMR Million
Money Supply M1	5402.30	5641.00	5791.00	5944.00	6103.00	8585.00	OMR Million
Money Supply M2	15808.00	16339.00	16835.00	17191.00	17578.00	24226.00	OMR Million
Foreign Exchange Reserves	8725.00	9001.00	8850.00	8807.00	8810.00	8818.00	OMR Million
Deposit Interest Rate	1.90	1.93	1.96	1.98	2.00	2.24	%
Loan Growth	8.30	7.18	6.77	6.47	6.31	5.99	%
Central Bank Balance Sheet	9046.20	9190.00	9174.00	9178.00	9174.00	9175.00	OMR Million

Trade	Actual	Q4/2016	Q1/2017	Q2/2017	Q3/2017	2020	Units
Balance of Trade	-45.20	-166.00	49.00	49.00	-199.00	248.00	OMR Million
Exports	845.20	924.00	1030.00	1030.00	832.00	1680.00	OMR Million
Imports	829.90	1090.00	980.00	980.00	707.00	1400.00	OMR Million
Current Account	-4155.00	594.00	536.00	478.00	420.00	82.54	OMR Million
Current Account to GDP	-15.40	-3.90	-2.37	-0.84	0.68	-2.44	%
Capital Flows	4741.00	2959.00	3418.00	3878.00	4337.00	4894.00	OMR Million

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Gold Reserves	0.02	0.02	0.02	0.02	0.02	0.02	Tons
Crude Oil Production	980.00	981.00	981.00	981.00	981.00	981.00	BBL/D/1K
Terrorism Index	0	0	0	0	0	0	
Foreign Direct Investment	-1035.00	-1085.00	-1017.00	-950.00	-882.00	-452.00	OMR Million
Government	Actual	Q4/2016	Q1/2017	Q2/2017	Q3/2017	2020	Units
Government Debt to GDP	9.20	9.83	9.72	9.61	9.50	10.50	%
Government Budget	-17.10	-17.50	-16.20	-16.20	-15.07	-9.80	% of GDP
Government Budget Value	-520.60	-579.00	-578.00	-579.00	-579.00	-579.00	OMR Million
Government Spending	6714.50	9824.00	10618.00	11411.00	12205.00	24379.00	OMR Million
Government Revenues	630.30	573.00	575.00	575.00	575.00	575.00	OMR Million
Government Debt	2481.30	2149.00	2305.00	2461.00	2617.00	2749.00	OMR Million
Fiscal Expenditure	1050.90	1161.00	1175.00	1173.00	1174.00	1174.00	OMR Million
Military Expenditure	9842.80	10396.00	10791.00	11186.00	11530.00	13331.00	USD Million
Business	Actual	Q4/2016	Q1/2017	Q2/2017	Q3/2017	2020	Units
Changes in Inventories	552.40	-1681.00	-1631.00	-1581.00	-1531.00	-2335.00	OMR Million
Competitiveness Index	4.28	4.31	4.31	4.31	4.31	4.39	Points
Competitiveness Rank	66.00	65.27	65.27	65.27	65.27	42.45	
Car Registrations	9300	9285	9278	9290	9295	9296	
Ease of Doing Business	70.00	61.76	61.27	60.77	60.27	59.16	
Electricity Production	3820.80	1816.00	1358.00	1915.00	2438.00	2111.00	GW Hour
Corruption Index	45.00	46.64	46.64	46.64	46.97	50.50	Points
Corruption Rank	60	58	57	55	54	46	
Consumer	Actual	Q4/2016	Q1/2017	Q2/2017	Q3/2017	2020	Units
Private Sector Credit	17222.20	17754.00	18061.00	18355.00	18635.00	21310.00	OMR Million
Gasoline Prices	0.41	0.42	0.42	0.42	0.42	0.42	USD/Litre
Consumer Confidence	83.10	69.36	64.78	60.20	55.62	-3.89	
Housing	Actual	Q4/2016	Q1/2017	Q2/2017	Q3/2017	2020	Units
Mortgage Approvals	1422	1772	1926	1868	1824	1849	
Taxes	Actual	Q4/2016	Q1/2017	Q2/2017	Q3/2017	2020	Units
Corporate Tax Rate	12.00	12.00	12.00	12.00	12.00	12.00	%
Personal Income Tax Rate	0.00	0.00	0.00	0.00	0.00	0.00	%
Sales Tax Rate	0.00	0.00	0.00	0.00	0.00	5.00	%

Why invest in Oman?

1. Prime Location – Connectivity - Less than 2-hours from the major business centers of Asia and fast sailing times to Asia, Africa, Europe and North America.
2. Established Trade Route – At the center of the east-west nexus joining markets in Europe, Asia, Africa and North America.
3. Non-Oil Exports – Exporting USD 10.7 billion to 176 countries.
4. International Appeal
5. Investment Strength – Attracting USD 19.3 billion FDI (foreign direct investment) in 2014/2015.
6. International Links – Powerful concentration of international companies including BP, Shell, Vale, Air Liquide, Larsen & Toubro, Jindal Power & Steel, Huawei, Al Futtaim Group, Rio Tinto Alcan, Carrefour and Lulu.
7. Trade Agreements – Signatory to WTO, GCC common market, GAFTA, FTAs with U.S. and Singapore, Iceland, Norway, Switzerland and Lichtenstein.
8. Safe Environment
9. Transparency – Investor friendly legislative environment and no restrictions on repatriation of capital or profits.
10. Taxation – Currently Flat 12% corporate tax on a profit over USD 77,720.
11. Foreign Ownership – 70% foreign ownership in most sectors 100% in special cases and specific economic zone.
12. Local Talent – A young multilingual and educated talent pool equipped for the 21st century.
13. Workforce – 5 million people 1.7 million employees over 239,000 registered businesses.
14. Competitive Salary – Some of the most competitive salary rates in the Gulf.
15. Research – 55 tertiary institutes with strong industry links and thriving R&D culture.
16. Transportation – Globally ranked ports, airports and roads and some of the most strategically placed ports in the world.
17. Communications – Advanced telecommunications Infrastructure - mobile penetration rate 150.18%.
18. Property – Some of the most competitively priced land and commercial property in the Gulf.
19. Railway – US\$ 15 billion of government funds allocated for a rail network covering 2,244km.

Promising Sectors for Investment

Important development projects include air traffic, both passenger and cargo, which has greatly increased over the past few years especially at Muscat International Airport. The existing terminal, built many years ago, is not big enough to cater for either present or future growth. Thus the government started a massive project of a new airport terminal, close to the existing terminal. The new airport is due for completion Q4 2016, commissioning / licensing Q4/2017.

Key Goals

- To achieve an average annual GDP growth rate of 3%
- To reduce the contribution of oil in GDP at current prices from 44% in 8th 5-year plan to 26%.
- To maintain inflation rate within safe levels at an average of 2.9%.
- Focus on private sector and activate the public private partnerships (PPPs)
- Create job opportunities
- Focus on SMEs

Key Promising Sectors

- Manufacturing
- Transportation and logistics
- Tourism
- Fisheries
- Mining
- Oil and Gas

Key Challenges

- Volatility and low oil prices.
- Creating jobs
- Geopolitical tensions in the region.
- Acceleration of the diversification process
- Minimize the elasticity towards external shocks

Key Developments

- Prioritizing of spending on projects
- Establishment of general department within the Supreme Council for Planning to coordinate with ministries and specialized institutions.
- Dynamic plan; goals and procedures are subject to changes on developments
- Key projects through the public private partnerships (PPPs)
- New projects to be considered after first three years.

To support this initiative some six prime sectors are targeted:

- Manufacturing

- Transportation and Logistics
- Tourism
- Fisheries
- Mining
- Oil and Gas

Other than the oil and gas sector, these are prime sectors with untapped potential, and by the government opening these sectors up for foreign investment, demonstrates the country's determination to move from an oil producing economy to a mixed (diversified) economy.

Manufacturing

It is estimated to contribute 15% to the GDP by 2020 (Oman vision). The 1H'15 contribution stood at 9.3% while 10% for FY'14. It is worth stating that the average annual growth rate during the 8th five-year plan stood at 18.4%.

- The major ongoing project within the sector is Liwa Plastic Industries Complex, which is expected to create around 13,000 jobs (1,000 direct, 12,000 indirect). Key facts about the project:
 - Will contribute by 2-3% to GDP.
 - The total cost is around USD 6.4bn, to be funded by international financial institutions (60%), local banks (20%) and government as well as Oman Oil Company (20%).
 - It will result in Oil Refineries and Petroleum Industries Co (Orpic) contribution to GDP to reach 9% by 2020.
 - It will enable Oman, for the first time, to produce polyethylene. This form of plastic is rated high in terms of global demand. It represents 40% of the total plastic applications worldwide.

Transportation and Logistics

Oman continues to focus on establishing itself as major trans-shipment center for traffic across continents of Europe, Asia and Africa. One of the key goals is to place Oman within top 30 in the World Bank Logistic Performance Index by 2020. In FY'14, the country was ranked 59 out of 160. The country is well placed to act as a redistribution point for east and central Africa. According to Oman Logistics Strategy (SOLS) 2040, handling shipments, with a particular focus on efficiency and cost is to remain under focus. Moreover, the strategy aims to double employment by 2020 to 80,000 jobs. It also looks for doubling the industry's contribution to the economy to RO 3bn by 2020. As per the Ninth plan statement, transportation, storage and telecom shall grow on annual average at constant prices by 5% during the plan.

Key projects within the sector include:

- Duqm, the sleeping giant
 - Billions of dollars to be invested.
 - Port, dry dock complex, an international airport, industrial and special economic zone in addition to the 230,000bbl per day Duqm refinery and oil storage.

- The Special Economic Zone At Duqm (SEZAD) launched much initiative to attract private investors resulting in many on ground key investments.
- Oman Rail Project
 - The estimated total length of the Oman National railway network is 2135km.
 - The total investments is projected between OMR 5 – 6bn.
- The South Al Batinah Logistics Area
 - This project is 95 square kilometers in size it includes four main activities: logistics services, commercial activities, light industries and public services. Full development to be completed by 2030.

In addition to the above, the ongoing expansion in Muscat International Airport, establishing new airports, ports, free zones and infrastructure are a few to name about the hyperactivities within transport and logistic sector.

Tourism

As per the Ministry of Tourism, the tourism sector's direct contribution to GDP is expected to increase from around 2% to 5% by 2020. The added value of the sector reached OMR 724 million by the end of 2014, the same sources stated. The strategy for tourism is based on two foundations: 1) a series of tourist facilities in one location, and 2) the distinctive tourist experiences. It is expected that more than 100,000 jobs will be created within the sector by 2024. There are around 39 projects in various stages of design, construction or tendering including: Oman Exhibition and Convention Centre; Wadi Bani Habib; the Al Hoota Cave redevelopment; the Duqm frontier town and; the Ras Al Hadd development. The country emphasis on archaeology, conservation, and natural beauty is a key distinguishing factor from its neighbors in the region.



Figure 1- Oman Exhibition and Convention Centre

Key projects within the sector include:

- Madinat Al Irfan
 - It is a mixed used development project and investments to be in billions of dollars.
 - It is expected to generate notable inbound revenues, and through Public Private Partnerships model, it is targeted to contribute around OMR 450-500 million annually to the GDP upon completion.
- The waterfront development around Port Sultan Qaboos
 - It is a partnership between the private sector and pension investment funds.
 - Planned investments around OMR 500 million of which 50% will come for the private sector/foreign investment.
 - Expected to provide 12,000 direct jobs and 7,000 indirect jobs.
 - Shall attract 70% of the tourists visiting the port to tour the Sultanate

Fisheries

The focus is mainly to boost fisheries production from currently around 200,000 tons per year to around 480,000 tons by 2020 and to create additional 20,000 jobs, as per Under-Secretary for Fisheries Wealth. It is expected that by 2020, the direct return from fishing and fish processing activities to be around OMR 739.2 million. Key projects within the sector include the Duqm Fishery Harbour with estimated investments of OMR 100 million in addition to the adjoining industrial fisheries cluster and investment in the growing prawn sector.

Mining

Oman produces aluminum, clay, copper, gypsum, iron and steel, low-grade iron oxide, cement, chromite, quartz, salt, limestone, marble and has recently identified gold deposits. Although, mining and quarrying contributed only 0.4% to GDP in 2014 and 0.5% in 1H'15, the mining sector increased by 20% YoY in 2015. The new mining law (awaiting completion) shall ease the procedures and attract more investments in the sector. Moreover, the discovery of sizeable reserves of minerals such as gold, copper and rare earth shall boost the growth in the coming years. Key projects within the sector include mineral processing and refining facilities in the Port of Duqm's industrial zone. On a different note, it is worth stating that the port of Duqm plans to start the export of minerals for the first time in February 2017. The port has already set up facilities of its break bulk terminal for exporting 50,000 tons of dolomite as the first shipment. Another key development is related to recent key move about the launching of OMR 100 million mining development company called Mining Development through a partnership between government funds, Oman Oil Company and Oman National Investments Development Company (Tanmia). As per the plan statement, it is expected to register an average increase of 6% during the plan in constant prices.

Oil and Gas

Background: The first oil found was low sulphur, high salt, moderately light 34 degrees API oil at Yibal 2 in September 1962 and then at Naith in April 1963 and Jebal Faud in February 1964.

PDO (Petroleum Development Oman) built a 289km pipeline to the coast at Saith al-Malih and a terminal at Minah al-Fahl, all at a cost of GBP 25 million. The Yibal field went online in 1970 and PDO struck oil in Huwaisa field the same year as the Sultanate exported about 350,000bbl per day at \$1.82bbl.

Today PDO is Oman's largest company with 35,000 employees / subcontractors and has been supporting wider Omani society for 40 years. It buys in excess of USD 5 billion worth of goods and services a year from many suppliers to operate oil and deliver to the Government and its shareholders. 72% of all oil production and nearly all of the Sultanate's gas production is from its Block 6 concession. PDO is 60% owned by the government of Oman, U.K./Royal Dutch Shell Group 34%, France's Total 4% and Portugal's Parted, 2%.

PDO develops and produces crude on behalf of its shareholders, all its gas activities are undertaken solely on behalf of the government.

Additionally, there are a number of oil and gas related projects that require various levels of capital (foreign) investment. These include, tank storage (Ras Markaz Oil Storage Terminal).

Oman strives to maintain positive relations with countries in its region, pursuing strong and stable diplomatic and economic ties. Muscat is now uniquely positioned for economic cooperation with Iran as its neighbor across the Strait of Hormuz opens new trade ties. The sultanate's quiet approach to foreign relations has benefited its stability at home and opportunities for trade abroad.

Exploration & Production

Omani oil production reached 992,700 barrels per day in June 2015. The country's target is 980,000 barrels per day for the year. The government is expanding its push to step up the use of enhanced oil recovery techniques in its maturing assets and heavy oilfields, an approach that has turned around a decline in output over the past decade. Developments such as the Khazzan tight gas project and Amal West's heavy oil extraction are expected to boost production in coming years.

Gas-LNG: as of September 1, 2013, Oman LNG officially integrated with Qalhat LNG, Oman LNG's Liquefaction Plant, which is located on the coast at Qalhat near Sur in the South Sharqiyah Governorate. The integrated entity operates under the name of Oman LNG. Bunkering by barge (particularly by barge in Port Al Duqm). In addition to Duqm, the Ports of Sohar and Salalah are ready for bunkering upgrade.

Duqm Refinery



IPIC (International Petroleum Investment Company, formed by the Abu Dhabi government in 1984) entered an agreement in October 2009 with the state-owned Oman Oil Company (OOC) to assess the feasibility of building an oil refinery in the southern coastal town of Duqm, in the Sultanate of Oman. The successful completion of the feasibility study led to the formation of a new 50/50 joint venture company, the Duqm Refinery and Petrochemical Industries Company, owned by IPIC and OOC.

The new company will construct, operate and maintain a refinery complex with a processing capacity of about 230,000 barrels per day, designed to process a mixture of Abu Dhabi, Omani and other UAE crude oil to be shipped out as refined products, and as petrochemicals in later phases.

Duqm has been designated as Oman's next industrial center, with investments of up to USD 15 billion targeted in petrochemicals and infrastructure over the next 10 years.

The refinery will be built at a 900-hectare site located just north of the Port of Duqm and connected to a proposed Liquid Jetty by a pipeline system. Duqm Petroleum Terminal Company (DPTC), a joint venture of the Port of Duqm Company (10%), and Oman Oil Company (90%), will operate and manage the jetty. The facility will be designed to accommodate ships of around 150,000 deadweight ton (DWT) capacity, bringing crude feedstock or loading refined products for export.

Offshore

In June 2016 Oman's Ministry of Oil & Gas has extended Masirah Oil's exploration and production-sharing agreement for block 50 offshore Oman by three years to March 2020. Masirah's parent company Rex International Holding plans are in motion for another exploration well on the concession early next year. This will also be the first well using the new multi-attribute version of Rex Virtual Drilling, which enables the company to be independent from traditional geological inputs on porosity and permeability. The Manarah-1 exploratory well drilled in 1Q confirmed the presence of a source rock and a working petroleum system in the 17,000 square km (6,564-sq mi) block 50. It followed Masirah's GA South oil discovery in 2014, the first offshore Oman. Investigations are under way for a revised, lower service cost extended-

well test and early production system on block 50, which Rex International claims could lead to profitable development even at an oil price of USD 40/bbl.

Public-Private Partnership (PPP)

Oman will witness an increase in public-private partnership deals following a reduction in government spending and other austerity measures, particularly in the oil and gas, water and electricity sectors. The government is inclined to continue with major infrastructure projects but requires more private sector participation in project financing. Hence, greater collaboration between the public and private sector in infrastructure projects of national importance can give a boost to the economy. The recently announced redevelopment plan of Port Sultan Qaboos is a good example whereby the government is seeking to own 51% and the rest to be funded by pension funds and the private sector.

Oman's capital markets will play an important role in funding government projects as issuances of government bonds will stimulate an otherwise inactive debt market, and privatization of state enterprises will lead to a bigger, more liquid and diversified stock market.

Key set up and operational persons to date

David Holtom, MBE

Moved to Oman in 2008 as the Political Counselor for the British Embassy. His primary role was to manage the strategic bilateral relationship between senior members of the U.K. Government, Royal Family and His Majesty (HM), Sultan Qaboos bin Said. He left the Diplomatic Service in 2011 resides in Oman and the U.A.E. maintaining his portfolio of business interests. A highly trusted and efficient person with the highest references and efficiency's, a deep understanding of regional and domestic political and commercial relations. Critical person with communication with Royal court.

Dr. Salem Ben Nasser Al-Ismaily

Dr. Salem Ben Nasser Al-Ismaily is the Chairman and Chief Executive Officer of the Sultanate of Oman Public Authority for Investment Promotion and Export Development (Ithraa). Al Ismaily has been conferred by His Majesty the Sultan of Oman, the third and second class orders of Oman.

The team selected the Doctor as his close relations with U.S relative to his negotiating of the Iranian Nuclear deal with secretary Clinton and John Kerry.

https://www.washingtonpost.com/opinions/the-omani-back-channel-to-iran-and-the-secrecy-surrounding-the-nuclear-deal/2016/06/07/0b9e27d4-2ce1-11e6-b5db-e9bc84a2c8e4_story.html?utm_term=.bd469ae16d78

Dr. Salem as the full support of His Majesty's government, as expressed in a letter dated December 13, 2016 addressed to Chairman Ye Jianming.

Hunter Biden

HB was key in relationship set up, messaging the good will around the chairman and the non-conflict status of CEFC entry, “a bridge between two great nations”.

Writing to all parties and organizing meetings to continue CEFC promote, as well approving step-by-step strategic and operational elements.

James Gilliar & his team

Head of international day to day operation, geographic location assessment and targeting, operation and planning, partner selection, liaison and confidant of HB and partners, planning in Oman with DH and CEFC (DZ and his team).

Assurance Note: Important future relations should be managed by David Holtom, who has a detailed relationship network from 2008. Trusted by U.K., U.S. and JG/HB/DZ.

Once we had established the original agreed geography with the director we began to plan and initiate the strategic entry that would secure a preferred, unobstructed entry to market, led by JG, aligned through U.K. connections, for personal relationship entry to Sultan Q, Then support from U.S (HB’s family & friends, Davos) to qualify and endorse the chairman, DZ and the company, and solicit a special mandate to establish onshore CEFC vehicle that is uniquely sanction by His Highness to omit the required local partner element. (work undertaken by DH).

This is as we believe only the second company of such stature in the sultanate after, Babcock the U.K. based defense company.

Target opportunities

1. *NBO (National Bank of Oman), 38% CEFC are undertaking DD with teams arriving 5/6 April.*



Major Shareholders (September 2015)

Shareholder Name	Share %
Commercial Bank (Qatar)	34.90
Suhail Bahwan Group Holding Llc	14.74
Civil Service Employees Pension Fund	10.73
Hsbc A/C Ministry Of Defence Pension Fund	7.66

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Public Authority For Social Insurance	6.47
Royal Oman Police Pensions Trust Llc	2.91
State General Reserve Fund	2.80
Rimal Investment Projects Llc	2.46
United Development Company	1.56
National Equity Funds	1.01
Royal Guard Of Oman Pension Fund	0.96
Other Shareholders	13.80

The National Bank of Oman SAOG (the Bank) was established in the Sultanate of Oman in 1973 as a joint stock company (under registration no. 1003704) and is engaged in retail banking, corporate banking, investment, treasury, international and Islamic banking services. In Arabic, it is known as "Bank Al Watani" and its registered address is P.O. Box 751, postal code 112 Ruwi, Muscat, Oman. The Bank's website address is www.NBO.co.om. The Bank's shares are listed in the Muscat Stock Exchange under the company code "NBOB". As at 31 December 2013, the Bank was the second largest listed bank in Oman by total assets, representing approximately 13.0 per cent of total assets, 13.9 per cent of total loans and 13.6 per cent of total deposits (source Central Bank's 2013 Consolidated Balance Sheet).

As of 31 December 2013, National Bank of Oman had a network of 65 branches and 169 automatic teller machines (ATMs) and cash and cheque deposit machines (CCDMs). The Bank provides banking services to approximately 367,000 individual customers and approximately 18,000 corporate and SME customers.

As of 30 June 2014, its international operations accounted for 3.8 per cent of its total assets. In 2013, the Bank secured a banking license to open a branch in Dubai and as a result it now has two branches in UAE, one in Abu Dhabi and one in Dubai. The Bank also has operations in Egypt, although these operations are not significant, accounting for 0.6 per cent of the Bank's total assets as at 30 June 2014. In 2013, the Bank also launched Islamic banking operations in Oman under the brand name "Muzn". During the first half of 2014, two Islamic banking branches were opened, in addition to one branch, which opened in 2013.

For the six-month period from 1 January to 30 June 2014, the Bank achieved a net profit of OMR 23 million, an increase of 22.3 per cent, compared to OMR 18.8 million for the same period the previous year.

For the year 2013, the Bank achieved a net profit of OMR 41.4 million, an increase of 1.8 per cent compared to OMR 40.7 million in 2012. National Bank of Oman's total assets amounted to OMR 3.5 billion as at 30 June 2014, an increase of 21.5 per cent against OMR 2.9 billion as at

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31 December 2013, which in turn constituted an increase of 14.1 per cent compared to OMR 2.5 billion as at 31 December 2012.

Shareholders' equity amounted to OMR 334.7 million as at 30 June 2014, an increase of 2.3 per cent from OMR 328.1 million as at 31 December 2013, which in turn constituted an increase of 7.8 per cent from OMR 304.5 million as at 31 December 2012.

Since 1 January 2014, the Bank has been required by the Central Bank to maintain a minimum total capital adequacy ratio of 12.625 per cent. The Bank's total capital adequacy ratio is calculated in accordance with Central Bank guidelines, and as at 30 June 2014 was 14.1 per cent, compared to 14.6 per cent as at 31 December 2013 and 14.4 per cent as at 31 December 2012. The Bank's Tier 1 capital ratio was 11.3 per cent as at 30 June 2014, compared to 11.8 per cent as at 31 December 2013 and 11.7 per cent as at 31 December 2012. Capital ratios as at 30 June 2014 are calculated without including interim profits, whereas capital ratios as at 31 December 2013 and 31 December 2012 are calculated to include full-year retained profits.

As of 31 December 2013, the authorised ordinary share capital of the Bank comprised 2,000,000,000 ordinary shares of OMR 0.100 each and the issued and fully paid-up ordinary share capital of the Bank comprised 1,108,025,000 ordinary shares of OMR 0.100 each. As at 30 June 2014, 34.9 per cent of the Bank's issued share capital was held by the Commercial Bank of Qatar Q.S.C. (CBQ). The Bank operates as one of CBQ's "alliance banks", enabling it to partner with other alliance banks on specific cross-border/international.

The banking industry in Oman is regulated by the Central Bank, which regularly carries out on- and off-site examinations of financial institutions. The Central Bank has imposed guidelines that monitor capital, liquidity, funding mismatches, investments and overseas exposures in addition to general banking operations.

Credit Rating

National Bank of Oman has been accorded the following credit ratings by the industry's leading rating institutions:

Moody's (June 2016)

Bank Deposit	Base line Credit Assessment	Adjusted Base line Credit Assessment	Senior unsecured	Outlook
Baa2/P-2	ba1	ba1	Baa2	Stable

Capital Intelligence (June 2016)

Foreign currency Long-Term	Foreign currency Short-Term	Bank Financial Strength	Support	Outlook

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BBB+	A2	BBB+	3	Negative
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Fitch Ratings (June 2016)

Long-Term	Short-Term	Viability rating	Support rating	Support rating floor	Outlook
BBB	F2	bbb-	2	BBB	Stable

2. Fincorp

Outside of getting clearances from Oman's leadership, CEFC clearly needs to be in a position to understand the local market better. From the meetings to date, we have tried to leverage banking/financial institutions for CEFC

to invest in. We've enjoyed plenty of correspondence since; however, we have been conscious that we needed to reach out further in order to provide CEFC with a better intelligence picture to leverage.

David Holtom met with Nasr al-Housani, the CEO of Fincorp (<http://www.fincorp.org/>), a local investment bank and asset management company. Nasr's company is well plugged into the local and regional securities market. It's a small company with capital of OMR 7 million (c. US\$ 18 million) dealing with a portfolio of OMR 50 million OMR (c. US\$ 130 million). Fincorp is a locally listed company. Nasr stated that he could materialize a **75%** stake in Fincorp for CEFC to use as its investment vehicle locally, if you were interested. The advantage of purchasing Fincorp would be owning an established business with significant knowledge of the local finance/e-commerce market etc.

Nasr also stated that through Fincorp (through their local mandate), CEFC could purchase up to 25 percent of Bank Sohar (which was available) and that 12 per cent of Bank Muscat's shares were still on offer too.

Nasr also passed on details regarding OMINVEST. 15 per cent of OMINVEST was available, of which 10 per cent could be bought immediately (the remaining 5 per cent would need to be done slowly as not to shake the market). OMINVEST's investments include a controlling stake in Oman Arab Bank, and several other sizeable stakes in other local banks and financial institutions.

Nasr stated that if CEFC was interested, it may be best that he meets you prior to your team's visits to Oman, perhaps in Dubai as he would prefer smaller sized meetings to deliver an accurate, tailored and focused brief.

3. Opportunities open only to CEFC China

Dear James (and Caesar),

As discussed, and after several weeks of negotiating, I have managed to persuade The Royal Office and Omani government to deliver a host of projects that are **only** open to CEFC China to invest in; a unique series of opportunities. In brief and in no particular order (I will write these up more fully next week and after more discussions with The Royal Office):

- a. Oman Infrastructure Fund (Financial) - to invest in viable projects in the Omani market;
- b. Set up an Oman China Bank (Banking) - A new investment bank in Oman that will be the bridge for Chinese investors to Oman;
- c. Fisheries Industry in Oman (Fisheries) - The relevant ministry is keen to step change and globalise production. Including boat building;
- d. New Government Oman refinery (Oil and Gas) - Build and operate a new refinery at Duqm. Supply of Crude shall be Oman's own crude oil;
- e. Shinas Port Projects (transportation and logistics) - Development of the port for industrial and the tourism trade.
- f. Yiti Resort (Tourism) - Development of the coastal site to be a world-class tourism destination;
- g. Al-Dhaahirah County Project (industrial development) - Service and knowledge centre for oil fields in Saudi Arabia. Railway terminals, mining infrastructure.
- h. Sohar Port Container Terminal (transportation and logistics) - Development of terminal 2 with 40 km² plot of land in the Sohar Free Zone.
- i. Sur - new port and township (transportation and logistics) - Development of Sur's new port and township, maximising its strategic location;
- j. Development of Oman China Freezone (industrial development) - Development of an autonomous 100 km² land in Duqm (but out of SEZAD) as an Oman-China Free Zone with Port and other facilities for mixed use;
- k. East-West Medical facility (healthcare) - Development of a medical city in Muscat tapping on medical care and sciences of the East and West.
- l. Oman National Railway Project (transportation and logistics) - Development of Oman's national railway covering 2400 km of tracks and 9 segments.

I have not shared any of the above with Fincorp. I have only tasked Fincorp with NBO and cleared the NBO approach with the government. The above are government owned projects which have been given to CEFC China exclusively (The Royal Office have closed the TFI chapter at our request).

The above are government owned projects which have been given to CEFC China **exclusively** (The Royal Office have closed the TFI chapter at our request).

James - I would be grateful if these could be raised with Chairman Ye during his visit to the US. Cui Can - I would like to share these with the Shanghai team, but I am yet to be convinced that I have the right reporting channels. These projects are sensitive to the Omani government, and

EEIG

offering them up to CEFC has been quite a task. We should await perhaps comments from the US, The Chairman and Director Zhang before disseminating further. Some of these projects, seen from here, are exceptional and very unique opportunities.

I look forward to hearing from you.

Kind regards,

David

4. Plan B's

HSBC (Oman) 51% Stake in bank offered by HSBC through local share holder partner Mr. Omar Zawawi

Various Oil and Gas Deals. (New deals will be direct through ministry after entry).

Additional important domestic relationships. D.H to maintain

Qais bin Abdul Munim Al Zawawi (27 August 1935 – September 11, 1995), was the second foreign minister for the Sultanate of Oman, and later from 1982 served as Deputy Prime Minister for Economic and Financial affairs until his death on September 11, 1995 in a Salalah accident, whilst in the car with His Majesty Sultan Qaboos bin Said, and his brother Dr.Omar bin Abdul Munim Al Zawawi, the external liaison for His Majesty the Sultan.

Before returning to Oman, after the Sultan deposed his father in a bloodless coup, Al Zawawi studied in India and then moved to Dubai, where he helped set up the Pepsi-Cola Operations with Sheikh Rashid bin Saeed Al Maktoum, the then Ruler of Dubai (1958–1990), H.E. Sultan bin Ali Al Owais and Mohamed Yehia Zakaria, both prominent business men.

General Sultan bin Muhammad al-Nu'amani – Minister for the Royal Office. Arguably runs the country beneath The Sultan. (All Ministers answer to him).

Lt. General Sayyid (Highness) Mundhir bin Majid Al-Said – Also a Minister for the Royal Office, and Head of the Liaison and Coordination Service.

Dr Muhammad bin Hamad al-Rumhy – Minister for Oil and Gas.

Note: There are probably better Oil and gas deals once the relationship is formed, once this relationship has been established.

Colombia – Gateway to Latin America



The relationship between Colombian president Juan Manuel Santos and Joe Biden has been a strong one throughout the Obama administration. Mr. Santos made his first official visit to the White House in 2013, during which both Mr. Santos and Mr. Obama were highly supportive of the U.S.-Colombian alliance.¹ The United States' attitude towards Latin America during the Obama administration changed dramatically compared to previous Republican and Democratic administrations. A pragmatic approach became the underlying theme for U.S. relations with Latin America. During a speech at the Annual Washington Conference, Vice President Biden summed up the new attitude to Latin America explicitly. “Whether

it’s Mexico hosting the G20 or Colombia preparing to join the OECD, this is not your father’s Latin America... We have already changed the way we do business and the way we frame it.” The question, Mr. Biden said, is no longer about what can we do *for* Latin America but what we can do *with* Latin America. Things have changed a great deal.² The following analysis by Eric Farnsworth succinctly describes the changed economic and political climate and is worth quoting in full.

Much of the region, particularly South America, is now emerging from a dispiriting period of populist anti-Americanism that, along with depressed global commodities markets, has stunted economies. Deteriorating economic prospects have in turn caused electorates to reject ideological solutions in favor of policies of pragmatism. The economic downturn has also exposed the voracious levels of corruption among political and business elites. When they can, voters have shown an increasing willingness to remove or rebuke leaders who have promoted the sort of populist authoritarianism that has strained relations with Washington over the past decade and a half. At the same time, as corruption is rejected and thoroughly delegitimized across the region, the *United States becomes more important than ever* [emphasis added] in terms of support for strengthened judicial systems and best practices toward strengthening the rule of law... *This opens the door across the Americas to a greater appreciation of the United States as an economic and even political partner* [emphasis added], providing the possibility for renewed

¹ “How does Obama get along with Latin America?” BBC. April 10, 2015. Accessed March 24, 2017. <<http://www.bbc.com/news/world-us-canada-31699344>>

² Glickhouse, Rachel. “Vice President Joe Biden on U.S. Priorities for the Americas.” Americas Society / Council of the Americas. May 8, 2013. Accessed March 24, 2017. <<http://www.as-coa.org/blogs/vice-president-joe-biden-us-priorities-americas>>

engagement moving forward. The region's circumstances are now more amenable to U.S. partnerships than they have been in the past decade. Arguably, the Obama administration's approach has facilitated, if not necessarily hastened, these trends by allowing events to take a natural, unimpeded course, and by remaining available as a partner once circumstances became more favorable. At this point, so long as commodities prices remain low, playing a longer game appears to be paying important dividends. So far, so good. But there are also unintended consequences of this policy shift. *True partnership requires actual partners* [emphasis added], with both the capability and desire to pursue a joint agenda. That implies more than simply a series of bilateral agendas, no matter how robust. It also requires mutual engagement to address the most pressing issues at the subregional, regional and eventually global levels.³

With this in mind, EEIG has built the framework for partnership between CEFC China and local partners in Colombia, with a solid basis starting at the very foundations of the country's administration. With the peace accords between the Colombian government and the Revolutionary Armed Forces of Colombia (FARC) culminating in a bilateral ceasefire between both parties on June 23, 2016, Colombia has created a much safer environment to deal in. Mr. Biden pledged his strong personal support of the peace process and offered congratulations to Mr. Santos while underscoring "the importance of maintaining bipartisan support for Colombia in the United States Congress."⁴

Commercial Entry

For decades, the Santo Domingo family has controlled a web of enterprises. Their sale of Colombian brewer Bavaria in 2005 to SABMiller saw the clan's \$2.2 billion fortune multiply many times over. The family's holdings are now valued at \$14.8 billion, according to the Bloomberg Billionaire's Index. We have already laid the groundwork in-country with the Santo Domingo family as potential local partners.

Alejandro Santo Domingo serves as the public face of the Santo Domingo family, which holds a massive stake in beer giant Anheuser-Busch. In 2005 his father, Julio Mario Santo Domingo traded his brewery, Bavaria, for a 15% stake in SABMiller, which in turn merged with Anheuser-Busch InBev in 2016. When Julio Mario died in 2011, he passed down his shares to his sons, Alejandro and Andres, along with his grandchildren, Julio Mario III and Tatiana Casiraghi. All four are now billionaires. A Harvard graduate, Alejandro is the managing director of New York-based Quadrant Capital Advisors and also sits on the board of the Metropolitan Museum of Art, alongside fellow billionaires Leon Black, John Paulson and David Koch. He got

³ Farnsworth, Eric. "Obama's Pragmatism Worked in Latin America. Now It's Time to Support Democracy." World Politics Review. September 20, 2016. Accessed March 24, 2017. <<http://www.worldpoliticsreview.com/articles/19966/obama-s-pragmatism-worked-in-latin-america-now-it-s-time-to-support-democracy>>

⁴ "US VP Biden Backs Colombian Peace Plan in Call with Santos." Telesur. July 3, 2016. Accessed March 24, 2017. <<http://www.telesurtv.net/english/news/US-VP-Biden-Backs-Colombian-Peace-Plan-in-Call-with-Santos-20160703-0003.html>>

married in 2016, reportedly to a direct descendant of the British general who vanquished Napoleon at Waterloo.

Target Opportunities

1. *El Remanso Oil Field*

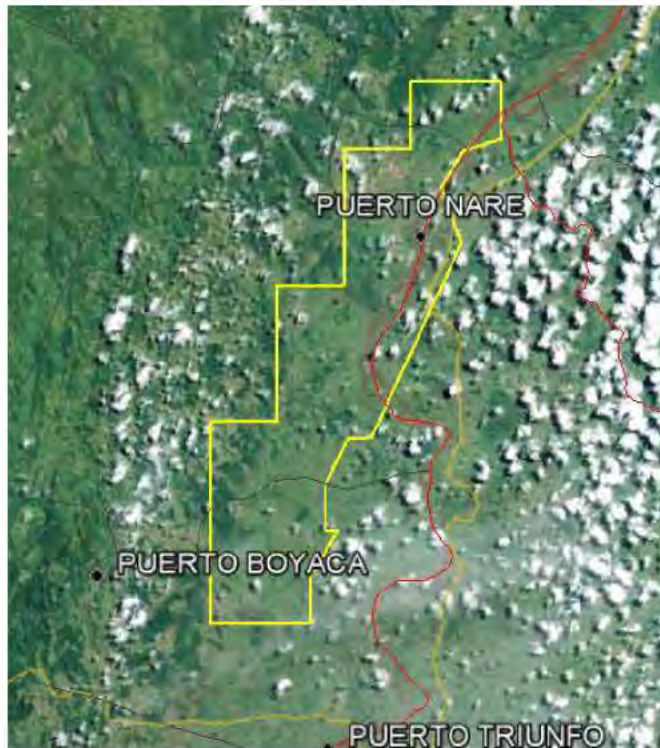
We have a relationship with Rattan Holding, who control the “El Remanso” oil field. The field is approximately 19,553 hectares large and is located across the Departments of Antioquia (Puerto Berrio, Puerto Nare and Puerto Triunfo) and Boyacá (Puerto Boyacá).

Proven = 17,500,000

Probable = 59,970,000

Possible = 114,530,000

The oil field has combined (possible, probable and proven) reserves of 192,000,000 barrels.



2. CIL Port Buenaventura (Centro Internacional Logistico y Portuario de Buenaventura)

The new port of Buenaventura in the Pacific Ocean could be very attractive for CEFC China due to all the windows it opens for trans-Pacific commerce without having to use the Panama Canal. We have a great project to bring an oil pipe from Venezuela to this port to fill huge tankers that can't go through Panama Canal and thus are forced to travel all the way around, which increases cost drastically. On the other side is ICSA (Ingeniera y Consultoria S.A.), the newest company acquired under the Rattan holding umbrella, who has the mandate to act as principal to provide advice, financial consultancy to the "CIL PORT" Project, as well as managing the financial resources, funds or capital necessary for its development in each of its stages. The mandate also states that ICSA acts as Strategic Partner within the framework of guarantees offered by the CIL PORT for the Project, shareholding, construction, and real guarantees such as that derived from the collateral of the property of development of the same project, and other infrastructures to be built.

ICSA does everything ranging from power grid to airport. In fact, most of the airways in Colombia on ground and off ground have been set up by ICSA. ICSA's capacities mainly target the following sectors: infrastructure, hydrocarbons, mining, large surfaces, aircraft, airports and air fields of flight, energy and military, in the disciplines of civil, mechanical, electrical, telecommunications, control and instrumentation.

Besides these two opportunities are ready now, many more are lining up. For example, the sale next year of the main power generation company in the coast of Colombia that covers almost the country. We have full support and high interest from the congress to attract foreign investment and especially China which has had a great relationship with Colombia over the years.

Planned CEFC China Welcome to Colombia

We are close with the Consul here as well. CEFC China's Mr. Zang Jiunjun will be awarded at the congress by the senators of the 5 commission. This is the senate commission that handles all energy and oil sector matters of the country. After the ceremony, there will be a dinner at the Noyal Club where 15 senators and business leaders will meet and greet the honored guest. The next day, the delegation will fly to Barranquilla where all the governors from the coast of Colombia will come and give the keys of the cities and recognitions to the CEFC China members on tour. Most of these leaders are very eager for this visit and are looking forward to open Colombia's door to Chinese investments.

Luxembourg

Political Framework

The politics of Luxembourg takes place in a framework of a parliamentary representative democratic monarchy, whereby the Prime Minister of Luxembourg is the head of government, and of a multi-party system. Executive power is under the constitution of 1868, as amended, exercised by the government, by the Grand Duke and the Council of Government (cabinet), which consists of a prime minister and several other ministers. Usually the prime minister is the leader of the political party or coalition of parties having the most seats in parliament. Legislative power is vested in both the government and parliament. The judiciary is independent of the executive and the legislature.

Legislative power is vested in the Chamber of Deputies, elected directly to five-year terms.

The economy of Luxembourg is largely dependent on the banking, steel, and industrial sectors. Luxembourgers enjoy the second highest per capita gross domestic product in the world (CIA 2007 est.), behind Qatar. Luxembourg is seen as a diversified industrialized nation, contrasting the oil boom in Qatar, the major monetary source of the southwest Asian state.

Although Luxembourg in tourist literature is aptly called the "Green Heart of Europe", its pastoral land coexists with a highly industrialized and export-intensive area. Luxembourg's economy is quite similar to Germany's. Luxembourg enjoys a degree of economic prosperity very rare among industrialized democracies.

In 2009, a budget deficit of 5% resulted from government measures to stimulate the economy, especially the banking sector, as a result of the world economic crisis. This was however reduced to 1.4% in 2010.

Why Luxembourg?

Banking is the largest sector in the Luxembourg economy. The country has specialized in the cross-border fund administration business. As Luxembourg's domestic market is relatively small, the country's financial center is predominantly international. At the end of March 2009, there were 152 banks in Luxembourg, with over 27,000 employees. Political stability, good communications, easy access to other European centers, skilled multilingual staff, a tradition of banking secrecy and cross-border financial expertise have all contributed to the growth of the financial sector. These factors have contributed to a Corruption Perceptions Index of 8.3 and a DAW Index ranking of 10 in 2012; the latter the highest in Europe. Germany accounts for the largest-single grouping of banks, with Scandinavian, Japanese, and major U.S. banks also heavily represented. Total assets exceeded EUR 929 billion at the end of 2008. More than 9,000 holding companies are established in Luxembourg. The European Investment Bank—the financial institution of the European Union—is also located there.

Luxembourg is the second largest investment fund center in the world after the United States, the premier captive reinsurance market in the European Union and the premier private banking

center in the Eurozone. The financial sector is the largest contributor to the Luxembourg economy.

From its origins as a Euroloan center, the city subsequently developed as a private banking center and then, from the 1980s, as a leading domicile for investment funds. The success of the financial center is founded on the social and political stability of the Grand Duchy and on a modern legal and regulatory framework that is continuously updated, inspired by regular consultation between the government, the legislator and the private sector. Thus, over the years, specific regulatory frameworks have been created for alternative investment funds, venture capital investment funds, international pension funds, specialized investment funds, captive reinsurance companies, covered bond issuing banks, securitization vehicles and family wealth management companies.

This legal framework, combined with Luxembourg's openness to the world, has attracted banks, insurance companies, investment fund promoters and specialist service providers from all over the world.

The Luxembourg financial center is characterized by a strong culture of investor protection and rigorous anti money-laundering policies. Its specialist teams are multilingual and multicultural, with a long tradition of financial expertise and extensive knowledge of the needs of an international clientele.

Target Opportunity



Banque Internationale à Luxembourg S.A. (BIL) is a Luxembourgish bank. The bank is owned by Precision Capital and the Luxembourg government. Along with its sister bank KBL European Private Bankers, it was supervised by European Central Bank due to their size.



KBL European Private Bankers, founded in 1949, is headquartered in Luxembourg with a pan-European presence in nine countries. With over 2,000 staff and €41 billion in assets under management and €39 billion in assets under custody (as of December 31, 2012), KBL is widely recognized as a private banking leader.

The group provides a range of additional investment solutions through its Global Investor Services, Global Financial Markets and Asset Management departments. The group has subsidiaries across eight European countries: Belgium, France, Germany, Luxembourg, Monaco, Netherlands, Spain and the United Kingdom.

With the full support of its shareholder, Precision Capital, a Luxembourg-based bank holding company, KBL is consolidating its presence across Europe and expanding its horizons to capture future opportunities in high-growth emerging markets, including the Middle East and Asia. Precision Capital is ultimately owned by members of the Al Thani family of Qatar.

EEIG

We have prepared the groundwork to purchase major stakes in both of these banks, **up to 90% in both.**

Market Entry

We have an understanding with Prince Félix of Luxembourg, that under his father Henri, Grand Duke of Luxembourg's auspices two banking institutions will be introduced to use as investment vehicles. Luxembourg in general has a great market position for German, French & Benelux entry. Furthermore, the nobility in Luxembourg is related to all EU nobility, meaning that further opportunities will be open for investment. Chairman Ye is also slated to receive a national Honor.

Romania

PROPOSAL FOR THE COOPERATION BETWEEN ALLTROM GROUP & CEFC CHINA

Target Opportunities

Baneasa Group

This document aims in describing the potential collaboration platform between:

ALLTROM GROUP [AG]

Being the Group of companies owned by Mr. Gabriel Popoviciu. These companies include among others:

- The Baneasa Group [Baneasa Project]
 - Baneasa Investments SA
 - Baneasa Developments SRL
 - Baneasa Business & Technology Park SA
- Metav SA
- Unviresal SA
- Meteor SA
- Belvedere Developments SRL

And

CEFC Ghina [CEFC]

A Global Investment Group active in energy and financial services

Where As:

CEFC is active in Romania through its holding KAzMunayGas and its local subsidiary Rompetrol and wishes to expand its presence in the continent and the country investing in large scale projects.

AG is a major local investor with a leading position in its core business which is Real Estate development and a major candidate for becoming CEFC's local partner through its own businesses and projects and its capability to define new ones.

An initial visit of Mr. Qingxin Ren took place on 5-6 March and preliminary discussions were held between him and Mr. Popoviciu and his associate Mr. George Argentopoulos. A site visit took also place during this visits and was decided that AG will produce this document to facilitate further discussions among the parties

Proposal

Context

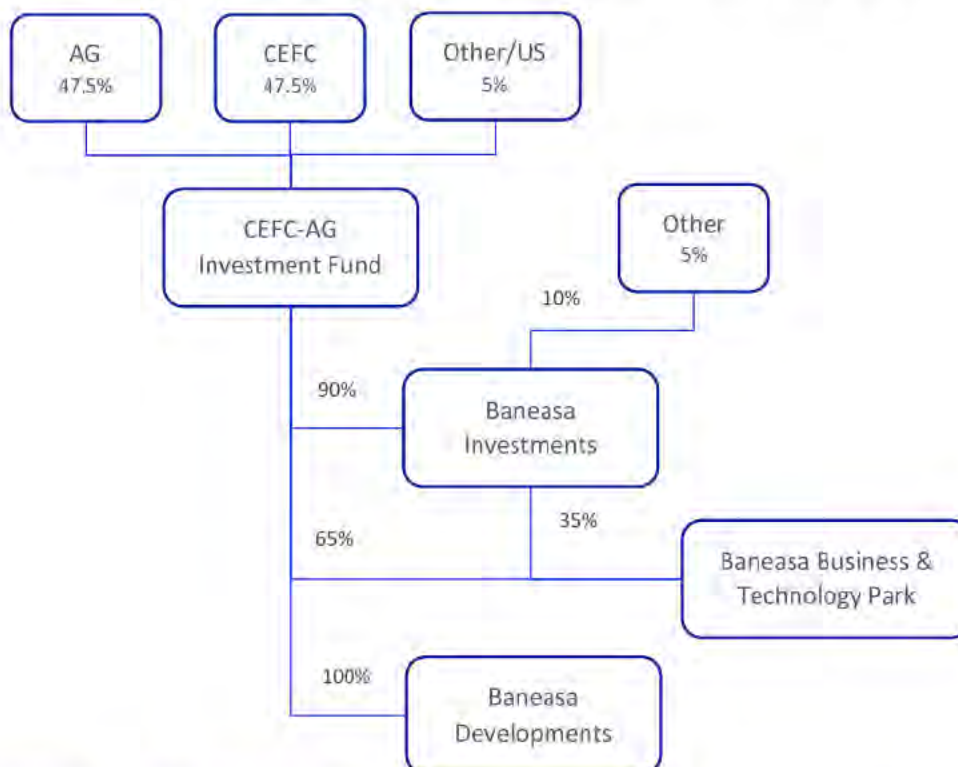
- This cooperation is a strategic alliance driven by the magnitude, timeframe and particularities of the potential projects.

- Its purpose is a long term one and its objective is to become the biggest developer in Romania and one of the biggest in the region of SE Europe
- Its initial focus would be the projects under the command of AG, especially the Baneasa Project followed shortly by a series of specific other investment opportunities; two of them are mentioned in the last section of this document
- The fundamental values of this cooperation are Trust, Transparency, Growth, Efficiency and Social Responsibility

Formation

It is envisaged the creation of an Investment Fund with the initial main partners being CEFC and AG. It is expected that certain minority partners will also be involved as presented at the following sections. The initial effective structure is presented in the scheme below:

The Fund may include other AG holdings from the beginning (i.e. Metav)



Baneasa Project magnitude

- Further to the existing developments the platform provides for more than 100 hectares for further developments in the most successful and lucrative platform in Bucharest and the country. The future development is subject to a redesigned master plan; however, as a high-level estimation it should include around 250,000m² of retail, 200,000m² offices and almost 1,000,000m² of residential developments of a total development cost value of EUR 1 billion.
- The offices platform should provide for the headquarters of Rompetrol as a signage building in to north west corner of the land.

EEIG

- The total development timespan should be 7-10 years if properly sourced and managed
- Based on low-end current market values the residual value of the project will by far exceed the EUR 2 billion value.

Steps to Formation

- AG will contribute to the Fund its participations in the Baenasa project:
 - 50% of BD [the mall business]
 - 32.5% of BBBTP [the offices business]
 - 25% of BISA [the land business] [indirectly also another 8.75% of the BBTP business]
 - The total estimated value of the above contribution is EUR 300 million
- CEFC will contribute all the funds necessary for the following transactions:
 - To buy out the existing individual partner of AG in the project holding exactly the same shares (through jointly held holding companies). It is expected that this transaction can take place at an estimated and negotiated total value of 200mEuro
 - To buy out 40% out of the existing 50% of BISA currently held by the University of Agriculture in Bucharest. This is proposed to be executed through the issuance of a bond from the Fund [guaranteed by CEFC] with the following specifications:
 - Value EUR 100 million
 - Tenure 10 years
 - Coupon 5% annually = EUR 5 million
 - At maturity, the bond can be either cashed out or deemed in shares in the Fund at the market price of the shares at that time
 - Prudently the funds to be available at the Fund level for the bond payouts should be at the level 25mEuro covering the coupons of 5 years.
Thereafter the bond will be served from the Fund's net profits
 - CEFC will also contribute to the Fund cash equal to EUR 75 million for funding the Fund's operations and development plans
 - CEFC will procure the debt financing required for the Fund's development plans
- The Fund's initial value would be EUR 600 million out of which EUR 100 million in cash.

Important Note

Our scenario implies a resolution of the current legal dispute over parts of the project for which all owners of the Fund will seek to resolve with the Romanian State. The proposal is built in such a manner to provide for a mutually beneficial framework to facilitate this resolution. More Specifically:

- It allows the State (the University or either wise to remain as participant to the project directly (10% of BISA).

- It provides a steady annual income for long term for the State budget (EUR 5 million annually through the bond); combined with a significant value of EUR 100 million at the maturity of the bond or;
- It also gives the opportunity for future uplifts should the state decides to deem the bonds into shares of the Fund.
- It goes without saying that this proposal needs further elaboration and its subject to successful negotiations with the State.

Metav

Metav is one of the biggest business parks in Bucharest urban area. 80 companies from different industries have chosen Metav as their main facility.

Location highlights:

- Operating in Northern area (Baneasa), the main business district of Bucharest;
- Easy access from city center (Piata Victoriei, Universitate, Charles de Gaulle), Floreasca area and “Henri Coanda” Airport.

Existing buildings are designed for large open spaces, suitable for commercial, storage and office activities with over 500 parking places available for tenants and visitors.

Technical Specifications

Utilities:

- Inner electrical network, including high capacity transformation stations;
- Water & sewage infrastructure, pumping station and fire suppression ring;
- Gas station and a well dimensioned infrastructure;
- HVAC systems for office buildings;
- All utilities allow independent metering per tenant and can be easily adapted to tenant needs and space specific;

Amenities:

- Concrete structure fixed on frames and beams
- Power generators where needed;
- 10-12 m height for storage; some buildings are equipped with traversing cranes;
- Suspended ceiling in office spaces;
- Lightning systems, power sockets and low voltage networks;
- CCTV systems in at the critical points;
- Perimetral infrared barriers;
- 24/7 hours security guards;

Revenue from streams

Main revenue stream of the company is letting its own assets. Several renting tariffs were significantly adjusted in 2016 and 2017.

Service Charges - gradually introduced in 2017 and fully implemented from 2018.

Distribution tariff for electricity – applied for tenants own consumption.

Metav (Euro)	2013	2014	2015	2016	2017	2018
Lease Revenue	3,937,099	3,793,228	3,955,804	4,124,675	4,281,464	4,381,964
Electricity Distribution Revenue	89,430	85,946	93,037	101,616	108,670	108,670
Service Charges Recovered	0	0	0	0	172,039	597,600
Total Lease Related Revenues	4,026,529	3,879,174	4,048,841	4,226,291	4,562,173	5,088,233

The Future

Baneasa Project

- If the issue with the State mentioned above is resolved the Fund's value will double without even further developments as a result of the appreciation of land and the yield on the existing businesses
- This in turn will allow for a strong leverage base to raise debt capital in order to develop the plan fast
- At that point a listing of the Fund should be considered attracting equity investors for both quick returns to the strategic partners and further capitalization for other projects

Other Major Projects

Besides the Baneasa Project the parties should investigate the following identified opportunities:

- The development of a country-wide network of gas stations (Romp petrol) combined with (mainly) drive through commercial outlets. This can be done in a joint venture with Rompetrol or in the form of a BOT project (Build Operate and Transfer)
- The acquisition of majority (51% at least) of the existing two Bucharest airports or the development of a 3rd one

France

Political Framework

The politics of France take place with the framework of a semi-presidential system determined by the French Constitution of the French Fifth Republic. The nation declares itself to be an "indivisible, secular, democratic, and social Republic." The constitution provides for a separation of powers and proclaims France's "attachment to the Rights of Man and the principles of national sovereignty as defined by the Declaration of 1789."

The political system of France consists of an executive branch, a legislative branch and a judicial branch. Executive power is exercised by the President of the Republic and the Government. The Government consists of the Prime Minister and ministers. The Prime Minister is appointed by the President, and is responsible to Parliament. The government, including the Prime Minister, can be revoked by the National Assembly, the lower house of Parliament, through a "censure motion"; this ensures that the Prime Minister is always supported by a majority of the lower house (which, on most topics, has prominence over the upper house).

Parliament comprises the National Assembly and the Senate. It passes statutes and votes on the budget; it controls the action of the executive through formal questioning on the floor of the houses of Parliament and by establishing commissions of inquiry. The constitutionality of the statutes is checked by the Constitutional Council, members of which are appointed by the President of the Republic, the President of the National Assembly, and the President of the Senate. Former presidents of the Republic also are members of the Council.

France is a unitary state. However, its administrative subdivisions—regions, departments and communes—have various legal functions, and the national government is prohibited from intruding into their normal operations.

France was a founding member of the European Coal and Steel Community, later the European Union. As such, France has transferred part of its sovereignty to European institutions, as provided by its constitution. The French government therefore has to abide by European treaties, directives and regulations.

Overseas Regions

Overseas France (French: France d'outre-mer) consists of all the French-administered territories outside of the European continent. These territories have varying legal status and different levels of autonomy, although all (except those with no permanent inhabitants) have representation in both France's National Assembly and Senate, which together make up the French Parliament. Their citizens have French nationality and vote for the president of France. They have the right to vote in elections to the European Parliament (French citizens living overseas currently vote in the Overseas constituency). Overseas France includes island territories in the Atlantic, Pacific and Indian oceans, French Guiana on the South American continent, and several Periantarctic Islands as well as a claim in Antarctica.

The following have overseas region status:

- French Guiana in South America
- Guadeloupe in the Caribbean (Americas)
- Martinique in the Caribbean (Americas)
- Mayotte in the Indian Ocean (Africa)
- Réunion in the Indian Ocean (Africa)

Overseas Collectivity

The French overseas collectivities (French: collectivité d'outre-mer or COM), like the French regions, are first-order administrative divisions of France. The COMs include some former French overseas territories and other French overseas entities with a particular status, all of which became COMs by constitutional reform on 28 March 2003. The COMs should not be confused with the overseas regions and overseas departments, which have no particular status. As integral parts of France, overseas collectivities are represented in the National Assembly, Senate and Economic and Social Council. Only one COM, Saint Martin, is part of the European Union and can vote to elect members of the European Parliament (MEP). The Pacific COMs use the CFP franc, a currency pegged to the euro, whereas the Atlantic COMs use the euro directly. As of 31 March 2011, there were five COMs:

- French Polynesia became a COM in 2003. Its statutory law of 27 February 2004 gives it the designation of overseas country inside the Republic (French: pays d'outre-mer au sein de la République, or POM), but without legal modification of its status. French Polynesia has a great degree of autonomy, two symbolic manifestations of which are the title of the President of French Polynesia (Le président de la Polynésie française) and its additional designation as a pays d'outre-mer. Legislature: Assembly of French Polynesia since 2004.
- Saint Barthélemy, an island in the Lesser Antilles. It has a territorial council and executive council since 2007.
- Saint Martin, the northern part of the island of Saint Martin in the Lesser Antilles. Saint Martin remains part of the European Union. Both it and St. Barthelemy were separated from the overseas department of Guadeloupe in 2007 and made into their own collectivities. It has a territorial council and executive council since 2007.
- Saint Pierre and Miquelon, a group of islands in the Atlantic Ocean off the coast of Newfoundland, Canada. It has a territorial council. It is the last remaining part of New France not ceded by France.
- Wallis and Futuna, three small islands in the Pacific Ocean. Has a high administrator and territorial assembly.

As you can see, when we speak of France, we are not speaking only the country located on the European continent, but also of several other autonomous and semi-autonomous regions throughout the globe with significant influence from Paris.

The French Culture of Economic Intelligence

The tensions underlying international exchange are indicative of the importance of cultural factors in economic warfare and oblige companies to be aware of the scientific progress if they intend to continue developing.

It took France a long time to define a culture of its own in the field of intelligence, and until the previous century, the French word *renseignement*, or “intelligence”, had a negative connotation. The political elite considered this activity to be degrading and comparable to dirty police work.

The French government felt the need to launch certain reforms in both its external and internal services only after the First Gulf War, thanks also to constructive political consensus. This reform process focused on security that did not give due consideration to the decisive role that finance and markets have come to assume today in determining a people’s and a nation’s future, in an offensive context in which Western countries are not the only protagonists.

The main concerns of the French political elite regarded the use of *renseignement* in increasing the nation’s power and the ways that the offensive practices, typical of the information warfare, could be used while maintaining respect for the rules of democracy.

The management of conflicts linked to information has now become more complex due to the lack of strategies capable of managing and controlling virtual markets, the immaterial world represented by Internet, and the presence of new weapons capable of influencing public opinion.⁵

And thus, came ADIT.

Agence pour la diffusion de l'information technologique (ADIT)

ADIT SA provides strategic analysis and business diplomacy, territorial innovation, and risk management services. It offers strategic analysis in the areas of technology and regulation watch, image and reputation, and ethics and compliance; and anticipation, investigation, and strategic advisory services. The company also provides decision-making channel analysis, due diligence, anti-counterfeiting, and business diplomacy services. In addition, it detects the medium and long-term development opportunities in the areas of investment projects, key technologies, and business opportunities; and anticipates risks, such as competitive environment and economic changes for local and regional authorities, SME/SMI, and clusters. Further, the company offers corporate risk management, building security policy, and support services. The company was founded in 1992 and is based in Paris, France. Its CEO is Mr. Philippe Caduc. ADIT, through Ministerial Decree in May, 1992, came under the control of the Ministry of Foreign Affairs and the Aerospace and Research Ministry. It is the state authority collective for French embassies worldwide.

⁵ Guisepppe, Gagliano. “Economic intelligence culture in France.” *Modern Diplomacy*. August 2, 2017. Accessed March 25, 2017. < http://modern diplomacy.eu/index.php?option=com_k2&view=item&id=1640:economic-intelligence-culture-in-france&Itemid=490>

Caisse des dépôts et consignations



CEO: Pierre-René Lemas

The Caisse des Dépôts et Consignations is a French public sector financial institution created in 1816, and part of the government institutions under the control of the Parliament. Often described as the “investment arm” of the French State, it is defined in the French Monetary and Financial Code as a “public group serving the public interest” and a “long-term investor”. It contributes to the development of enterprises in line with its own proprietorial interests, and may also exercise competitive activities. It ensures, on behalf of the State and local authorities, missions of general interest.

The group’s priorities are in support of major public policy, serving growth, employment and the economic and territorial development of the country. As a long-term investor, Caisse des Dépôts has supported the development of French society during every era. Now, they are mainly working on four transitions: territorial transition, ecological and energy transition, digital transition, demographic and social transition.

Independently of the presence of the operational subsidiaries, the Caisse des Dépôts group ensures an institutional presence internationally. Caisse des Dépôts develops bilateral and multilateral relations with partner institutions which allow for the promotion of long-term investment and the development of investment projects in France and abroad, particularly in projects relating to the energy transition.

The European level takes on a crucial importance for the Caisse des Dépôts group taking into account the drive and influence of the European Union on investments and public interventions in France.

IDEX Groupe



President: Thierry Franck de Preaumont

Founded in 1963, IDEX is an independent leader in the Energy and Environmental Services sectors and a forerunner in the development of renewable energy. Comprised of 3,500 engineers and specialized technicians in France, the group designs and develops energy efficient solutions for its clients’ heating and cooling network needs (clients include: industrial and third-party sites, government-owned buildings, hospitals, residential and commercial complexes, etc.). It also offers facilities management services for its installations. IDEX implements and optimizes various

types of classic and renewable energy sources (wood boilers, wind power, geothermal power, combined heat power, waste to energy power, etc.) The group helps its clients find effective ways to reduce energy consumption, regardless of the type of energy used. The Idex group is present throughout France with more than 100 regional branches.

MCE-5 Development



CEO: Henri Trintignac

France-based MCE-5 Development was founded in the year 2000 by a small group of engineers from a school in Paris dedicated to developing VCR technology. The company quickly teamed up with a number of European automakers and auto parts suppliers and has been trying to perfect an engine design originally conceived back in 1997.

Since January 2000, MCE-5 Development has been conducting the MCE-5 VCRi project through different Research & Development programs. A carmaker, different engine development laboratories and Tier 1 automotive industry OEMs are among its partners.

The R&D programs, initially focused on the validation of the MCE-5 VCRi principle, have resulted in the step-by-step improvement of the innovative components and the identification and implementation of their mass-production manufacturing processes. Today, multicylinder engines nearing their final definition have been installed in demonstration vehicles.

MCE-5's business model consists in selling IP rights and expertise supplying prototypes (single and multicylinder engines, demonstrator cars), testing means and services (engineering research & design, calculations, simulations, testing, validations).