

Offering Memorandum

US\$ 220,000,000



TRUMP  
OCEAN CLUB  
INTERNATIONAL HOTEL & TOWER  
PANAMA

Newland International Properties, Corp.

9.50% Senior Secured Notes due 2014

To fund construction of Trump Ocean Club International Hotel & Tower, Panama

Offering Price: 100%

Newland International Properties, Corp., or Issuer, is a *sociedad anónima* organized under the laws of the Republic of Panama, or Panama, through public deed number 3,482 from the Ninth Public Notary of the Circuit of Panama, dated March 28, 2006, registered in jacket 521258, document 929232 of the Mercantile Section of the Public Register, since March 30, 2006.

The Notes will bear interest at a fixed annual rate of 9.50% which will be paid every six months on November 15 and May 15, commencing May 15, 2008. We may redeem the Notes, in whole or in part, at the redemption prices and times described herein. See "Description of Notes—Redemption."

We have registered the Notes in Panama as described below. We have not registered and will not register the Notes under the U.S. Securities Act of 1933, or Securities Act, as amended, or under the laws of any state of the United States. We have not been and will not be registered under the U.S. Investment Company Act of 1940, or Investment Company Act, as amended. The Notes may not be offered or sold in the United States to or for the account or benefit of any U.S. person except pursuant to transactions not subject to the registration requirements of the Securities Act and applicable state securities laws. The Notes are being offered only (i) in the United States in reliance upon an exemption from registration requirements of the Securities Act, to Qualified Institutional Buyers, as defined in Rule 144A under the Securities Act, that are also Qualified Purchasers for purposes of Section 3(c)(7) of the Investment Company Act, and (ii) outside the United States, to persons who are neither U.S. Persons nor U.S. residents (within the meaning of the Investment Company Act) in offshore transactions in reliance on Regulation S. The Notes are subject to other restrictions on transferability and resale, as set forth in "Notice to Investors" and each purchaser of the Notes in making its purchase will be deemed to have made certain acknowledgements, representations and agreements as set forth thereunder. Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this offering memorandum.

The Notes will be issued pursuant to an indenture between Issuer and HSBC Bank USA, National Association, as trustee. The Notes will be senior general obligations of the Issuer, secured by a first priority lien on substantially all of the assets of the Issuer.

Investing in the Notes involves significant risks. See "Risk Factors" beginning on page 18.

	Price to investors <sup>(1)(2)</sup>	Expenses	Net proceeds to issuer
Per Note .....	US\$ 10,000.00	US\$ 425.00	US\$ 9,575.00
Total .....	US\$ 220,000,000.00	US\$ 9,350,000.00	US\$ 210,650,000.00

(1) Plus accrued interest from November 14, 2007, if settlement occurs after that date.

(2) Price to investors is subject to change. See "Plan of Distribution."

The Notes being offered in accordance with Rule 144A under the Securities Act are expected to be ready for delivery in book-entry form outside Panama through the facilities of The Depository Trust Company on or about November 14, 2007. Notes being offered in accordance with Regulation S under the Securities Act are expected to be ready for delivery in book-entry form outside Panama through the facilities of Euroclear Bank, S.A./N.V., as operator of the Euroclear system, or Clearstream Banking, S.A., on or about November 14, 2007. Beneficial interests in the Regulation S Global Note (as defined herein) may be held in Panama through *Central Latinoamericana de Valores, S.A.*, which is a participant in the Clearstream system.

THE PUBLIC OFFERING OF THE NOTES IN PANAMA HAS BEEN AUTHORIZED BY THE *COMISIÓN NACIONAL DE VALORES* OF PANAMA (THE PANAMANIAN NATIONAL SECURITIES COMMISSION). THIS AUTHORIZATION DOES NOT IMPLY A RECOMMENDATION ON THE PART OF THE *COMISIÓN NACIONAL DE VALORES* TO INVEST IN THE NOTES, NOR A FAVORABLE OR UNFAVORABLE OPINION REGARDING THE BUSINESS OF THE COMPANY. THE *COMISIÓN NACIONAL DE VALORES* SHALL NOT BE LIABLE FOR THE ACCURACY OR ADEQUACY OF THE INFORMATION IN THIS OFFERING MEMORANDUM OR THE REPRESENTATIONS CONTAINED IN THE REGISTRATION STATEMENT.

THE LISTING AND TRADING OF THE NOTES HAS BEEN AUTHORIZED BY THE *BOLSA DE VALORES DE PANAMA, S.A.* (PANAMA STOCK EXCHANGE). THIS AUTHORIZATION DOES NOT IMPLY ANY RECOMMENDATION OR OPINION REGARDING THE NOTES OR THE ISSUER.

Bear, Stearns & Co. Inc.

The date of the public offering of the Notes in Panama is November 9, 2007 and the date of this offering memorandum is November 7, 2007

**The Issuer**

Mr. Carlos Saravia  
Newland International Properties, Corp.  
Calle 53 Obarrio  
Plaza 53  
Panama City, Republic of Panama  
Telephone / Facsimile: 507-223-0225  
Email: charlies@trumpoceanclub.com

**Initial Purchaser**

Bear, Stearns & Co. Inc.  
383 Madison Avenue  
New York, New York 10179

**Independent auditors**

Mr. John C. Cheng  
Grant Thornton Cheng y Asociados  
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Telephone: 507-264-9511  
Facsimile: 507-263-8441  
Email: jcheng@gt.com.pa

**Local broker**

Mr. Gabriel Fábrega  
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PH Balboa Point 101, 4th Floor  
Balboa Avenue and 40<sup>th</sup> Street  
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Telephone (Panama): 507-225-2525  
Telephone (USA): 201-484-8052 / 305-267-0626  
Facsimile: 507-225-2390  
Email: info@mundialam.com

**Trustee, registrar and paying agent**

Ms. Deirdra N. Ross  
HSBC Bank USA, N.A.  
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New York, New York 10018-2706  
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Email: deirdra.ross@us.hsbc.com

**Co-Trustee**

Mrs. Rosaura Grajales de Medina  
HSBC Investment Corporation (Panama) S.A.  
Calle 47 Este  
Aquilino de la Guardia  
HSBC Bank Tower  
Panama City, Republic of Panama  
Telephone: 507-206-8696  
Facsimile: 507-206-8481  
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**Legal advisors**

*To issuer as to U.S. law*  
Gibson, Dunn & Crutcher LLP  
200 Park Avenue  
New York, New York 10166-0193

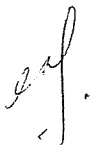
*To initial purchaser as to U.S. law*  
Thacher Proffitt & Wood LLP  
Two World Financial Center  
New York, New York 10281

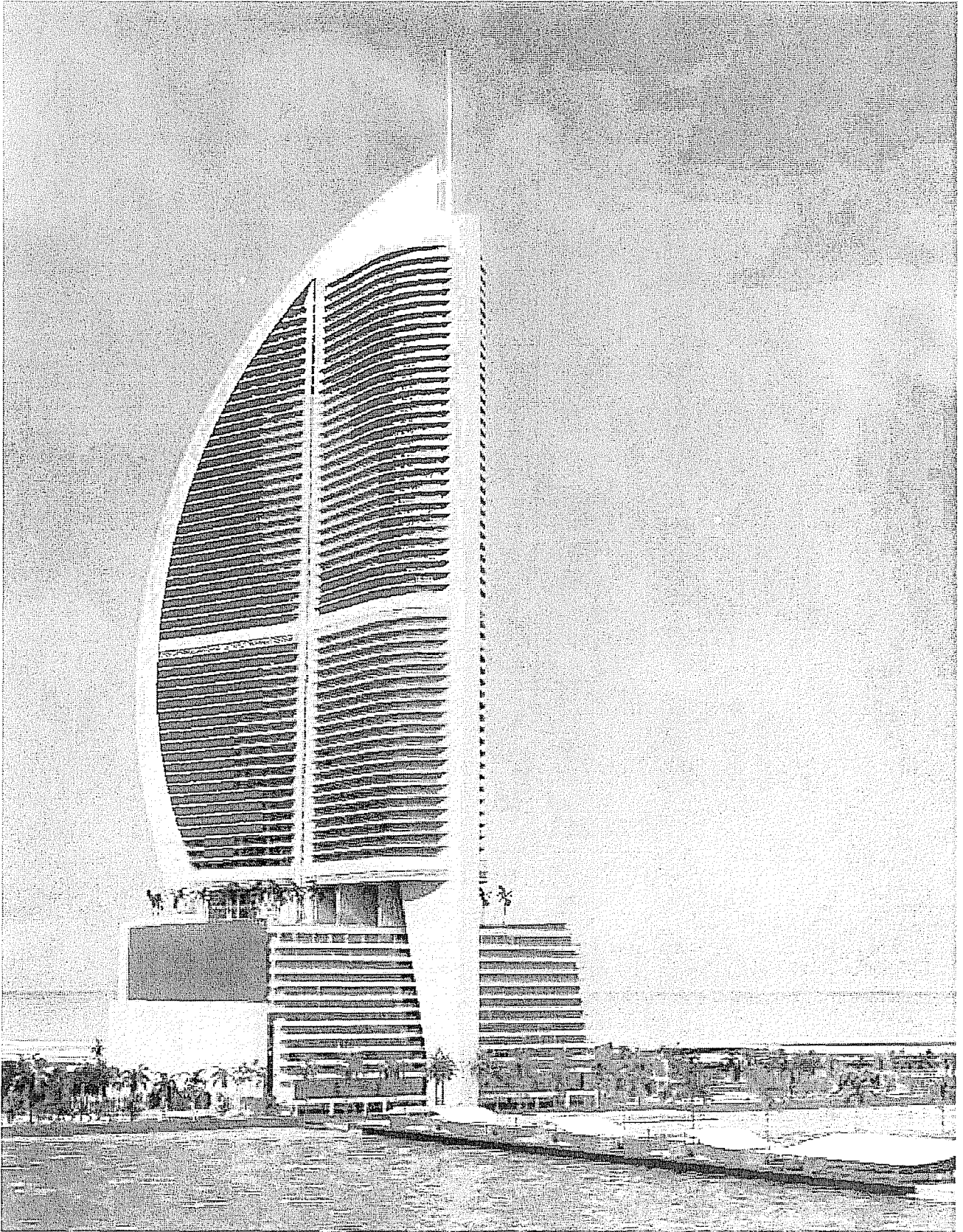
*To issuer as to Panamanian law*  
Sucre Arias & Reyes  
Edificio Sucre  
Calle 48E, Bella Vista  
Panama City, Republic of Panama  
Telephone: 507-204-7900  
Facsimile: 507-264-1168  
Email: nlabood@sucre.net

*To initial purchaser as to Panamanian law*  
Arias Fabrega & Fabrega  
Edificio Plaza 2000, Piso 16  
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Panama City, Republic of Panama  
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Facsimile: 507-205-7001  
Email: rarango@arifa.com

**Panama Stock Exchange**

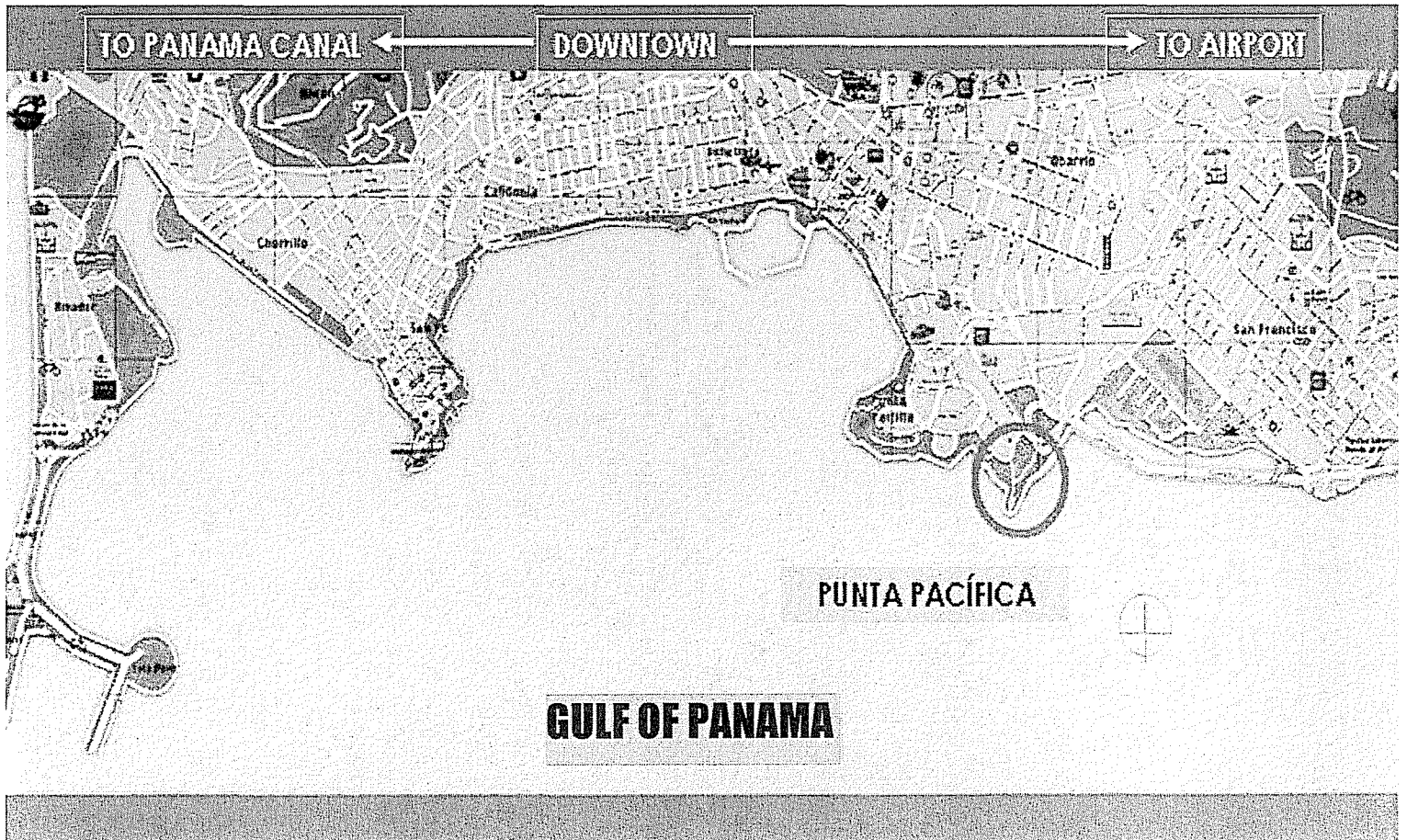
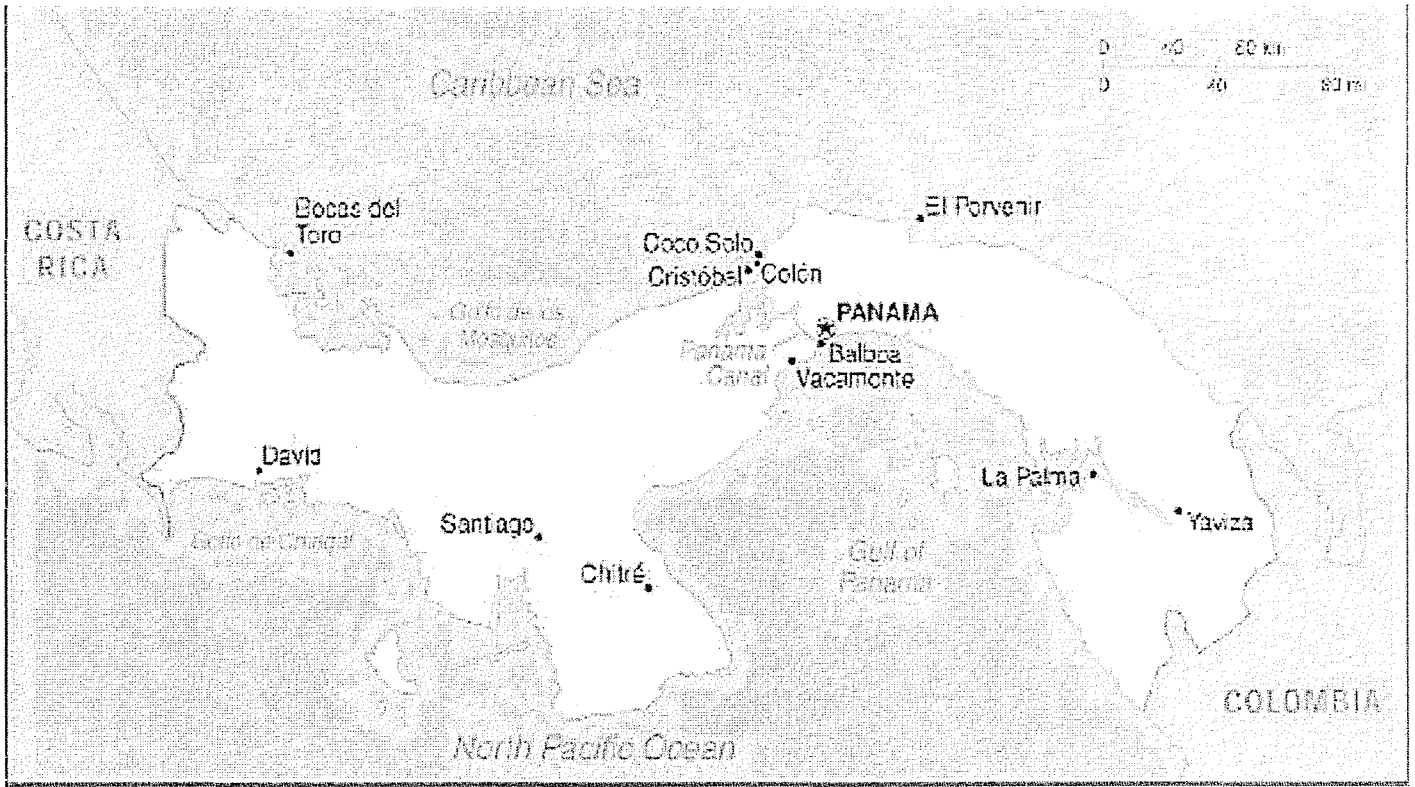
Bolsa de Valores de Panamá, S.A.  
PO Box 87-0878, Zone 7  
Panama 7, Republic of Panama





Conceptual architectural rendering of Trump Ocean Club not reflecting current state of construction or neighboring structures – subject to change without prior notice.

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In making your investment decision, you should rely only on the information contained in this offering memorandum. Neither we nor the initial purchaser has authorized anyone to provide you with any other information. If you receive any other information, you should not rely on it. We and the initial purchaser are offering to sell the Notes only in places where offers and sales are permitted. You should not assume that the information contained in this offering memorandum is accurate as of any date other than the date on the front cover of this offering memorandum.

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**NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY**

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER RSA 421-B WITH THE STATE OF NEW HAMPSHIRE, NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE, CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT, NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION, MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

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**NOTICE TO FLORIDA RESIDENTS**

THE NOTES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER SECTION 517.061 OF THE FLORIDA SECURITIES ACT (THE "FLORIDA ACT") AND HAVE NOT BEEN REGISTERED UNDER THE FLORIDA ACT IN THE STATE OF FLORIDA. FLORIDA RESIDENTS WHO ARE NOT INSTITUTIONAL INVESTORS DESCRIBED IN SECTION 517.061(7) OF THE FLORIDA ACT HAVE THE RIGHT TO VOID THEIR PURCHASES OF THE NOTES WITHOUT PENALTY WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION.

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**NOTICE TO PROSPECTIVE INVESTORS IN PANAMA**

THE NOTES HAVE BEEN AUTHORIZED FOR PUBLIC OFFERING IN PANAMA BY THE *COMISIÓN NACIONAL DE VALORES* (NATIONAL SECURITIES COMMISSION), OR THE CNV, AND THE LISTING AND SALE OF THE NOTES HAS BEEN AUTHORIZED BY THE *BOLSA DE VALORES DE PANAMÁ, S.A.* (PANAMA STOCK EXCHANGE). NEITHER THE REGISTRATION WITH THE CNV NOR THE LISTING OF THE NOTES ON THE PANAMA STOCK EXCHANGE IMPLIES ANY CERTIFICATION AS TO THE INVESTMENT QUALITY OF THE NOTES, THE SOLVENCY OF THE COMPANY, OR THE ACCURACY OR COMPLETENESS OF THE INFORMATION AS CONTAINED IN THIS OFFERING MEMORANDUM. THIS DOCUMENT SHALL BE KNOWN AS THE *PROSPECTO INFORMATIVO* IN SPANISH FOR PURPOSES OF THE REGISTRATION OF THE OFFERING OF NOTES WITH THE CNV, AND AS THE OFFERING MEMORANDUM IN ENGLISH FOR PURPOSES OF THE OFFERING OF THE NOTES OUTSIDE OF PANAMA. THIS OFFERING MEMORANDUM HAS BEEN DRAFTED IN THE ENGLISH LANGUAGE. ALL PARTIES WHO PARTICIPATED IN ITS DRAFTING ARE FLUENT IN AND UNDERSTAND THE ENGLISH LANGUAGE. ALTHOUGH A CERTIFIED SPANISH TRANSLATION OF THIS OFFERING MEMORANDUM AND DOCUMENTS RELATING TO THIS OFFERING HAS BEEN SUBMITTED FOR PURPOSES OF THE REGISTRATION OF THE OFFERING OF NOTES WITH THE CNV, AND ALTHOUGH A CERTIFIED SPANISH TRANSLATION OF THIS OFFERING MEMORANDUM AND



DOCUMENTS RELATING TO THIS OFFERING MAY BE SUBMITTED AS EVIDENCE IN A COURT OF LAW OR GOVERNMENTAL AGENCY IN PANAMA, IN CASE OF A CONFLICT BETWEEN THE ENGLISH VERSION AND THE CERTIFIED SPANISH TRANSLATION, THE ENGLISH VERSION WILL PREVAIL.

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**INFORMATION AS TO PLACEMENT WITHIN THE EUROPEAN ECONOMIC AREA**

IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA WHICH HAS IMPLEMENTED THE PROSPECTUS DIRECTIVE OR WHERE THE PROSPECTUS DIRECTIVE IS APPLIED BY THE REGULATOR (EACH, A “RELEVANT MEMBER STATE”), WITH EFFECT FROM AND INCLUDING THE DATE ON WHICH THE PROSPECTUS DIRECTIVE IS IMPLEMENTED OR APPLIED IN THAT RELEVANT MEMBER STATE (THE “RELEVANT IMPLEMENTATION DATE”), NO OFFER OF NOTES HAS BEEN MADE OR WILL BE MADE TO THE PUBLIC IN THAT RELEVANT MEMBER STATE PRIOR TO THE PUBLICATION OF A PROSPECTUS IN RELATION TO THE NOTES WHICH HAS BEEN APPROVED BY THE COMPETENT AUTHORITY IN THAT RELEVANT MEMBER STATE OR, WHERE APPROPRIATE, APPROVED IN ANOTHER RELEVANT MEMBER STATE AND NOTIFIED TO THE COMPETENT AUTHORITY IN THAT RELEVANT MEMBER STATE, ALL IN ACCORDANCE WITH THE PROSPECTUS DIRECTIVE AS IMPLEMENTED OR APPLIED IN THE RELEVANT MEMBER STATE, EXCEPT THAT, WITH EFFECT FROM AND INCLUDING THE RELEVANT IMPLEMENTATION DATE, AN OFFER OF NOTES MAY BE MADE TO THE PUBLIC IN THAT RELEVANT MEMBER STATE AT ANY TIME:

- (a) TO LEGAL ENTITIES WHICH ARE AUTHORIZED OR REGULATED TO OPERATE IN THE FINANCIAL MARKETS OR, IF NOT SO AUTHORIZED OR REGULATED, WHOSE CORPORATE PURPOSE IS SOLELY TO INVEST IN SECURITIES;
- (b) TO ANY LEGAL ENTITY WHICH HAS TWO OR MORE OF (1) AN AVERAGE OF AT LEAST 250 EMPLOYEES DURING THE LAST FINANCIAL YEAR; (2) A TOTAL BALANCE SHEET OF MORE THAN EURO 43,000,000 AND (3) AN ANNUAL NET TURNOVER OF MORE THAN EURO 50,000,000, AS SHOWN IN ITS LAST ANNUAL OR CONSOLIDATED ACCOUNTS; OR
- (c) IN ANY OTHER CIRCUMSTANCES WHICH DO NOT REQUIRE THE PUBLICATION BY THE ISSUER OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE.

FOR THE PURPOSES OF THIS PROVISION, THE EXPRESSION AN “OFFER OF NOTES TO THE PUBLIC” IN RELATION TO ANY NOTES IN ANY RELEVANT MEMBER STATE MEANS THE COMMUNICATION IN ANY FORM AND BY ANY MEANS OF SUFFICIENT INFORMATION ON THE TERMS OF THE OFFER AND THE NOTES TO BE OFFERED SO AS TO ENABLE AN INVESTOR TO DECIDE TO PURCHASE OR SUBSCRIBE FOR THE NOTES, AS THE SAME MAY BE VARIED IN THAT MEMBER STATE BY ANY MEASURE IMPLEMENTING THE PROSPECTUS DIRECTIVE IN THAT MEMBER STATE AND THE EXPRESSION “PROSPECTUS DIRECTIVE” MEANS DIRECTIVE 2003/71/EC AND INCLUDES ANY RELEVANT IMPLEMENTING MEASURE IN EACH RELEVANT MEMBER STATE.

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**INFORMATION AS TO PLACEMENT WITHIN SWITZERLAND**

THIS DOCUMENT HAS BEEN PREPARED FOR PRIVATE INFORMATION PURPOSES OF INTERESTED INVESTORS ONLY. IT MAY NOT BE USED FOR AND SHALL NOT BE DEEMED A PUBLIC OFFERING OF THE OFFERED NOTES. NO APPLICATION HAS BEEN MADE UNDER SWISS LAW TO PUBLICLY MARKET THE OFFERED NOTES IN OR OUT OF SWITZERLAND. THEREFORE, NO PUBLIC OFFER OF THE OFFERED NOTES OR PUBLIC DISTRIBUTION OF THIS DOCUMENT MAY BE MADE IN



OR OUT OF SWITZERLAND. THIS DOCUMENT IS STRICTLY FOR PRIVATE USE BY ITS HOLDER AND MAY NOT BE PASSED ON TO THIRD PARTIES.

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### INFORMATION AS TO PLACEMENT WITHIN THE UNITED KINGDOM

THE NOTES MAY NOT BE OFFERED OR SOLD AND, PRIOR TO THE EXPIRY OF THE PERIOD OF SIX MONTHS FROM THE CLOSING DATE, WILL NOT BE OFFERED OR SOLD TO PERSONS IN THE UNITED KINGDOM EXCEPT TO PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING OR DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSE OF THEIR BUSINESS OR OTHERWISE IN CIRCUMSTANCES THAT HAVE NOT RESULTED AND WILL NOT RESULT IN AN OFFER TO THE PUBLIC IN THE UNITED KINGDOM WITHIN THE MEANING OF THE PROSPECTUS REGULATIONS 2005. THIS OFFERING MEMORANDUM AND ANY OTHER DOCUMENT IN CONNECTION WITH THE OFFERING AND ISSUANCE OF THE NOTES MAY ONLY BE ISSUED OR PASSED ON TO A PERSON OF A KIND DESCRIBED IN ARTICLE 49(2) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 OR IS A PERSON TO WHOM THIS OFFERING MEMORANDUM OR ANY OTHER SUCH DOCUMENT MAY OTHERWISE LAWFULLY BE ISSUED OR PASSED ON (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS DOCUMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

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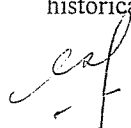
### ENFORCEMENT OF CIVIL LIABILITIES

We are organized under the laws of Panama, and all of our directors and executive officers and our independent accountants named in this offering memorandum reside outside the United States. In addition, a substantial portion of our assets and a substantial portion of the assets of these persons, are located in Panama. As a result, it may not be possible for the trustee or investors in the Notes to effect service of process on us or such persons outside of Panama or to fully enforce, outside of Panama, judgments against us or such persons that are based on the civil liability provisions of the federal securities laws of the United States. We have been advised by our Panamanian counsel, Sucre, Arias & Reyes, that Panama is not a party to any treaties providing for reciprocal recognition and enforcement of judgments rendered in legal proceedings with respect to civil and commercial matters. For a foreign judgment to be effective and enforceable in Panama, the Supreme Court of Panama must validate the judgment by the issuance of a *writ of exequatur*. Subject to a *writ of exequatur*, any final judgment rendered by any federal or state court located in the State of New York will be recognized, conclusive and enforceable in the courts of Panama without reconsideration of the merits, provided that (i) such foreign court grants reciprocity to the enforcement of judgments of courts of Panama, (ii) the party against whom the judgment was rendered, or its agent, was personally served (service by mail not being sufficient) in such action within such foreign jurisdiction, (iii) the judgment arises out of a personal action against the defendant, (iv) the obligation in respect of which the judgment was rendered is lawful in Panama and does not contradict the public policy of Panama, (v) the judgment is properly authenticated by diplomatic or consular officers of Panama or pursuant to the 1961 Hague Convention on the legalization of documents, and (vi) a copy of the final judgment is translated into Spanish by a licensed translator in Panama.

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### FORWARD-LOOKING STATEMENTS

This offering memorandum contains financial projections, assumptions and other forward-looking statements that reflect our current views with respect to future events. All statements, other than statements of historical facts, included in this offering memorandum are forward-looking statements and involve significant risks



and uncertainties. The words “expects”, “intends”, “anticipates”, “believes”, “projects”, “estimates” and similar expressions identify forward-looking statements. Statements regarding the following subjects may be impacted by a number of risks and uncertainties:

- our business and operating strategy;
- our financial projections, including cash flow and balance sheet projections;
- our financial assumptions, including assumptions regarding macroeconomic conditions, sales, construction costs, and selling, advertising and administrative expenses;
- our understanding of our competition and our ability to compete effectively; and
- trends in the luxury real estate market in Panama and Latin America.

Our financial projections and other forward-looking statements are based upon our beliefs, estimates and assumptions and can change as a result of many possible events or factors, not all of which are known to us. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our financial projections, assumptions and other forward-looking statements. You should carefully consider these risks before you make an investment decision with respect to our Notes, along with the following factors that could cause actual results to vary from our financial projections, assumptions and other forward-looking statements:

- delays or unexpected casualties related to the construction of the Trump Ocean Club International Hotel & Tower, Panama;
- increases in costs and decreases in availability of raw materials;
- our limited sales and operating history;
- political, economic and other conditions in Panama and globally;
- natural disaster-related losses which may not be fully insurable;
- any loss of key personnel;
- our significant transactions with related parties;
- our ability to attract and retain sales executives or real estate brokerage firms;
- potential non-performance of contractual obligations by our customers;
- our ability to collect on our receivables and to deliver real estate products to our customers;
- competition in the luxury real estate development industry;
- the loss of tax exemptions granted to the project and other changes in applicable tax laws;
- changes in interest rates or foreign exchange rates; and
- various other factors, including those described under “Risk Factors.”

All financial projections, assumptions and other forward-looking statements contained in this offering memorandum are qualified in their entirety by these risks, uncertainties and other factors. You are cautioned not to





place undue reliance on these forward-looking statements, which speak only as of their dates. We disclaim any obligation or undertaking to update publicly or revise any financial projections, assumptions and other forward-looking statement contained in this offering memorandum, whether as a result of new information, future events or otherwise. Future events or circumstances could cause actual results to differ materially from historical results or financial projections.

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Our functional currency is the U.S. dollar. Accordingly, the financial statements and financial projections included in this offering memorandum are presented in U.S. dollars. Financial statements were prepared on a historical cost basis. The term “Panamanian government” refers to the government of the Republic of Panama. The terms “U.S. dollar”, “U.S. dollars”, “dollar” and “dollars” and the symbols “\$” and “US\$” refer to the legal currency of the United States, which since 1904 is also legal tender in and the functional currency of Panama. References to the “Balboa” are to the official monetary unit of Panama, which serves only as coinage, and has been pegged at parity with the U.S. dollar since 1904.

### Financial Statements

This offering memorandum includes our audited financial statements as of December 31, 2006 and for the period from March 28, 2006, our date of incorporation, to December 31, 2006, which have been audited by Grant Thornton Cheng y Asociados, a member of Grant Thornton International, or Grant Thornton. Also included in this offering memorandum are our unaudited interim financial statements as of and for the six month period ended June 30, 2007, which have been reviewed by Grant Thornton.

Our audited financial statements have been prepared and presented in accordance with International Financial Reporting Standards, or IFRS. Significant differences exist between IFRS and accounting principles generally accepted in the United States, which might be material in relation to the financial information included in this offering memorandum. We have not identified or quantified the effect of any such differences. In making an investment decision, you must rely upon your own examination of the financial information included in this offering memorandum.

The financial projections included in this offering memorandum have been prepared by, and are the responsibility of, our management. Grant Thornton has neither examined nor compiled the accompanying financial projections. Accordingly, Grant Thornton does not express an opinion or any other form of assurance with respect to our financial projections. The Grant Thornton report included in this offering memorandum relates to our historical financial information. It does not extend to the accompanying financial projections and should not be read to do so.

### Financial Projections

This offering memorandum includes financial projections of possible cash flows and selected balance sheet items for the six months ending December 31, 2007 and for the seven years ending December 31, 2014. These financial projections are based on a set of assumptions, including assumptions regarding macroeconomic conditions, sales, construction costs, and selling, advertising and administrative expenses. When evaluating the financial projections, you should also consider the limitations of these projections as described in “Risk Factors—Risks Related to our Business—Projections included in this offering memorandum may turn out to be inaccurate.”

Our financial projections are based on a financial model that has been reviewed by our independent financial advisor, Advisory Services Ltda., a Colombian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative, or KPMG.

KPMG has reviewed the integrity and mathematical accuracy of our financial model, confirmed the reasonableness of the assumptions by comparing them to the underlying supporting information, and confirmed that the resulting financial projections have been derived correctly from our financial model.



The financial projections included in this offering memorandum have been prepared by, and are the responsibility of, our management. KPMG conducted only a limited review of our projections and provides no assurances regarding the accuracy of the information used by our management to prepare our financial projections.

### **Rounding**

Rounding adjustments have been made to some of the figures included in this offering circular. As a result, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that precede them.

### **Market Data**

We make statements in this offering memorandum concerning market estimates and our position in relation to our competitors, among other matters. These statements are based on information from sources we consider to be reliable. Although we have no reason to believe this information to be materially inaccurate, it was not subject to independent verification and we cannot therefore provide any assurances regarding the accuracy and completeness of this information.

### **Available Information**

We are not required, nor will we be required, to file reports with the U.S. Securities and Exchange Commission or to deliver an annual report to the holders of the Notes pursuant to the Exchange Act, in connection with this offering, but in accordance with the Panamanian *Ley de Valores (Decreto Ley No.1 de 8 de julio de 1999)* (Panamanian Securities Law) and applicable rules thereto, we will be required to file certain reports with the CNV and the Panama Stock Exchange.

The trustee under the Indenture governing the Notes will provide without charge, upon the written request of a holder of a Note, financial and other information required to be delivered by Rule 144A(d)(4) under the Securities Act to enable resales of the Notes pursuant to Rule 144A, unless, at the time of the request, we are subject to the reporting requirements of Section 13 or Section 15(d) of the U.S. Securities Exchange Act of 1934, or Exchange Act, or are exempted from such requirements pursuant to Rule 12g3-2(b) under the Exchange Act. Written requests for such information should be addressed to Newland International Properties, Corp., Calle 53 Obarrio, Plaza 53, Panama City, Republic of Panama, Attn: Mr. Carlos Saravia.

We have filed with the CNV a registration statement, of which this offering memorandum forms a part. We will also file with the CNV and the Panama Stock Exchange our quarterly unaudited and annual audited financial statements, each prepared in accordance with IFRS, which differ in certain respects from accounting principles generally accepted in the U.S. This information can be obtained by investors upon request at the Panama Stock Exchange, located at Edificio Bolsa de Valores de Panama, Calle 49 y Av. Federico Boyd, Panama City, Republic of Panama, or upon request at the CNV located at Avenida Balboa, Edificio Bay Mall, Piso 2, Oficina 206, Panama, Republic of Panama.

Our principal executive offices are located at Calle 53 Obarrio, Plaza 53, Panama City, Republic of Panama.

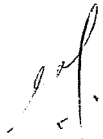


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## SUMMARY

*This summary highlights information contained elsewhere in this offering memorandum but does not contain all the information that may be important to you. Before making an investment decision, you should read this entire offering memorandum. You should also carefully consider the information set forth under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", as well as the financial projections and accompanying assumptions, and the financial statements and accompanying notes, appearing elsewhere in this offering memorandum. Unless the context indicates otherwise, when we refer to "Newland", "Trump Ocean Club", "we", "our", "us", the "project" and the "development", we are referring to the business operated by, the property owned by and the project being constructed and developed by Newland International Properties, Corp., a Panamanian corporation.*

### **Overview of Trump Ocean Club**

We are a real estate development company established to develop the "Trump Ocean Club International Hotel & Tower" in Panama City, Panama. Trump Ocean Club is being developed as a multi-use luxury tower, overlooking the Pacific Ocean, with luxury condominium residences, a world-class hotel condominium, a limited number of offices and premier leisure amenities. Trump Ocean Club will be located on the Punta Pacifica Peninsula, one of the most exclusive neighborhoods in Panama City, on approximately 2.8 acres (11,200 square meters) of land, including approximately 295 lineal feet (90 lineal meters) of oceanfront. When fully developed, Trump Ocean Club is expected to have 69 floors of construction and to include, among other things, the following amenities:

- 627 luxury residential condominium units, including one, two and three bedroom units;
- 369 world-class hotel condominium units, including fully furnished studio style rooms and suites;
- private beach club on the island of Contadora, Panama;
- international casino;
- pier facility and yacht club;
- pool deck;
- 29 boutique shops;
- 20 office lofts;
- restaurants;
- business center;
- wellness spa; and
- 1451 parking spaces.

Given the international prestige and name recognition associated with the Trump brand name and the breadth of our product offerings, we believe Trump Ocean Club will be a unique development not only in Panama, but also in the Central American and Caribbean regions.

We broke ground on May 5, 2007 and, through June 30, 2007, have presold approximately 64% of the building's condominium and commercial units, amounting to approximately US\$ 278.7 million or 54% of our estimated gross sellout. We expect to complete and deliver our hotel and residential condominium units by the end



of August 2010. As of June 30, 2007, we have invested approximately US\$ 34.8 million in the development of the Trump Ocean Club. Additionally, we have invested US\$ 0.9 million in land acquisition costs under a contract for promise of purchase for the real property where we will develop our private beach club.

CB Richard Ellis, Inc., or CBRE, a leading commercial real estate services firm, has appraised the Trump Ocean Club tower and private beach club and estimates the project's "as is" development value to be US\$ 113.6 million as of September 14, 2007. After giving effect to this offering and Newland's pro forma cash balance, CBRE estimates the market value of the project to be US\$ 362.9 million. A copy of the CBRE appraisal report is attached to this offering memorandum as Annex A.

### **Financing of Trump Ocean Club**

The total cost to complete Trump Ocean Club is estimated to be approximately US\$ 227.1 million, including US\$ 25.9 million in land acquisition costs, US\$ 173.0 million in direct construction costs, and US\$ 28.2 million in furniture, fixtures and equipment, or FF&E, but excluding project overhead, selling and administrative expenses and financial costs. See "Annex C—Financial Projections—Business Assumptions—Construction Costs."

As of June 30, 2007, we have invested approximately US\$ 25.9 million in land acquisition costs and US\$ 1.0 million in direct construction costs for the development of Trump Ocean Club. Between June 30, 2007 and the closing date of this offering we anticipate to incur, and use a portion of our customer down payments to pay for, an additional US\$ 14.7 million in direct construction costs. Accordingly, on the closing date of this offering, we estimate the remaining cost to complete Trump Ocean Club will be approximately US\$ 185.5 million.

We estimate that the net proceeds from this offering will be approximately US\$ 210.6 million. Of the total net proceeds, we will use US\$ 15.0 million to repay outstanding amounts on our existing bridge loan facility, approximately US\$ 9.6 million to make our initial deposit in the Debt Service Reserve Account established under the Indenture, and US\$ 186.0 million to fund the Construction Escrow Account to be used for the construction of Trump Ocean Club. For additional information regarding the use of the proceeds of the Notes, see "Use of Proceeds".

Through June 30, 2007 we have presold approximately 64% of our building's units by entering into unit purchase agreements with our customers. Under these unit purchase agreements, prior to completion of construction of the related real property, our customers are required to make down payments directly into an account established at HSBC Investment Corporation (Panama) S.A., or HSBC Panama Account. Restrictions upon the use of these funds for development of the Trump Ocean Club were removed on May 22, 2007, upon compliance with all pre-established conditions. We estimate that on the closing date of this offering, there will be approximately US\$ 23.7 million on deposit in the HSBC Panama Account.

On July 16, 2007, we entered into a bridge loan facility with Bear Stearns Commercial Mortgage, Inc. to assure us the ability to fund a portion of the construction costs associated with Trump Ocean Club. We deposited funds disbursed under the bridge loan facility into an escrow account established with KeyBank Real Estate Capital, or Bridge Escrow Account. We estimate that on the closing date of this offering, there will be approximately US\$ 11.7 million on deposit in the Bridge Escrow Account. On the closing date of this offering, we will repay all outstanding amounts on the bridge loan facility and will gain access to the amounts held in the Bridge Escrow Account.

On the closing date of this offering, we will transfer, to the Construction Escrow Account, US\$ 11.7 million from the Bridge Escrow Account and a sufficient amount from the HSBC Panama Account to cause the amounts on deposit in the Construction Escrow Account to exceed the estimated remaining direct construction costs and FF&E by US\$ 15.1 million.

Our ability to withdraw funds from the Construction Escrow Account to fund the construction costs of Trump Ocean Club is subject to, among other requirements, receiving required certifications from the independent engineer regarding the progress of construction. See "Description of Notes—Construction Escrow Account."



We expect that our selling and administrative expenses, project overhead, and financial costs, will be covered with cash on hand and collections from our customers under our unit purchase agreements. See "Annex C—Financial Projections".

### **Ownership of Trump Ocean Club**

Trump Ocean Club is being developed by Newland, which is controlled by Ocean Point Development Corp., a Panamanian holding company, or Ocean. Ocean is controlled, directly and indirectly, by Roger Khafif, Arias Serna y Saravia S.A., or Arias Serna & Saravia, and Espacios Urbanos S.A., or Espacios Urbanos.

Roger Khafif owns interests in several companies in Panama with operations in diversified industries, including Kedco Fashion Corp. and Rafkas Imp/Exp, two companies in Panama's Colon Free Zone. In addition, Mr. Khafif owns interests in several real estate projects in Panama, including the development of two beach resorts, the Coronado Country Club Resort outside Panama City and the Emerald Bay resort in Contadora Island, Panama. Arias Serna & Saravia is an architectural and engineering firm headquartered in Colombia with wide-ranging experience in the real estate business. Espacios Urbanos is a real estate brokerage firm headquartered in Colombia and dedicated to the sale and marketing of residential, commercial and industrial properties. Neither Roger Khafif, Arias Serna & Saravia nor Espacios Urbanos owns an interest in any company which may compete with Trump Ocean Club. See "Business – Project Sponsor and Key Strategic Partners."

### **Market Dynamics**

The real estate market in Panama has experienced high growth rates over the last 5 years, as a result of Panama's economic and political stability, low cost of living, attractive weather, convenient location, the use of the U.S. dollar as legal tender and the widespread availability of long-term mortgage financing to local and foreign borrowers. These conditions have made Panama an increasingly attractive retirement destination for U.S. and Canadian baby boomers. In addition, Panama's Spanish-speaking culture has drawn an increasing number of residents from Spain and other Latin American countries. As a result of these trends, Trump Ocean Club primarily targets affluent U.S., Canadian, Spanish and Latin American individuals who consider purchasing real estate in Panama or the Central American and Caribbean regions. Trump Ocean Club's luxurious design and amenities have also attracted customers in the local market due to the limited offering of this type of products in Panama.

### **Our Strengths**

***Unique products with strong customer appeal.*** We believe Trump Ocean Club offers unique products in the market in which it competes, since its luxurious residential units and world-class hotel condominiums are complemented by amenities such as an international casino, a private beach club, the only 24-hour yacht club in Panama City and other premier leisure services. In addition, Trump Ocean Club benefits from its location at the heart of a large urban center, Panama City. As of the date of this offering memorandum, we believe that Trump Ocean Club is the only luxury complex in Panama that will offer this combination of amenities to its customers. Our historical sales data reflects the strong customer appeal of our products. As of June 30, 2007, 64% of our units have been presold for US\$ 278.7 million or 54% of our estimated gross sellout.

***Diverse customer base and strong sales contracts.*** As of June 30, 2007, over 85% of our customers reside outside of Panama, including approximately 41% in the United States, 8% in Canada, 11% in Venezuela, 9% in Colombia and 16% in other countries. In addition, the unit purchase agreements executed by our customers include provisions that protect the economics of our project: (i) the obligation of our customers to make aggregate down payments of at least 30%, (ii) a restriction on unit re-sales without our express written consent, (iii) the obligation to pay a commission with respect to any re-sales equivalent to between 3% and 8% on the final re-sale price, (iv) Newland's right to increase the purchase price of any unit by up to 6% of the contract price, (v) the absence of any contractual penalties for the delayed delivery of our units, (vi) our ability to demand specific performance of the unit purchase agreements from our customers, and (vii) customer's forfeiture of any amounts paid under a unit purchase agreement in the event of a breach of contract, including a payment default or breach of the resale restrictions.

***Attractive economics and future recurring revenue sources.*** We estimate the total completion cost of Trump Ocean Club to be approximately US\$ 268.9 million, excluding sales and administrative expenses and

financial costs. We estimate the gross cash sellout from our residential, hotel and commercial units and private beach club memberships to be approximately US\$ 512.3 million. In addition, upon completion of Trump Ocean Club, we expect to generate recurring revenue from the operations of our casino, hotel, restaurants, spa, private beach club and yacht club.

**Premier brand.** We benefit from the international prestige and name recognition associated with the Trump brand name in the real estate and hospitality industries. We believe that our use of the Trump name facilitates the branding of Trump Ocean Club as an exclusive, luxurious and high quality tower, which will enhance the marketing and sale of our real estate products to affluent individuals in the United States, Canada, Europe and Latin America. See “Business—Principal Project Agreements—License Agreement.”

**Experienced sponsors and management team.** Our sponsors have wide-ranging experience in the successful execution of real estate projects in Latin America. In particular, Arias Serna & Saravia has more than 26 years of experience in the development and construction of luxury hotels and other real estate projects, and Espacios Urbanos has more than 20 years of experience in the sale and marketing of real estate products.

**Tax Benefits.** Upon completion of this offering, and once we enter into a hotel management agreement with a hotel operator, we will be eligible to register with the Panamanian Institute of Tourism. This registration will entitle us to benefit from certain tax incentives with respect to the hotel component of Trump Ocean Club, including exemptions from import duties on construction materials and equipment and property transfer taxes. These exemptions will allow us to develop Trump Ocean Club and sell our hotel condominium units with significant cost reductions. However, we have not included these tax incentives in the assumptions underlying our financial model.

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We are a Panamanian *sociedad anónima* (corporation) incorporated on March 28, 2006 by public deed number 3,482 from the Ninth Public Notary of Panama and recorded with the Public Registry of Panama on March 30, 2006 under record number 521,258, document number 929,232 of the microfiche section. We are not an affiliate of Trump Entertainment Resorts, Inc. or Trump Organization, LLC. We market Trump Ocean Club under the Trump brand name pursuant to a license agreement with Trump Marks Panama LLC.

Our corporate website is [www.trumpoceanclub.com](http://www.trumpoceanclub.com). The information on our website is not a part of or incorporated by reference in this offering memorandum.





## THE OFFERING

*The following summary contains information about the Notes and the offering and is not intended to be complete. This summary does not contain all the information that is important to you. For a more detailed description of the terms and conditions of the Notes, see "Description of Notes."*

Issuer..... Newland International Properties, Corp.

Securities Offered ..... US\$ 220,000,000 aggregate principal amount of 9.50% Senior Secured Notes due 2014.

Payment Dates ..... November 15 and May 15 of each year, commencing on May 15, 2008.

Interest Payments..... Interest on the Notes will be payable semi-annually in arrears on each Payment Date.

Principal Payments ..... Principal payments will be made in seven equal, semi-annual installments on the Payment Dates occurring on November 15, 2011, May 15, 2012, November 15, 2012, May 15, 2013, November 15, 2013, May 15, 2014, and November 15, 2014.

Final Maturity Date..... November 15, 2014.

Use of Proceeds ..... We will use the net proceeds of this offering, together with certain amounts on deposit in escrow in the HSBC Panama Account and/or the escrow account relating to the Bridge Loan Agreement, to (i) fund the Debt Service Reserve Account, (ii) repay the loan pursuant to the Bridge Loan Agreement and (iii) fund the Construction Escrow Account (as defined below), which will be used to pay for the costs of the construction of the Project. See "Use of Proceeds."

### Construction Completion Support Agreement.....

Mr. Roger Khafif, Mr. Carlos A. Serna and Mr. Eduardo Saravia (the "Completion Support Parties") will enter into a construction completion support agreement with the Trustee, dated November 6, 2007 (the "Construction Completion Support Agreement"). Pursuant to the Construction Completion Support Agreement, the Completion Support Parties jointly and severally agree to pay, within 10 business days of an independent engineer's Evaluation Report (the "Escrow Top-Up Date"), the related Construction Shortfall, if any, to the Construction Escrow Account. With respect to each Escrow Top-Up Date, the obligations of the Completion Support Parties shall be deemed to be satisfied if, on or before such Escrow Top-Up Date, Newland shall deposit the related Construction Shortfall into the Construction Escrow Account pursuant to, and in accordance with the conditions set forth in, the Indenture, and the Trustee shall have received written notice from Newland to such effect on or before such Escrow Top-Up Date. The Construction Completion Support Agreement will not be a guarantee of payment of the Notes, and Noteholders will have recourse only to Newland and the Collateral for repayment of their Notes.

"Construction Shortfall" means, in respect of an Evaluation Report, the greater of (a) zero and (b) (i) the Estimated Completion Cost minus (ii) the greater of (A) zero and (B) (x) the Current Account Balance minus (y) the Minimum Escrow Balance.

“Estimated Completion Cost” means, as of the related Evaluation Date, the estimated cost to complete Construction of the Project as determined by the Independent Engineer based on the Construction Budget, taking into consideration both expected increases and decreases in the costs of any remaining items required to complete construction as compared to the costs budgeted therefor in the Construction Budget.


“Evaluation Report” means each report dated as of an Evaluation Date and prepared by the Independent Engineer and delivered, together with the related Eligible Escrow Withdrawal Request, to the Company, each Construction Completion Support Party, the Trustee and the Co-Trustee, identifying in reasonable detail: (1) the Current Account Balance as of a date not more than five (5) Business Days prior to the date of such report (as requested by the Company from the Trustee pursuant to Section 4.03(d) of the Indenture); (2) the Estimated Completion Cost; and (3) the amount of (and, if applicable, the reason(s) for) any Construction Shortfall.

“Minimum Escrow Balance” means, as of any date, (a) the Estimated Completion Cost as set forth in the most recently available Evaluation Report (or, if such date is an Evaluation Date, such Evaluation Date) times (b) 7.5%.

Ranking..... The Notes are our senior secured obligations and will rank equally in right of payment with all of our existing and future senior indebtedness and senior in right of payment to all of our existing and future subordinated debt.

Collateral ..... The collateral will consist of:

- the real property relating to a unit purchase agreement prior to the delivery of title to the purchaser;
- all other real property (including, without limitation, the beach club, the common areas and the pier facility and yacht club), comprising the Project;
- payment receivables and other rights and interests arising under our unit purchase agreements;
- the Trump License Agreement;
- all insurance proceeds relating to real property constituting the collateral or underlying the receivables; subject to any provisions in our unit purchase agreements;
- all cash and other cash equivalents in the accounts maintained by the trustee;
- all other revenues arising from the operation of the Project, including, without limitation, revenues arising from the operation of the casino, the hotel, the restaurants and the spa, including any leases relating thereto;
- Newland’s rights to the architectural drawings for the Project;
- Newland’s rights under the construction contract with Opcorp Arsesa



International Inc., or Opcorp; and

- all proceeds of the foregoing.

See "Description of Notes—Collateral and Security."

Debt Service Reserve

Account..... A segregated account in the name of the trustee. On the closing date of this offering, an initial deposit will be made therein from the net proceeds of the offering equal to the amount of interest payments due on the Notes on the next Payment Date (the "Debt Service Reserve Account Initial Deposit"). After the closing date of this offering, amounts will be deposited into the Debt Service Reserve Account to maintain the amount on deposit at an amount equal to the sum of the amount of interest on and principal of the Notes that will be required to be paid to the Noteholders on the next Payment Date, except that with respect to principal of the Notes, such amounts will be deposited beginning on the first Payment Date (the November 15, 2011 Payment Date) on which principal of the Notes is payable (the "Reserve Requirement"). Income on amounts invested in the Debt Service Reserve Account will be transferred to the Collection Account by the Trustee on a monthly basis, provided that no Default or Event of Default has occurred and is continuing. On each Payment Date, the trustee will make payments from the Debt Service Reserve Account of interest on and principal, if any, of the Notes due on such Payment Date to the extent funds on deposit in the Collection Account and Investment Account are insufficient to make such payments.

See "Description of Notes—Debt Service Reserve Account."

Construction Escrow

Account..... A segregated account in the name of the trustee. On the Closing Date, Newland will deposit the sum of the net proceeds of the offering (after deduction of underwriting discounts, offering expenses, the Bridge Loan Repayment Amount and the Debt Service Reserve Account Initial Deposit) and, from amounts remaining on deposit in escrow in an account held on behalf of Newland by HSBC Investment Corporation (Panama) and an escrow account relating to the Bridge Loan Agreement, into the Construction Escrow Account, an amount sufficient such that the amount on deposit in the Construction Escrow Account exceeds the remaining direct costs (as certified on the Closing Date by the Company to the Trustee) of construction and furniture, fixtures and equipment as of the Closing Date by US\$ 15.1 million.

Funds held in the Construction Escrow Account will be invested by the Trustee upon the prior written direction by Newland to the Trustee in Eligible Investments pending withdrawal; provided that the Trustee will as of any date maintain, in the form of Cash Equivalents, an amount at least sufficient to pay for construction of the Project for which disbursements will be required during the six (6) months following such date. Income on amounts invested in the Construction Escrow Account will be transferred to the Collection Account by the Trustee on a monthly basis, provided that no Default or Event of Default has occurred and is continuing. Newland will grant the Trustee, for the benefit of the holders of the Notes, a first priority security interest in the Construction Escrow Account and all amounts on deposit therein to secure the obligations of Newland under the Indenture and the Notes.



Upon receipt from Newland of an Eligible Escrow Withdrawal Request that complies with the requirements of the Indenture, the Trustee will transfer cash in the requested amount from the Construction Escrow Account to the Co-Trustee for payment by the Co-Trustee by check to the related contractors.

The Support Parties may, pursuant to the Construction Completion Support Agreement, be required from time to time to transfer funds to the Construction Escrow Account, as described herein under “—Construction Completion Support Agreement”. In addition, both Newland and each Construction Completion Support Party may from time to time deposit additional amounts into the Construction Escrow Account pursuant to, and in accordance with the conditions set forth in, the Indenture. Any amounts remaining in the Construction Escrow Account upon Construction Completion will be transferred to the Collection Account for application in accordance with the Priority of Payments.

An “Eligible Escrow Withdrawal Request” will be a written request delivered to the trustee not less than 3 Business Days prior to the requested date of withdrawal to transfer cash from the Construction Escrow Account to the co-trustee for payment of the related contractors by check, certifying (i) that the withdrawal conditions are met, (ii) as applicable, whether or not the Independent Engineer, in the Evaluation Report submitted in connection with such request, determined that a Construction Shortfall exists, and (iii) that such funds will be used to pay the contractor(s) specified in such notice for the Construction services provided by such contractor in accordance with the Construction Contract and the Plans and Specifications, accompanied by a certification from the Independent Engineer to the effect that the construction relating to the Project to which such request relates has occurred consistent with the Plans and Specifications.

“Eligible Investments” means (i) Cash Equivalents and (ii) securities issued by the government of the United States or the Republic of Panama, in each case having maturities not less than 180 days before the final Payment Date.

“Withdrawal Ratio” means, at any date, the percentage equivalent of a fraction (a) the numerator of which is the sum of (i) the sum of (A) 1.25 times the principal amount of Cash Equivalents in or for the credit of the Investment Account and (B) the principal amount of all other Eligible Investments in or for the credit of the Investment Account, and (ii) the aggregate principal balance of all Eligible Receivables subject to the Lien of the Trustee under the Indenture and (b) the denominator of which is (x) the principal balance of the Notes from time to time outstanding minus (y) the sum of (A) the principal amount of Eligible Investments in or for the credit of the Construction Escrow Account and (B) the DSRA Principal Reserve; provided that if the denominator in clause (b) is zero or less than zero, the Withdrawal Ratio shall be deemed to be 125%.

“Withdrawal Ratio Requirement” means, with respect to any requested withdrawal from the Construction Escrow Account, that the Withdrawal Ratio shall be equal to or greater than 125% after giving effect to such requested withdrawal.

See “Description of Notes—Construction Escrow Account.”



- Release Account ..... A segregated account in the name of the trustee that includes only cash equivalents, the proceeds thereof and interest earned thereon.
- Collection Account ..... A segregated account in the name of the trustee that includes only cash equivalents, the proceeds thereof and interest earned thereon.
- Investment Account ..... A segregated reserve account in the name of the trustee which includes only Eligible Investments, the proceeds thereof and the interest earned thereon.
- Collateralization Ratio Requirement... Under the Indenture, it is an event of default if we fail to meet the Collateralization Ratio (i) within six months of the closing date or (ii) for a period of 30 successive days at any time thereafter. In addition, failure to achieve the Collateralization Ratio will prevent us from making restricted payments and entering into certain other corporate transactions.

“Collateralization Ratio” means, at any date, the percentage equivalent of a fraction (a) the numerator of which is the sum of (i) the aggregate principal balance of all Eligible Receivables subject to the Lien of the Trustee under the Indenture and (ii) the sum of (A) 1.25 times the principal amount of Cash Equivalents in or for the credit of the Investment Account and (B) the principal amount of all other Eligible Investments in or for the credit of the Investment Account, and (b) the denominator of which is the principal balance of the Notes from time to time outstanding minus the DSRA Principal Reserve; provided, that if the denominator in clause (b) is zero or less than zero, the Collateralization Ratio shall be deemed to be 125%.

Application of Amounts on Deposit  
in Accounts .....

Under the unit purchase agreements, purchasers are required to make payments directly into the HSBC Panama Account, an escrow account established at HSBC Investment Corporation (Panama) S.A. ("HSBC Panama").

Pursuant to the co-trustee agreement among Newland, the trustee and HSBC Panama, as co-trustee, all payments made by any obligor under a unit purchase agreement to the HSBC Panama Account (after the deduction of the amount of the fee due to licensor in respect of such unit in accordance with the Trump License Agreement) will be transferred twice weekly into the Release Account. Such amounts will then be held in the Release Account during each monthly collection period and released to us on a weekly basis until the full amount of the Monthly Working Capital Amount has been so released (or, if the full Monthly Working Capital Amount is not accumulated during such monthly collection period, the amount so accumulated as of the end of such monthly collection period), and all remaining collections, if any, in the Release Account during such monthly collection period will be transferred to the Collection Account on the first Business Day in the calendar month in which the related Disbursement Date shall occur.

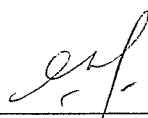
"Monthly Working Capital Amount" means, for each monthly collection period, the sum of (i) the Monthly Working Capital Requirement (as defined herein) for such monthly collection period and (ii) provided no default or event of default shall have occurred and be continuing, the aggregate amount of any monthly working capital shortfalls for prior monthly collection periods.

On the 15th day of each month or, if such day is not a Business Day, the next succeeding Business Day (each, a "Disbursement Date"), the following amounts will be applied by the trustee in the following order of priority (the "Priority of Payments"):

(1) if such Disbursement Date (A) is not a Payment Date, to retain on deposit in the Collection Account up to an amount sufficient to pay the fees, expenses and indemnities of the Trustee, the Co-Trustee, the Independent Appraiser and the Independent Engineer on the Payment Date next succeeding such Disbursement Date, or (B) is a Payment Date, from the Collection Account (or, if amounts on deposit therein are insufficient, from the Investment Account) to pay the fees, expenses and indemnities of the Trustee, the Co-Trustee, the Independent Appraiser and the Independent Engineer;

(2) if such Disbursement Date (A) is not a Payment Date, to retain on deposit in the Collection Account, up to an amount sufficient (together with any amount so retained pursuant to this clause (2) on a prior Distribution Date not yet released) to pay interest and principal, if any, due on the Notes on the next Payment Date, or (B) is a Payment Date, (i) from the Collection Account, (ii) if amounts on deposit therein are insufficient, from the Investment Account, and (iii) if such amounts in (i) and (ii) herein are insufficient, from the Debt Service Reserve Account, to pay interest and principal (if any) due on the Notes on such Payment Date;

(3) if such Disbursement Date (A) is not a Payment Date, to



transfer from the Collection Account to the Debt Service Reserve Account, up to an amount sufficient to maintain the Reserve Requirement as of such Disbursement Date, or (B) is a Payment Date, to transfer from the Collection Account (or, if amounts on deposit therein are insufficient, from the Investment Account) to the Debt Service Reserve Account, up to an amount sufficient to maintain the Reserve Requirement as of such Disbursement Date;

(4) if the Collateralization Ratio Requirement is not met or if a default or an event of default shall have occurred and be continuing, to transfer all remaining amounts from the Collection Account to the Investment Account, for investment in Eligible Investments as specified in writing by the Company to the trustee;

(5) if the Collateralization Ratio Requirement is met and no Default or an Event of Default shall have occurred and be continuing, to transfer from the Debt Service Reserve Account to Newland all amounts in excess of the Reserve Requirement after application of amounts on deposit therein on such Disbursement Date in accordance with the Priority of Payments; and

(6) with respect to any amounts remaining after the application of clauses (1) through (5) above, to transfer such amounts from the Collection Account and/or the Investment Account, as the case may be, to the Company.

To the extent amounts on deposit in the Collection Account (or, if applicable, the Investment Account) are insufficient to pay amounts due and payable on any Payment Date according to the Priority of Payments, we will be required to pay any such shortfall to the trustee to enable the trustee to make such payments on such Payment Date. In addition, we may, at any time and from time to time, contribute further amounts to the Investment Account. Except in connection with any liquidation of the collateral following an event of default, amounts will not be permitted to be withdrawn from the Construction Escrow Account to make payments on the Notes on any Payment Date.

Upon acceleration of the Notes or the failure to pay principal on any Payment Date or upon any redemption in full of the Notes, amounts on deposit in the Accounts will be applied by the trustee, first, to amounts owing to the trustee in respect of fees, expenses and indemnities of the trustee, the co-trustee, the Independent Appraiser and the Independent Engineer, and, second, to pay interest on and principal of the Notes and any other amounts owing to the holders of the Notes pursuant to the Indenture. Any remaining amounts will be distributed to us.

See "Description of Notes—Application of Amounts on Deposit in the Collection Account and the Investment Account."

Additional Amounts..... All payments made by us under or with respect to the Notes will be made free and clear of and without withholding or deduction for or on account of any present or future taxes, levies, imposts, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Republic of Panama or any political subdivision or taxing authority of or in the Republic of Panama ("Taxes"), unless we are required to withhold or deduct any amount for or on account of Taxes by law or by the



interpretation or administration of law. If we are required to withhold or deduct any amount for or on account of Taxes from any payment made by us under or with respect to the Notes, we will, subject to certain customary exceptions, pay such additional amounts (“Additional Amounts”) as may be necessary so that the net amount (including Additional Amounts) received by each holder of Notes after withholding or deduction will not be less than the amount the holder would have received if Taxes had not been withheld or deducted.

See “Description of Notes—Additional Amounts.”

Optional Redemption..... We may, at our option, redeem up to 35% of the principal amount of the Notes with the proceeds of certain sales of our equity at the redemption price listed under “Description of Notes—Optional Redemption.” We may make the redemption only if, at least 65% of the original principal amount of the Notes remains outstanding after such redemption and the redemption occurs within 45 days of the date of such equity offering.

We may, at our option, beginning on the third anniversary of the Closing Date, at any time, upon not less than 35 or more than 65 days’ prior notice, redeem all or a portion of the outstanding principal amount of Notes at the redemption prices set forth under “Description of Notes—Redemption—Optional Redemption.”

In addition, we may, at our option upon not less than 30 or more than 60 days’ prior notice, redeem the Notes at a price equal to 100% of the outstanding principal amount of the Notes plus a make-whole premium set forth under “Description of Notes—Redemption—Optional Redemption.”

Optional Redemption for Changes in Panamanian Withholding Tax... The Notes may be redeemed at our option, in whole but not in part, at any time prior to the final maturity date of the Notes upon not more than 60 nor less than 30 days’ notice to holders of the Notes at a redemption price equal to 100% of the outstanding principal amount of the Notes (together with accrued and unpaid interest, if any, to (but excluding) the date fixed for redemption, plus any Additional Amounts), if, as the result of certain changes in or amendments to the tax laws of the Republic of Panama, we have or will become obligated to pay Additional Amounts in excess of the Additional Amounts that we would be obligated to pay if Taxes were imposed with respect to payments of principal, premium or interest at a rate in excess of 10%.

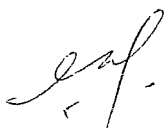
See “Description of Notes—Redemption—Redemption For Changes in Withholding Taxes.”

Change of Control..... If we experience a Change of Control, each holder of the Notes will have the right to require us to repurchase all or a portion of the Notes at 101% of the principal amount of the Notes on the date of purchase, plus any accrued and unpaid interest to but excluding the date of purchase.

See “Description of Notes—Redemption—Redemption at Option of Noteholders upon Change of Control.”

Covenants ..... The Indenture will, among other things, limit our ability to:

- pay dividends or make distributions in respect of our or its capital stock





- or to make certain other restricted payments or investments;
- incur additional indebtedness;
- sell assets;
- make certain investments;
- create liens;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets;
- engage in certain transactions with affiliates; and
- enter into new lines of business;

in each case as more fully described in this offering memorandum. See “Description of Notes—Certain Covenants.”

Form and Denominations..... The Notes will initially be issued in the form of one or more global Notes without interest coupons, registered in the name of The Depository Trust Company, or its nominee. The Notes will be issued in minimum denominations of US\$ 10,000 and integral multiples of US\$ 1,000 in excess thereof.

See “Description of Notes—Book-Entry, Delivery and Form.”

Transfer Restrictions..... The Notes will not be registered under the Securities Act. The Notes are being offered only to (a) in the United States in reliance upon an exemption from the registration requirements of the Securities Act of 1933, as amended, to “Qualified Institutional Buyers” (as defined in Rule 144A under the Securities Act (“Rule 144A”)) that are also “Qualified Purchasers,” as defined below, or (b) outside the United States in compliance with Regulation S under the Securities Act to persons who are neither U.S. Persons (as defined in Regulation S) nor U.S. residents (within the meaning of the U.S. Investment Company Act of 1940, as amended and the rules promulgated thereunder (the “Investment Company Act”)). A “Qualified Purchaser” means a “qualified purchaser” for purposes of Section 3(c)(7) of the Investment Company Act. See “Notice to Investors.”

Governing Law ..... The Indenture, the Notes, the Co-Trustee Agreement and the Construction Completion Support Agreement will be governed by the laws of the State of New York. The Mortgage and each of the unit purchase agreements will be governed by the laws of the Republic of Panama.

Trustee, Registrar and Paying Agent .. HSBC Bank USA, N.A.

Co-Trustee ..... HSBC Investment Corporation (Panama) S.A.

Independent Engineer ..... The Louis Berger Group, Inc.

Independent Appraiser ..... CB Richard Ellis, Inc.

Ratings..... The Notes have been assigned a rating of “Ba3” by Moody’s Investors Service, Inc., or “Moody’s”, and a rating of “BB” by Fitch Ratings, or “Fitch.”

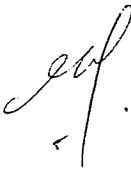
Sole Lead Manager and Bookrunner .. Bear, Stearns and Co. Inc.

Local Placement Agent..... Mundial Asset Management.

Listing..... The Notes will be listed on the Panama Stock Exchange. The Notes will not be listed on any other exchange. Beneficial interests in the Regulation S global note may be held in Panama through Latinclear, a participant in Clearstream.

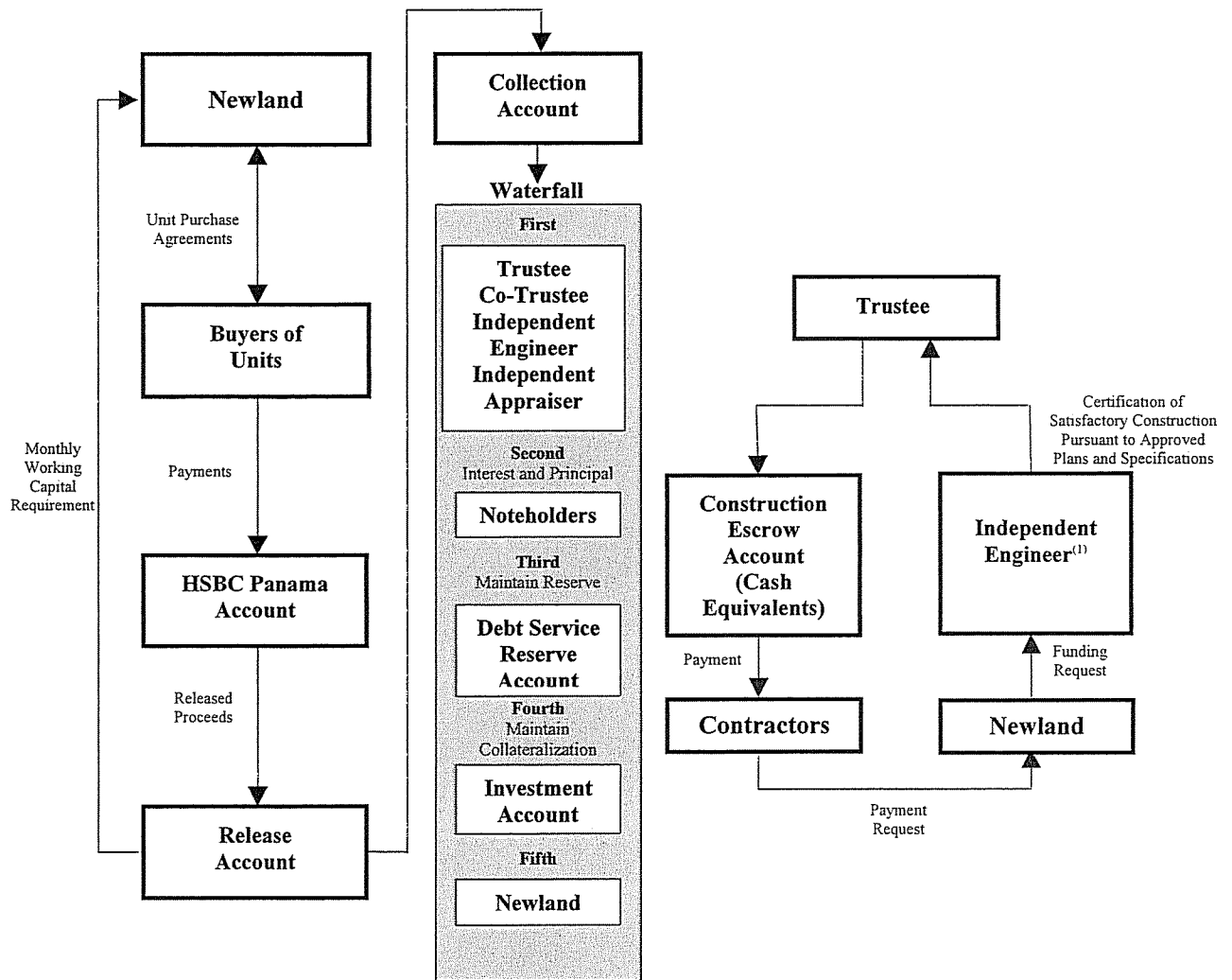
PORTAL..... We expect that the Notes will be eligible for trading in the PORTAL market.

Risk Factors ..... Investing in the Notes involves certain risks. See “Risk Factors” beginning on page 18 of this offering memorandum.



## Distribution of our Cash Flows after Closing

The following diagram illustrates the distribution of our cash flows after the closing of this offering:



(1) The Louis Berger Group, Inc. is the Independent Engineer responsible for certifying the satisfaction of construction conditions.

## SUMMARY HISTORICAL FINANCIAL INFORMATION

We were incorporated on March 28, 2006 and to date have conducted limited operations and obtained limited financial results. Accordingly, we do not believe that the historical financial information included in this offering memorandum is indicative of our future results.

The following table sets forth our summary financial information for the periods indicated. We derived our summary financial information as of December 31, 2006 and for the period from March 28, 2006, our date of incorporation, to December 31, 2006 from our audited financial statements included elsewhere in this offering memorandum. We derived our summary financial information as of and for the six months ended June 30, 2007 from our unaudited interim financial statements included elsewhere in this offering memorandum. The results for the six months ended June 30, 2007 are not necessarily indicative of actual results for the full year. You should read the summary financial information presented below in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Capitalization” and our financial statements and the accompanying notes thereto contained elsewhere in this offering memorandum.

	<b>As of December 31, 2006</b>	<b>As of June 30, 2007</b>
	<i>(in millions)</i>	
<b>Balance Sheet Data</b>		
<b>Assets:</b>		
Restricted cash.....	US\$ 24.4	US\$ 39.3
Projects .....	3.5	34.8
Other assets.....	1.8	10.1
Total assets .....	29.7	84.2
<b>Liabilities:</b>		
Customer deposits.....	27.2	45.5
Accounts payable and accrued expenses.....	—	7.2
Accounts payable – related parties.....	—	0.3
Total liabilities.....	27.2	53.0
<b>Stockholders’ equity:</b>		
Common stock .....	—	—
Additional paid-in capital.....	2.5	31.2
Total stockholders’ equity.....	2.5	31.2
Total liabilities and shareholders’ equity.....	US\$ 29.7	US\$ 84.2

## SUMMARY OF FINANCIAL PROJECTIONS

The tables below set forth possible cash flows and selected balance sheet items derived from our financial model and its assumptions for the six months ending December 31, 2007 and the seven years ending December 31, 2014. The financial projections are included in this offering memorandum to assist you in considering a possible investment in the Notes and provide you with an indication of the hypothetical funds available to pay our obligations under the Notes. However, actual future conditions can be expected to vary substantially from the assumptions used in our financial model, in terms both of amount and timing. **Consequently, actual cash flows and balance sheet items may differ materially from those set forth in our financial projections.** We make no representation as to the reasonableness, accuracy, adequacy or completeness of our financial model, financial projections, assumptions or calculations. You should read our summary financial projections in conjunction with “Annex C—Financial Projections.” See “Risk Factors—Risks Related to our Business—Projections included in this offering memorandum may turn out to be inaccurate.”

CASH FLOW DATA	For the 6 months ending Dec. 31,		For the year ending December 31,						
	2007		2008	2009	2010	2011	2012	2013	2014
<b>Cash Inflows:</b>									
Collection of payments.....	US\$	20.7	US\$ 37.3	US\$ 33.8	US\$ 375.1	US\$ —	US\$ —	US\$ —	US\$ —
Construction Escrow Account.....		7.1	73.2	44.4	75.8	—	—	—	—
Bond Proceeds (Excluding Construction Escrow).....		34.0	—	—	—	—	—	—	—
Bridge Loan.....		15.0	—	—	—	—	—	—	—
Interest income.....		1.8	8.6	5.4	7.3	12.0	9.1	5.6	2.1
Total Cash Inflows.....		<u>78.7</u>	<u>119.1</u>	<u>83.6</u>	<u>458.1</u>	<u>12.0</u>	<u>9.1</u>	<u>5.6</u>	<u>2.1</u>
<b>Operating Cash Outflows:</b>									
Construction Costs and FF&E.....		21.8	73.2	44.4	60.7	—	—	—	—
Project Overhead.....		7.8	13.3	9.6	7.3	—	—	—	—
Selling and Advertising Expense.....		18.0	5.2	4.0	87.0	—	—	—	—
Administrative and Other Expenses.....		1.0	1.3	1.3	0.6	—	—	—	—
Total Operating Cash Outflows.....		<u>48.6</u>	<u>93.0</u>	<u>59.3</u>	<u>155.6</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Project Cash Flow.....		30.0	26.1	24.3	302.5	12.0	9.1	5.6	2.1
<b>Other Cash Outflows:</b>									
Interest Payments.....		0.8	19.3	19.3	19.3	19.3	15.1	9.6	4.1
Bank Fees.....		9.9	—	—	—	—	—	—	—
Tax Payments.....		—	—	—	—	16.1	—	—	—
Total Other Cash Outflows.....		<u>10.8</u>	<u>19.3</u>	<u>19.3</u>	<u>19.3</u>	<u>35.3</u>	<u>15.1</u>	<u>9.6</u>	<u>4.1</u>
Cash Flow Before Debt Amortizations..		19.3	6.8	5.0	283.3	(23.3)	(6.0)	(4.1)	(2.1)
<b>Mandatory Amortizations/Escrows:</b>									
Bridge Loan Payment.....		15.0	—	—	—	—	—	—	—
Amortization of Notes.....		—	—	—	—	31.4	62.9	62.9	62.9
Debt Service Reserve Requirements / (Excess).....		9.6	—	—	—	30.1	(2.8)	(2.8)	(34.2)
Construction Escrow Account <sup>(1)</sup> Investment Account Requirements / (Excess).....		14.6	—	—	220.0	(62.9)	(62.9)	(62.9)	(31.4)
Total Mandatory Amortizations/Escrows.....		<u>39.2</u>	<u>—</u>	<u>—</u>	<u>220.0</u>	<u>(1.4)</u>	<u>(2.7)</u>	<u>(2.8)</u>	<u>(2.7)</u>
Dividends.....		—	—	—	—	—	—	—	37.5
Partners Reimbursement.....		—	—	—	—	—	—	—	31.2
Free Cash Flow.....		(19.9)	6.8	5.0	63.3	(21.9)	(3.3)	(1.3)	(68.0)
Initial Unrestricted Cash.....		39.3	19.4	26.2	31.2	94.5	72.6	69.3	68.0
Ending Unrestricted Cash.....	US\$	19.4	US\$ 26.2	US\$ 31.2	US\$ 94.5	US\$ 72.6	US\$ 69.3	US\$ 68.0	US\$ —

(1) Represents cash to be transferred from the HSBC Panama Account and the Bridge Escrow Account into the Construction Escrow Account.

**SELECT BALANCE SHEET DATA**

As of December 31,

	2007	2008	2009	2010	2011	2012	2013
<b>Assets:</b>							
Cash.....	US\$ 19.4	US\$ 26.2	US\$ 31.2	US\$ 94.5	US\$ 72.6	US\$ 69.3	US\$ 68.0
Investment Account Cash.....	—	—	—	220.0	157.1	94.3	31.4
Construction Escrow Account.....	193.5	120.3	75.8	—	—	—	—
Debt Service Reserve Account (DSRA) ....	9.6	9.6	9.6	9.6	39.7	36.9	34.2
Total Cash and Escrows.....	222.4	156.1	116.7	324.1	269.4	200.5	133.6
<b>Certain Liabilities</b>							
Total Debt.....	US\$ 220.0	US\$ 220.0	US\$ 220.0	US\$ 220.0	US\$ 188.6	US\$ 125.7	US\$ 62.9
Net Debt.....	(2.4)	63.9	103.3	(104.1)	(80.8)	(74.8)	(70.7)
Customer Deposits.....	67.5	104.7	138.5	—	—	—	—

**RATIOS AND OTHER DATA**

As of December 31,

	2007	2008	2009	2010	2011	2012	2013
Eligible Receivables.....	US\$ 266.8	US\$ 309.9	US\$ 336.7	—	—	—	—
Investment Account Cash.....	—	—	—	US\$ 220.0	US\$ 157.1	US\$ 94.3	US\$ 31.4
X 1.25.....	—	—	—	275.0	196.4	117.9	39.3
Eligible Receivables and Equivalents (Numerator) <sup>(1)</sup> .....	266.8	309.9	336.7	275.0	196.4	117.9	39.3
Total Debt.....	220.0	220.0	220.0	220.0	188.6	125.7	62.9
Principal Portion of DSRA.....	—	—	—	—	31.4	31.4	31.4
Denominator (Collateralization).....	220.0	220.0	220.0	220.0	157.1	94.3	31.4
Construction Escrow Account.....	193.5	120.3	75.8	—	—	—	—
Denominator (Withdrawal).....	26.5	99.7	144.2	220.0	157.1	94.3	31.4
Collateralization Ratio <sup>(2)</sup> .....	1.21x	1.41x	1.53x	1.25x	1.25x	1.25x	1.25x
Withdrawal Ratio <sup>(3)</sup> .....	10.05x	3.11x	2.33x	1.25x	1.25x	1.25x	1.25x

(1) Includes cash in Investment Account multiplied by 1.25x.

(2) Measured as the ratio of (i) Eligible Receivables and Equivalents to (ii) Total Debt minus the Principal Portion of the DSRA.

(3) Measured as the ratio of (i) Eligible Receivables and Equivalents to (ii) Total Debt minus the Principal Portion of the DSRA minus the Construction Escrow Account balance.

**Assumptions Underlying our Financial Projections**

For an explanation of the assumptions supporting these summary of financial projections, see “Annex C—Financial Projections—Financial Model Assumptions.”

## RISK FACTORS

*Investing in the Notes involves significant risk. Prospective purchasers of the Notes should consider carefully all of the information in this offering memorandum, including, in particular, the risk factors discussed below. Additional risks and uncertainties not currently known to us or that we currently deem immaterial also may materially and adversely affect our business, financial condition and results of operations. If any of the following risks actually occurs, our business, financial condition, operating results and prospects could be materially and adversely affected, which could, in turn, affect adversely our ability to make payments on the Notes offered hereby.*

### Risks Related to Our Business

***There are significant risks associated with major construction projects that may prevent completion of Trump Ocean Club on budget and on time.***

We must contend with the risks associated with construction activities, including cost overruns, shortages of cement or other materials, shortages of labor, labor disputes, unforeseen environmental or engineering problems, work stoppages, natural disasters and the inability to obtain insurance or obtaining insurance at significantly increased rates, any of which could delay construction and result in a substantial increase in our costs. As with any construction project, we may also be subject to delays resulting from changes in legislation, governmental bureaucracy or unforeseen or *force majeure* events which could result in increased costs.

Any delay in construction or increase in costs could disrupt our business and adversely affect our results of operations. If there are unforeseen events such as the bankruptcy of, or an uninsured or under-insured loss suffered by, our general contractors, we may become responsible for the losses or other obligations of the general contractors. Should such losses or the cost of such other obligations exceed our insured limits, our results of operations could be adversely affected. In addition, our results of operations could be negatively impacted in the event that a general contractor experiences significant cost overruns or delays, and we effectively are forced to absorb the impact of such costs or delays.

***Projections included in this offering memorandum may turn out to be inaccurate.***

The financial projections included in this offering memorandum should be considered speculative and are qualified in their entirety by the assumptions, information and risks disclosed in this offering memorandum. Our financial projections are based on numerous assumptions about future events. It should be emphasized that actual future conditions can be expected to vary substantially from the assumptions used in our financial model, in terms both of amount and timing. Variations in macroeconomic conditions and other matters that may affect our financial projections are inherently unpredictable, beyond our control and may not be foreseen at this time. Accordingly, actual cash flows and balance sheet items may vary substantially from our financial projections. No form of assurance can be given with respect to our financial projections, including whether or when they will be realized. As a result, you should not unduly rely upon our financial projections in making an investment decision with respect to the Notes. You should make your own assessment of our assumptions and financial projections. You are advised to consult with your legal, tax and business advisors concerning the validity and reasonableness of the factual, accounting and tax assumptions. Except as may be required by law, we do not intend to update or otherwise revise our financial model or our financial projections to reflect circumstances existing after the date of this offering memorandum or to reflect the occurrence of future events, even in the event our assumptions or the estimates underlying our assumptions are shown to be in error.

***We are exposed to credit risk relating to the potential non-performance of contractual obligations by our customers.***

We presell our real estate product by entering into unit purchase agreements with our customers. Under these unit purchase agreements, prior to completion of construction of the related real property, our customers are required to make certain non-negotiable down payments. We are exposed to the credit risk of our customers to the extent they do not fulfill their contractual payment obligations. As of June 30, 2007, we had receivables from our



customers of approximately US\$ 250.1 million under these unit purchase agreements. If a material number of our customers experience credit or financial problems resulting in their delay or failure to pay the balance of amounts due to us, it will adversely affect our financial position and results of operation.

***Our ability to collect our accounts receivable depends on our ability to deliver real estate products to our customers.***

Our ability to collect our accounts receivable depends on our ability to deliver real estate products to our customers. If we fail to deliver real estate products to our customers within the time period specified in their purchase and sales agreements, those customers may stop making payments due to us. In addition, under the laws of Panama, those customers could seek the termination of their purchase and sales agreements, the reimbursement of amounts paid thereunder, and payment of damages and expenses (such as interest or attorneys' fees) resulting from our failure to timely deliver their real estate products.

***Construction projects such as Trump Ocean Club are capital intensive, and we cannot assure you that amounts on deposit in the Construction Escrow Account after giving effect to this offering and the application of the net proceeds therefrom will be sufficient to fully develop Trump Ocean Club as currently planned.***

Construction projects of luxury developments, such as Trump Ocean Club, are capital intensive and typically are scheduled for full development over a long period of time. We have retained Opcorp, our affiliate, to construct the real estate products and infrastructure comprising Trump Ocean Club under a lump-sum construction agreement. The lump-sum price under the construction agreement includes the cost of all materials, supplies, tools, equipment, furniture and other items provided by Opcorp. As of the closing date of this offering, we estimate the remaining completion cost of Trump Ocean Club to be approximately US\$ 268.9 million, excluding sales and administrative expenses and financial costs. However, we can give no assurance that actual completion costs will correspond to our estimates. The construction agreement with Opcorp provides for the adjustment of its lump-sum price upon the occurrence of certain unforeseen events. In the event we experience an increase in completion costs, amounts on deposit in the Construction Escrow Account may not be sufficient to fully develop Trump Ocean Club as currently planned. Accordingly, our ability to fund increased completion costs and service our indebtedness will depend on our ability to generate cash in the future and obtain capital at reasonable costs and terms. Our ability to generate cash and obtain capital is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. In addition, the Indenture limits our ability to incur additional indebtedness and issue certain equity interests. We cannot assure you that we will generate sufficient cash flow from operations, or that future borrowings or other capital infusions will be available to us at reasonable costs and terms, to fund increased completion costs and other capital needs.

***There are potential conflicts of interest in respect of our construction contract with the construction company chiefly responsible for building Trump Ocean Club, and we have significant transactions with other related parties.***

Opcorp, the contractor we have retained to construct the real estate products and infrastructure projects of Trump Ocean Club, is our affiliate. As a result, our construction contract with Opcorp was negotiated between related parties and its terms, including fees payable, may be deemed to be less favorable to us as compared to terms negotiated with an unaffiliated, third-party construction company. Additionally, conflicts of interest may arise between us and Opcorp in a number of areas relating to our ongoing relationship, including the nature, quality and pricing of construction services rendered by Opcorp to us.

Our financial statements include a note regarding the number and value of our transactions with related parties. See note 8 of the notes to our financial statements for a description of the key transactions with related parties through June 30, 2007.





***We are indirectly controlled by a small number of principal stockholders who may have diverging business interests.***

We are a wholly-owned subsidiary of Ocean, whose ownership is indirectly concentrated in a small group of stockholders that have a controlling interest. Ocean and its controlling stockholders control our management, business, affairs and policies. These controlling stockholders may have diverging interests that result in our taking, and refraining from taking, major business decisions. Our operating performance depends largely on the interest and ability of our controlling stockholders to reach agreement on major business decisions. The disagreement of a controlling stockholder on a major business decision may have a material adverse effect on our ability to meet our own obligations.

***We have a limited operating history, and we cannot assure you that we will be able to operate our business profitably.***

We were incorporated and commenced sales of our products in the first quarter of 2006. As a result, we have a limited operating history and cannot assure you that our planned development will attract the number and type of customers we desire to achieve our sales and profitability objectives. Moreover, our operations have been limited to early-stage construction of Trump Ocean Club.

While our sponsor and affiliates have experience completing major construction projects, including condominiums, residential complexes and shopping malls, due to our limited operating history we have not yet demonstrated our ability to complete a large-scale construction project as planned for the period from fiscal year 2008 through 2010. Consequently, any predictions about our future success or viability may not be as accurate as they could be if we had a longer operating history.

We also will be subject to significant business, economic, regulatory and competitive uncertainties frequently encountered by new businesses in competitive environments, many of which are beyond our control. Because of our limited operating history, it may be more difficult for us to prepare for and respond to these risks and the other risks described in this offering memorandum, as compared with a more established business. As a result, you must evaluate our business prospects in light of the risks inherent in the establishment of a new business enterprise. We cannot assure you that we will be able to successfully develop or operate the Trump Ocean Club project or to manage these risks successfully or that we or the project will be profitable.

***We may be affected adversely by, and we may sustain losses from, natural disasters which are not fully insurable.***

The geographic region of Panama presents risks of natural disasters, including but not limited to hurricanes, floods and earthquakes, that may damage or destroy part or all of our property, and adversely affect our business. In addition, certain types of losses resulting from natural disasters may not be insurable up to the full economic value of any affected property, and there can be no assurance that we will be able to obtain adequate insurance for all risks at reasonable costs and/or on suitable terms. As a result, there can be no assurance that, in the event of a catastrophic or substantial loss, our insurance would be sufficient to pay the full market value or replacement cost of Trump Ocean Club.

***We are dependent on key personnel of our affiliates and the loss of any of their services could have an adverse effect on our operations.***

We have entered into various services agreements with our affiliates for the development of Trump Ocean Club, including a lump-sum construction contract with Opcorp. We depend upon the resources and performance of Opcorp, other affiliates and their key employees, the loss of any of whom could have an adverse effect on our operations. We cannot assure you that we will be successful in retaining any of their services. If we are unable to retain our key personnel and attract experienced officers and employees, we may not be able to implement our strategies and, accordingly, our results of operations, financial condition and business prospects may be affected adversely. We do not maintain key man life insurance for any of our key personnel.



***Failure to reach a final agreement with affiliates of Donald J. Trump regarding the management and operation of our hotel and casino could impact our ability to market and sell our products.***

We market Trump Ocean Club under the Trump brand name pursuant to a license agreement with Trump Marks Panama. See “Business—Principal Project Agreements—License Agreement.” In addition, we are in the process of negotiating a hotel management agreement and a casino lease agreement with affiliates of Donald J. Trump. We believe that our use of the Trump brand name and the operation of our hotel and casino by affiliates of Donald J. Trump will facilitate the branding of Trump Ocean Club as an exclusive, luxurious and high quality tower, and will enhance the marketing and sale of our real estate products to affluent individuals. In the event we are unable to reach a final agreement with affiliates of Donald J. Trump on the management and operation of our hotel and casino, the appeal of becoming an owner of one of our real estate units may diminish and our ability to market and sell our products could be adversely affected.

***A decrease in the perceived prestige of the Trump brand name or any of our strategic partners or, more importantly, the quality of their work could adversely impact our ability to market and sell our products.***

A key element of our marketing and sales strategy has been to market our project under the Trump brand name and work with internationally recognized strategic partners to design, construct and/or operate many of our facilities, in order to achieve worldwide exposure for Trump Ocean Club and create greater appeal for our product offerings. Negative publicity concerning the Trump name, any of our strategic partners or, more importantly, the quality of their work could adversely impact our ability to market and sell our products.

***We may be unable to attract and retain sales executives or brokerage firms for our real estate products.***

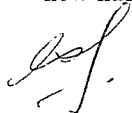
We must attract and retain productive sales executives or brokerage firms in order to sell our real estate products. We are currently dependent on our master broker, International Sales Group Latin America Ltda., or ISG Latin America, to expand and improve the efficiency and production of our network of sales executives and brokerage firms. We cannot provide any assurance that the sales initiatives of ISG Latin America and Newland will succeed in attracting and retaining productive sales executives or brokerage firms. We also cannot provide assurance that we will be able to find another master broker on favorable terms if ISG Latin America does not perform its sales obligations. Sales of our real estate products, our cash flows and our financial condition could be affected adversely if ISG Latin America and Newland are unsuccessful in attracting and retaining productive sales executives or brokerage firms.

***Geopolitical risks and market disruptions could affect adversely our financial position, sales and cash flows.***

Geopolitical events could have a substantial adverse impact on the international economy and, more specifically, the luxury real estate industry. Moreover, international terrorism and other geopolitical risks have created many economic and political uncertainties, any of which could have material adverse effects on the U.S., Canadian, Latin American and Spanish economies—from where we derive a substantial portion of our buyers—and, in turn, on our financial position, sales and cash flows.

***Our operations are subject to extensive environmental and safety regulations, and our inability to comply with existing environmental and safety regulations or requirements or changes in these regulations or requirements may have an adverse effect on our financial position and cash flows.***

We are subject to extensive environmental, health and safety laws and regulations in Panama, which, among other things, require us to perform environmental impact studies, to obtain regulatory licenses, permits and other approvals and to comply with the requirements of such licenses, permits and regulations. On October 4, 2006, we received notice from the Direction of Evaluation and Environmental Order of the National Environmental Authority (*Autoridad Nacional del Ambiente*), or ANAM, stating that Trump Ocean Club’s Category 1 Environmental Impact Study complies with all applicable environmental requirements and that Trump Ocean Club does not generate significant environmental risks. However, failure to comply with applicable environmental standards, stricter new laws and regulations, or stricter interpretation of existing laws or regulations, may impose new liabilities on us, increase our costs of compliance or result in the revocation of our licenses and permits, any or



all of which could result in the need for additional investments or may adversely impact our ability to complete Trump Ocean Club as currently contemplated. This may have an adverse effect on our business, financial condition and cash flows in the future.

### **Risks Related to Our Industry**

#### ***Competition from other Panamanian developers could slow or decrease our sales and cash flows.***

The real estate industry in Panama is highly competitive and has experienced high growth rates over the last five (5) years, resulting in an abundant supply of real estate products. Our ability to maintain current sales levels depends to some extent on competitive conditions, including price competition and the volume of product offerings in the market. Competition is likely to continue or intensify, and may lead to the cancellation or substantial modification of current real estate projects in Panama. The cancellation of any competing projects could have an adverse effect on our ability to market our products as exclusive and secure investments in Panama. Accordingly, competitive conditions may result in a decrease in our sales and cash flows.

#### ***Our business performance may be affected by the nature of our response to various operating risks typically faced by real estate developers.***

We face a number of operating risks applicable to real estate developers, including the supply and pricing of our raw materials. The primary raw material we use is cement. Consequently, we are vulnerable to fluctuations in prices of this and other raw materials. Factors such as supply and demand, freight costs and availability of transportation, inventory levels, the level of imports and general economic conditions may affect the price of the raw materials we use. Any increases in the costs of, or disruption in supply of, raw materials could have a material adverse effect on our ability to meet our construction commitments and on our financial position and cash flows.

As we are engaged only in the development and operation of a single real estate project, Trump Ocean Club, our financial position and cash flows may be exposed to a greater degree of fluctuation as compared to real estate developers that have more diversified operations.

### **Risks Related to Panama**

#### ***An economic downturn in Panama could adversely affect our sales and financial condition.***

Our only operations are in Panama. Consequently, any significant economic downturn in Panama could reduce nationwide real estate values, and in turn reduce the aggregate value of our real estate sales. In addition, the appeal of becoming an owner of one of our real estate units may diminish if potential purchasers do not regard Panama as an attractive primary home, second home or retirement destination.

In February 2005, the Panamanian Government enacted a fiscal reform package consisting of both revenue raising and expenditure reduction measures. The revenue raising measures include: an expansion of the definition of taxable income, covering certain individual income sources previously not fully taxable; a narrower definition of offshore income (which is tax exempt); the introduction of an alternative minimum tax for individuals and corporations; the elimination of a tax exemption on capital gains derived from public tender offers; and the elimination of certain tax incentives to manufacturing and construction activities.

In addition, tax authorities were granted increased enforcement powers and tax evasion became a criminal offense. As part of this fiscal reform effort, the Panamanian Government committed to reducing the public sector headcount to 1999 levels (which would involve reducing approximately 6,332 posts between 2005 and 2008) and promised to cap current expenditure growth at the rate of current sovereign revenue growth and extract savings from other fees and expenses of approximately US\$ 25.0 million per year.

Analysts estimate that this program, if fully implemented, may, among other things, reduce the non-financial public sector deficit from 5% of GDP in 2004 to approximately 1% in 2009. We cannot assure you that this fiscal reform package will achieve its objectives or that additional revenue raising measures may not be



necessary to preserve or reestablish fiscal balance in the near future. Additional revenue raising measures may result in higher taxes and other obligations payable by us to the Panamanian Government. Higher fiscal obligations from us to the Panamanian Government may adversely impact us, including our ability to repay the Notes.

***A delay in the Panama Canal's expansion may adversely affect the economy and, as a result, our sales and financial condition.***

On October 22, 2006, the Panamanian Government authorized an expansion of the Panama Canal to accommodate vessels that are too large to use the existing Canal. Expansion of the Canal is expected to preserve the Canal's competitive position as a key route for global shipping, thus enabling the Panama Canal Authority to sustain revenue growth and remain a significant source of income for the Panamanian Government. A delay in the implementation of, or a failure to implement, the expansion project, could result in lower levels of trade in Panama and could adversely affect the economy. Such delay, or failure, could adversely affect the market conditions that determine our construction costs and the prices for, and the returns on, Panamanian real estate investments, and could adversely affect our ability to repay the Notes.

***Political events in Panama could adversely affect our sales and financial condition.***

Panama has experienced different types of government and governmental policies. Prior to 1968, Panama generally had a constitutional democracy and a growing free market-based economy. In 1968, the military secured control over the government and military rule continued until 1989. A political crisis erupted in 1987 among the then ruling military dictator, General Manuel Antonio Noriega, and civilian organizations, political parties and the business community, all of which had been agitating for a return to democratic rule. In December 1989, General Noriega was deposed, largely as a result of U.S. military intervention, and Guillermo Endara, who had been elected by a majority of the Panamanian electorate in a popular vote earlier in the year, was sworn in as President.

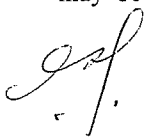
Since the end of 1989, the Panamanian Government has maintained political and economic stability under successive democratically elected governments, and favorable relations with the U.S. have been fully restored. Future political events which could destabilize the Panamanian government could reduce the appeal of owning real estate in Panama and adversely affect our financial condition and sales.

***We may be adversely affected by governmental policies.***

The Panamanian Government has exercised, and continues to exercise, significant influence over the Panamanian economy and land development policies. We depend on Panamanian land development policies remaining favorable so as to effectuate the construction of Trump Ocean Club. Through various statutory and other governmental initiatives, including enforcement of a rigid labor code, electricity subsidies related to the rise in fuel prices, tariff policies, regulatory policy, taxation and price controls, the Panamanian Government has had a significant impact on the economy. Accordingly, the Panamanian Government's actions regarding the economy, regulating certain industries and setting land development policies could have significant adverse effects on private sector entities in general and on us in particular, as well as on market conditions affecting our construction costs and the prices for, and returns on, Panamanian real estate investments. It is not possible to determine what effect such plans or actions or the implementation thereof could have on the Panamanian economy, Panamanian real estate investments in general or on our financial condition, sales and cash flows. Any of these or other events could reduce the appeal of owning real estate in Panama and, in turn, reduce the appeal of becoming an owner of one of our real estate products, thereby adversely impacting our sales, as well as our ability to meet our obligations under the Notes.

***Compliance with applicable laws and regulations related to property developments such as Trump Ocean Club may subject us to additional costs and delays which could reduce our profits or business prospects.***

We are subject to a variety of Panamanian statutes, ordinances, rules and regulations governing developments such as Trump Ocean Club, any of which may subject us to additional costs and construction delays. In particular, we may be required to obtain the approval of various governmental authorities regulating matters such as permitted land uses and the installation of utility services such as gas, electric, water and waste disposal. We also may be subject to additional costs or delays, building permit allocation ordinances, construction moratoriums,



restrictions on the availability of utility services or similar governmental regulations that could be imposed on us in the future. Any of these laws, ordinances, moratoriums or restrictions could cause our operating costs to increase as well as delay the development of our property, either of which would reduce our profits and the ability to grow our business.

***Because the Panamanian monetary system is dependent on the U.S. dollar, any downturns in the U.S. economy may adversely affect us.***

Since 1904, Panama has used the U.S. dollar as legal tender and its sole paper currency, using the Balboa only as coinage and as a unit of account with an exchange rate set. Panama's monetary system is limited in its ability to conduct a stimulative monetary policy and can finance public sector deficits only through borrowing. As a result of Panama's use of the U.S. dollar as legal tender, Panama has enjoyed low inflation commensurate with levels of inflation generally prevailing in the United States. However, we cannot assure you that these relatively low rates of inflation will continue. In addition, given the relationship of the Panamanian monetary system to the U.S. dollar and, indirectly, Panama's dependence on the U.S. economy, we cannot assure you that the appreciation or depreciation of the U.S. dollar against other currencies or the existence of sustained higher levels of inflation in the U.S. economy (and the resultant effect on the value of the U.S. dollar) or increases or decreases in interest rates in the U.S. will not adversely affect the Panamanian monetary system or, indirectly, us.

***Adverse political and economic conditions in other Latin American countries and world markets may adversely affect us.***

From time to time, the economies of other Latin American countries, particularly those in Central America, Brazil, Mexico and Argentina, have suffered from high rates of inflation, currency devaluation and/or other developments that have had an adverse effect not only on their economies but also on the economies of other countries in the region. Although all of our activities are concentrated in Panama, since most of our buyers are located in the United States, Canada, Colombia, Venezuela and Panama, we may still be affected by adverse developments in other Latin American and world economies.

Following the currency devaluation crises and the ensuing financial and economic crises in the 1990s in Mexico, Russia, Argentina and Asia, the economies of certain Latin American countries experienced reduced levels of economic activity. As a result, we cannot assure you that high inflation rates, volatility in exchange rates or declines in economic activity in other Latin American countries or world markets in general will not have an adverse effect on the Panamanian economy in general, the market conditions affecting our construction costs, the prices for, and returns on, Panamanian real estate investments, on our customers, on us or on the trading values of the Notes.

***Lack of sufficient air service to Panama City, Panama could affect adversely our financial position and sales.***

The majority of our property owners and prospective customers travel to Panama by air. Although we believe that the current level of air service to Panama City, Panama is more than adequate, any interruption or reduction of air service would prevent many prospective customers from visiting the project, reduce our sales, and prevent many property owners from easily accessing their property. These conditions could adversely affect our competitive position, as compared to similar projects in Central America and the Caribbean enjoying adequate air service. An unfavorable competitive position could adversely affect our financial position and sales.

***If the Panamanian Government were to impose exchange controls or other restrictions, our ability to meet our obligations under the Notes could be affected.***

Currently there are no exchange controls or other restrictions imposed by Panamanian law on payments in U.S. dollars by us. In the event that the Panamanian Government imposed foreign exchange or payment restrictions preventing remittances from Panama we may be unable to make interest and principal payments to you with respect to the Notes and your recourse would be limited to our assets and operations in Panama.



## Risks Related to the Notes

***You may be subject to withholding for Panamanian capital gains taxes upon a sale of the Notes, for which we will not indemnify you.***

On June 19, 2006, Panama passed Law 18 (the “2006 Tax Law”), which adopted a number of changes to Panama’s tax law. Under the 2006 Tax Law, if the Notes are not sold through an exchange or another organized market, (i) the seller will be subject to income tax in Panama on capital gains on the sale of the Notes at a fixed rate of ten percent (10%) and (ii) the buyer would be required to withhold from the seller and remit to the Panamanian fiscal authorities an amount equal to five percent (5%) of the aggregate proceeds of the sale by withholding from the capital gains tax of the seller. The seller may, at its option, consider the amount so withheld by the buyer as payment in full of the capital gains tax, or in the event of overpayment, claim a tax credit in respect of the excess amount. See “Taxation—Panamanian Taxation—Taxation of Dispositions.” We will not indemnify you if you are subject to withholding for Panamanian capital gains taxes under the 2006 Tax Law upon a sale of the Notes.

***The ability to transfer the Notes may be limited by the absence of an active trading market, and we cannot assure you that any active trading market will develop or that you will be able to resell your Notes.***

The Notes are a new issue of securities for which there is no established public trading market. Although we have applied for listing of the Notes on the Panama Stock Exchange, and expect that the Notes will be eligible for trading in the PORTAL Market, we cannot assure you that the Notes will be or will remain listed on the Panama Stock Exchange or that active trading markets will develop for the Notes. The Panama Stock Exchange is a market with little liquidity, which could adversely affect your ability to sell the Notes on this stock exchange. The initial purchaser has advised us that it currently intends to make a market in the Notes as permitted by applicable laws and regulations. However, the initial purchaser is not obligated to make a market in the Notes, and it may discontinue any such market-making activities at any time without notice. Therefore, an active market for the Notes is not likely to develop or, if developed, it may not continue. We have not registered, and will not register, the Notes under the Securities Act or any other applicable U.S. securities laws. Accordingly, the offering of the Notes in the U.S. will be made pursuant to exemptions from, and in transactions not subject to, the registration provisions of the Securities Act and from state securities laws that limit who may own the Notes. The Notes are subject to certain restrictions on resale and other transfers in the U.S., and you may be required to bear the risk of your investment for an indefinite period of time. See “Notice to Investors.” Consequently, a holder of Notes and an owner of beneficial interests in those Notes must be able to bear the economic risk of their investment in the Notes for the term of the Notes. Historically, the market for non-investment grade, emerging market debt has been subject to substantial volatility, which could affect adversely the price at which you may sell Notes you own. In addition, subsequent to their initial issuance, the Notes may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar Notes, our operating performance and other factors. Therefore, we cannot assure you will be able to sell your Notes at a particular time or the price that you receive when you sell will be favorable. See “Plan of Distribution.”

***Our ability to access a significant portion of the proceeds from this offering depends on our ability to generate a requisite amount of receivables and to obtain certifications from an independent engineer regarding the progress of construction.***

Our failure to meet the Collateralization Ratio Requirement within the first six months after closing or for any 30-day period thereafter will constitute an event of default under the Indenture. In addition, pursuant to the Indenture, a significant portion of the net proceeds from this offering will be held in an escrow account, and our withdrawal of part of the funds from this account will be subject to our ability to generate a requisite amount of receivables and to obtain certifications from an independent engineer regarding the progress of construction. To the extent that we fail to generate a requisite amount of receivables and to obtain such certifications, we will be unable to withdraw funds from these accounts, which would impair our ability to complete construction of Trump Ocean Club.



***We may not be able to generate sufficient cash flows to meet our debt service obligations and operating expenses.***

Our ability to make payments on the Notes, and to fund debt service obligations and operating expenses will depend on our ability to generate future sales and collect on our receivables. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. Our future sales and collections on our receivables may not generate sufficient cash flows and future sources of capital may not be available to us in an amount sufficient to enable us to pay the Notes or to fund our other liquidity needs. We may need to refinance or restructure all or a portion of our financial obligations, including the Notes, at or before final maturity. We may not be able to refinance our financial obligations on commercially reasonable terms, or at all. If we cannot service the Notes or fund our other financial obligations and operating expenses, we may have to take actions such as seeking additional equity or reducing or delaying capital expenditures and investments. We may not be able to effect such actions, if necessary, on commercially reasonable terms, or at all.

***Our substantial indebtedness could affect adversely our financial condition and prevent us from fulfilling our obligations under the Notes.***

As of June 30, 2007, we would have had approximately US\$ 220.0 million of outstanding indebtedness after giving effect to this offering and the application of the net proceeds therefrom. This level of indebtedness could prevent us from fulfilling our obligations under the Notes, since it will limit our ability to borrow additional money or sell stock to fund any increase in our working capital needs and capital expenditures. In addition, our substantial indebtedness may make us more vulnerable to a downturn in our business or the Panamanian or international economy, and may limit our flexibility in planning for, or reacting to, such a downturn.

***The Indenture restricts our financial and operating flexibility.***

The Indenture contains various covenants intended to benefit the interests of the noteholders, including limitations on our ability to incur additional indebtedness, issue certain equity interests, issue or sell capital stock of any future subsidiaries, create liens on assets, or enter into certain transactions with affiliates or related persons. These restrictive covenants could limit our ability to pursue our plan for the development of Trump Ocean Club, restrict our flexibility in planning for, or reacting to, changes in our business and industry and increase our vulnerability to general adverse economic and industry conditions. See "Description of Notes" for more information on the limitations provided for in the Indenture.

***The proceeds of a foreclosure sale of the collateral may not be sufficient to pay all or any portion of the Notes.***

The market value of the real estate collateral securing the Notes is subject to fluctuations based on factors that include, among others, the value of real estate in Panama, the ability to sell the collateral in an orderly sale, general economic conditions, the availability of buyers and other similar factors. The amount to be received upon a sale of the collateral would depend on numerous factors, including but not limited to the actual market value of the collateral at the time of the sale as well as the timing and the manner of the sale. Because the collateral consists primarily of real property, portions of the collateral may be illiquid and may have no readily ascertainable market value. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, we cannot assure you that the proceeds from any sale or liquidation of the collateral will be sufficient to pay all our obligations under the Notes and the Indenture.

Accordingly, there may not be sufficient collateral to pay all of the amounts due on the Notes. Any claim for the difference between the amount, if any, realized by holders of the Notes from the sale of the collateral securing the Notes and our obligations under the Notes will rank equally in right of payment with all of our other unsecured, unsubordinated indebtedness and other obligations, including trade payables.



***Panamanian bankruptcy laws are not as developed as U.S. insolvency and bankruptcy laws and their application may be subject to significant discretion of Panamanian courts.***

Because we conduct substantially all of our business in Panama, Panamanian courts would have jurisdiction in any insolvency proceeding involving us and would apply the laws of the Republic of Panama in any such insolvency proceeding. Panamanian bankruptcy law does not provide for reorganization similar to that provided under Chapter 11 of the U.S. Bankruptcy Code.

Under Panamanian law, in the event we fail to duly pay any of our financial obligations, an affected creditor could request that a Panamanian bankruptcy court declare our bankruptcy. An affected creditor will not be required to prove our insolvency, as is required in other jurisdictions. The bankruptcy court will determine the effective bankruptcy date, which could be set retroactively up to four (4) years in the past. Any payments made or obligations incurred by us after the effective date of bankruptcy may be declared null and void by the bankruptcy court. Upon declaration of bankruptcy or liquidation, all of our existing contractual obligations and liabilities will be immediately deemed enforceable and collectable.

***We may redeem the Notes before the maturity date.***

Under the Indenture, we may, at our option, redeem up to 35% of the Notes with the proceeds of certain sales of our equity or redeem the Notes at any time at a price equal to 100% of the principal amount of the Notes plus a “make-whole” premium. In addition, beginning on the third anniversary of the Closing Date, we may, at our option, redeem the Notes at a price equal to 100% of the outstanding principal amount of the Notes plus a special premium declining over time. We may also redeem the Notes at par in the event of certain changes in law related to withholding taxes. See “Description of Notes – Redemption – Optional Redemption.”

***We may not be able to obtain the funds required to repurchase the Notes upon a change of control.***

Under the Indenture, we are required to offer to purchase the Notes at a price equal to 101% of the aggregate outstanding principal amount of Notes repurchased plus any accrued and unpaid interest to the date of purchase in the event of a change of control. If a change of control were to occur, we might not have sufficient funds available, or may not be able to obtain the funds needed, to pay the purchase price for all of the Notes tendered by holders deciding to accept the purchase offer.

***Investors in our Notes may not receive the same level and type of disclosure that they would receive from public issuers in the U.S.***

We will be required to submit to the CNV information that must be made available to all holders of the Notes, specifically, audited financial statements on an annual basis accompanied by the report of independent accountants and an annual report of our activities and developments, and unaudited financial statements on a quarterly basis along with a quarterly report of our activities and developments. However, Panama’s securities laws governing publicly-traded debt securities impose disclosure requirements that differ from those in the U.S. in certain important respects. As a result, investors in the Notes may not obtain information equivalent to that which is generally available from issuers subject to U.S. securities laws.

***The ratings assigned to the Notes may not accurately reflect the risks and uncertainties of owning the Notes.***

The ratings assigned to the Notes by rating agencies attempt to assess the likelihood that holders of the Notes will receive full and timely payment of all accrued interest and repayment of the principal on the maturity date of the Notes. A rating is not a recommendation to purchase, hold or sell the Notes, and a rating is not an assessment of the marketability of the Notes, any market price of the Notes or the Notes’ suitability for any particular investor. We cannot assure you that any rating of the Notes will not be lowered or withdrawn by the statistical rating agency assigning such rating. If any rating assigned to the Notes is lowered or withdrawn, the market value or liquidity of the Notes may be adversely affected.





## **Other Risks**

We may also be affected by market risks in addition to those risks described in this document, including risks relating to liquidity, interest rates, customer credit, foreign currency and inflation.

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## USE OF PROCEEDS

The net proceeds of this offering will be approximately US\$ 210.6 million, after deducting fees and commissions paid to the initial purchaser and expenses relating to this offering. The following table sets forth the estimated sources and uses of funds in connection with this offering:

<u>Sources</u>	<u>US\$</u> <i>(in millions)</i>	<u>% of Total</u>
Senior Secured Notes.....	US\$ 220.0	100.0 %
 <u>Uses</u>		
Fund Construction Escrow Account.....	US\$ 186.0	84.5 %
Fund Debt Service Reserve Account.....	9.6	4.4
Repay existing bridge loan facility <sup>(1)</sup> .....	15.0	6.8
Transaction fees and expenses .....	9.4	4.3
<b>Total uses .....</b>	<b>US\$ 220.0</b>	<b>100.0 %</b>

(1) Our bridge loan facility is a short-term credit facility with Bear Stearns Commercial Mortgage, Inc. We entered into our bridge loan facility on July 16, 2007. Accordingly, the financial obligations incurred under our bridge loan facility are not reflected in the financial statements included elsewhere in this offering memorandum.



## CAPITALIZATION

The following table sets forth our capitalization (i) as of June 30, 2007, (ii) as adjusted to give effect, as of June 30, 2007, to this offering, the application of the net proceeds therefrom, and the transfer to the Construction Escrow Account of certain amounts on deposit in the HSBC Panama Account and the Bridge Escrow Account. We derived actual amounts as of June 30, 2007 from our unaudited interim financial statements and the accompanying notes thereto, included elsewhere in this offering memorandum. The following table is qualified in its entirety by, and should be read in conjunction with, such financial statements, "Use of Proceeds" and "Management's Discussion and Analysis of Financial Condition and Results of Operation." Except as otherwise disclosed herein, there has been no material change in our capitalization since June 30, 2007.

	As of June 30, 2007			
	Actual		As Adjusted	
	<i>(in millions)</i>			
Cash and escrows:				
Cash and restricted cash <sup>(1)</sup> .....	US\$	39.3	US\$	36.4
Construction escrow account <sup>(2)(3)</sup> .....		—		198.7
Debt service reserve account.....		—		9.6
Total cash and escrows.....		39.3		244.7
Debt:				
Senior Secured Notes.....		—		220.0
Total debt.....		—		220.0
Stockholders' Equity:				
Additional paid-in capital.....		31.2		31.2
Total stockholders' equity.....		31.2		31.2
Total capitalization.....	US\$	31.2	US\$	251.2

- (1) Customer deposits held in the HSBC Panama Account. Restrictions upon the use of these funds for development of the Trump Ocean Club were removed on May 22, 2007, upon compliance with all pre-established conditions.
- (2) Adjusted amount includes cash to be transferred from the HSBC Panama Account and the Bridge Escrow Account into the Construction Escrow Account. Actual amounts transferred on the closing date may increase to the extent required to make amounts on deposit in the Construction Escrow Account exceed the remaining direct construction costs and FF&E by US\$ 15.1 million.
- (3) Includes amounts from the net proceeds of this offering that will be used for construction of Trump Ocean Club, excluding the amount of our estimated first withdrawal from the Construction Escrow Account to pay for direct construction costs in accordance with our construction budget and construction schedule.



## SELECTED HISTORICAL FINANCIAL INFORMATION

We were incorporated on March 28, 2006 and to date have conducted limited operations and obtained limited financial results. Accordingly, we do not believe that the historical financial information included in this offering memorandum is indicative of our future results.

The following table sets forth our selected financial information for the periods indicated. We derived our selected financial information as of December 31, 2006 and for the period from March 28, 2006, our date of incorporation, to December 31, 2006 from our audited financial statements included elsewhere in this offering memorandum. We derived our selected financial information as of and for the six months ended June 30, 2007 from our unaudited interim financial statements included elsewhere in this offering memorandum. The results for the six months ended June 30, 2007 are not necessarily indicative of actual results for the full year. You should read the selected financial information presented below in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Capitalization” and our financial statements and the accompanying notes thereto contained elsewhere in this offering memorandum.

	As of December 31, 2006	As of June 30, 2007
	<i>(in millions)</i>	
<b>Balance Sheet Data</b>		
Assets:		
Cash and restricted cash <sup>(1)</sup> .....	US\$ 24.4	US\$ 39.3
Projects .....	3.5	34.8
Other assets .....	1.8	10.1
Total assets .....	29.7	84.2
Liabilities:		
Customer deposits .....	27.2	45.5
Accounts payable and accrued expenses .....	—	7.2
Accounts payable – related parties .....	—	0.3
Total liabilities .....	27.2	53.0
Stockholders’ equity:		
Additional paid-in capital .....	2.5	31.2
Total stockholders’ equity .....	2.5	31.2
Total liabilities and stockholders’ equity .....	US\$ 29.7	US\$ 84.2

(1) Customer deposits held in the HSBC Panama Account. Restrictions upon the use of these funds for development of the Trump Ocean Club were removed on May 22, 2007, upon compliance with all pre-established conditions.



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### Overview

We are developing Trump Ocean Club as a multi-use luxury tower, overlooking the Pacific Ocean, with luxury condominium residences, a world-class hotel condominium, a limited number of offices, and premier leisure amenities. Trump Ocean Club will be located on the Punta Pacifica Peninsula, one of the most exclusive neighborhoods in Panama City, on approximately 2.8 acres (11,200 square meters) of land, including approximately 295 lineal feet (90 lineal meters) of oceanfront. We are also developing a private beach club for Trump Ocean Club owners and tenants on approximately 0.8 acres (3,100 square meters) of land, including approximately 23 lineal feet (7 lineal meters) of beachfront, on Contadora Island, Panama. Contadora Island is part of the Pearl Islands archipelago in the Gulf of Panama, and is located approximately 45 miles off the Pacific coast of Panama.

Trump Ocean Club is easily accessible from many parts of the world, as Tocumen International Airport, only a twenty-minute drive from the property, receives non-stop flights from large metropolitan centers in Europe, Canada and the United States. Contadora Island is easily accessible from Panama City via a short commercial flight or by boat. Upon completion of Trump Ocean Club we will provide our owners and tenants with boat service from the Trump Ocean Club tower to our private beach club and other destinations.

When fully developed, Trump Ocean Club will have over 900 luxury hotel and residential condominium units, and numerous leisure facilities, including a pool deck, wellness spa, gym, business center, boutique retail, ocean view restaurants, and an ocean deck with access to the first pier facility and yacht club on Punta Pacifica.

CBRE appraised the Trump Ocean Club tower and private beach club and estimates the project's "as is" development value to be US\$ 113.6 million as of September 14, 2007. After giving effect to this offering and Newland's pro forma cash balance, CBRE estimates the market value of the project to be US\$ 362.9 million. A copy of the CBRE appraisal report is attached to this offering memorandum as Annex A.

We broke ground on May 5, 2007 and, through June 30, 2007, have presold approximately 64% of the building's condominium and commercial units, amounting to approximately US\$ 278.7 million or 54% of our estimated gross sellout. We expect to complete and deliver our hotel and residential condominium units by the end of August 2010. As of June 30, 2007, we have invested approximately US\$ 34.8 million in the development of the Trump Ocean Club. Additionally, we have invested US\$ 0.9 million in land acquisition costs under a contract for promise of purchase for the real property where we will develop our private beach club.

### Sales and Revenue Recognition

Given the nature of our business and the related accounting policies under IFRS, sales of our real estate products and the revenues we recognize from those sales are two distinct concepts.

- *Sales.* Sales represent the value of the real estate products that we contract to sell during a given period, regardless of whether those sales are recognized as revenues during that period.
- *Revenues.* Revenues represent the recognition of sales in our financial statements. Sales are generally recognized as revenues in our financial statements when title and risk of loss are transferred to the buyer, and the buyer's final payment has been received. See "Revenue Recognition" in Note 2 to our financial statements included elsewhere in this offering memorandum.

### Sales

We believe that sales are an important measure in analyzing our results of operations. Our sales are principally composed of residential, hotel and commercial units, memberships in our private beach club and other amenities in the Trump Ocean Club.



The following tables set forth our sales by product offering and the number of units sold by product category, in each case, for the periods indicated.

Sales by Product Offering	For the year ended December 31,		For the six months ended June 30,		Cumulative through June 30,	
	2006		2007		2007	
	<i>(in millions)</i>					
<b>Residential condominium units:</b>						
One bedroom units.....	US\$	51.5	US\$	2.1	US\$	53.6
Two bedroom units.....		64.5		6.2		70.7
Three bedroom units.....		31.4		7.1		38.5
Curve units.....		4.8		3.5		8.3
Three bedroom combo units.....		6.2		5.8		11.9
Penthouse units.....		—		—		—
Baylofts.....		—		3.0		3.0
Subtotal.....		158.4		27.8		186.1
<b>Hotel condominium units:</b>						
One bedroom suite units.....		3.4		—		3.4
One bedroom curve units.....		2.1		6.0		8.1
Studio units.....		60.4		8.3		68.7
Subtotal.....		65.9		14.3		80.2
Total residential and hotel units.....		224.3		42.1		266.3
<b>Other products:</b>						
Commercial units.....		—		3.1		3.1
Private beach club memberships.....		8.2		1.2		9.3
Total sellout.....	US\$	232.5	US\$	46.3	US\$	278.7

Units Sold by Product Offering	Total number of units	For the year ended December 31,		For the six months ended June 30,		Cumulative through June 30,	
		2006		2007		2007	
<b>Residential condominium units:</b>							
One bedroom units.....	156	141	5	146			
Two bedroom units.....	200	120	10	130			
Three bedroom units.....	74	47	9	56			
Curve units.....	65	11	7	18			
Three bedroom combo units.....	13	4	3	7			
Penthouse units.....	1	—	—	—			
Baylofts.....	118	—	9	9			
Subtotal.....	627	323	43	366			
<b>Hotel condominium units:</b>							
One bedroom suite units.....	10	8	—	8			
Curve units.....	39	5	13	18			
Studio units.....	320	249	25	274			
Subtotal.....	369	262	38	300			
Total residential and hotel units.....	996	585	81	666			
<b>Other products:</b>							
Commercial units.....	29	—	6	6			
Office lofts.....	20	—	—	—			
Private beach club memberships.....	996	585	81	666			
Total sellout <sup>(1)</sup> .....	1045	585	87	672			

(1) Excludes private beach club memberships.

Our total sales (excluding private beach club memberships) for the period from March 28, 2006, our date of incorporation, through December 31, 2006 amounted to US\$ 224.3 million. Of those total sales, residential condominium unit sales accounted for US\$ 158.4 million, or 71%, and hotel condominium unit sales accounted for

US\$ 65.9 million, or 29%. Our total sales (excluding commercial units) for the six months ended June 30, 2007 amounted to US\$ 42.1 million. Of those sales, residential condominium unit sales accounted for US\$ 27.7 million, or 66%, and hotel condominium unit sales accounted for US\$ 14.3 million, or 34%.

Under our current pricing strategy, we bundle our products into groups which are launched into the market in separate project phases to maximize value. Before launching a new project phase, we analyze market demand for our products during the previous phase. Based on this analysis, we determine the price, type and number of products that will be launched into the market in the following phase. See "Business – Sales and Marketing – Sales." As a result of high market demand for our products in the period from March 28, 2006 to December 31, 2006, we approached our breakeven sales level at a more rapid pace than expected, accordingly, we increased the price of our products and reduced the number of units launched into the market in the six months ended June 30, 2007. The sales pace and pricing realized during the six (6) months ended June 30, 2007 are consistent with our value maximization strategy at this stage of our development.

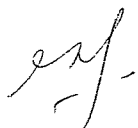
#### *Revenue Recognition*

We generally recognize revenue from the sale of condominium units when all legal documentation is completed, title is delivered to the customer and final payment has been received or financed, which is when risk of loss is substantially transferred to the buyer, and the revenues and costs can be measured reliably. Because of this revenue recognition policy, as of the date of this offering memorandum, we have not recognized any sales as revenue. In addition, costs and expenses attributable to the Project are deferred until the corresponding revenue is recognized. Accordingly, we have not prepared income statements for the year ended December 31, 2006, or for the six months ended June 30, 2007. Based on our construction program, we estimate that we will complete and deliver our finished products, and collect their purchase price in full, in 2010.

#### **Performance Indicators and Industry Trends**

Our management reviews and analyzes several key performance indicators in order to manage our business and assess the quality and potential variability of our sales, revenues and cash flows. These key performance indicators include the following:

- monthly data on actual units sold and the corresponding unit prices as compared to budget;
- monthly data on the actual average sale price per square meter for each unit type as compared with budget;
- number of customer defaults with respect to their scheduled payment of deposits or down payments;
- marketing expenses as a percentage of sales, as an indicator of the effectiveness of our marketing and sales efforts;
- cost performance index, measured as the ratio of the budgeted cost of work performed to the actual cost of work performed;
- schedule performance index, measured as the ratio of the budgeted amount of work performed to the budgeted amount of work scheduled;
- cost variance, measured as the difference between the budgeted cost of work performed and the actual cost of work performed;
- schedule variance, measured as the difference between the budgeted amount of work performed and the budgeted amount of work scheduled; and
- monthly data on actual indirect and administrative costs as compared to budget.



In addition, the development of the Project and related sales of real estate products are affected by various factors including principally the following:

- payment and financing terms that are available to our customers to purchase our products; and
- our financing costs (after deducting the return on our permitted investments) and debt service obligations.

Our revenues and profitability are sensitive to major trends and uncertainties specific to our business as well as those relating to the luxury real estate industry in general. In particular, we believe that our business may be affected by:

- delays or unexpected casualties in construction;
- the effectiveness of our marketing and sales programs;
- Panamanian and international economic conditions; and
- the cost of compliance with governmental regulations.

These factors might have an impact on our sales and revenue and might also influence our business and financial condition in the future.

### **Critical Accounting Policies**

#### *Basis of Presentation*

This “Management’s Discussion and Analysis of Financial Condition and Results of Operations” is based on our financial statements, which have been prepared in accordance with IFRS. Our financial statements were prepared on a historical cost basis and expressed in U.S. Dollars. The preparation of our financial statements in conformity with IFRS requires that our management make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities. Although these estimates are based on the best information available to our management, actual results may ultimately differ from those estimates.

We believe the following accounting policies are the most important to the presentation of our financial condition and results of operations.

#### *Projects*

We measure projects under construction at cost less impairment losses, if necessary. Costs that are not directly attributable to projects are expensed when incurred. Costs directly attributable to projects include, personnel expenses, construction materials and transportation costs. We register a loss on projects under construction when it is likely that the total cost of completing a product will exceed the total revenues that will be generated by the sale of the product.

#### *Revenue Recognition*

We generally recognize revenue from the sale of condominium units when all legal documentation is completed, title is delivered to the customer and final payment has been received or financed, which is when risk of loss is substantially transferred to the buyer, and the revenues and costs can be measured reliably. No revenue has been recognized from the sale of condominium units from March 28, 2006, our date of incorporation, through June 30, 2007.





### *Restricted Cash*

Restricted cash represents the down payments received on the sale of our real estate products and held in escrow in the HSBC Panama Account. Under the escrow agreement that we entered into with HSBC Investment Corporation (Panama), for the establishment of the HSBC Panama Account, restricted cash can only be used for the development of the Trump Ocean Club project when certain conditions are met, including, obtaining certain licenses, legal permits, a financing commitment for the construction of the project, and achieving a certain level of sales. On May 22, 2007, we met the conditions necessary to use customer deposits for our development activities.

### *Customer Deposits*

Customer deposits represent the total amount received from clients as deposits for the future purchase of units at Trump Ocean Club.

### *Commission Expenses*

Under our current accounting policies, costs and expenses attributable to Trump Ocean Club are deferred until the corresponding revenue is recognized. Accordingly, commissions earned by third party brokerage firms in connection with the sale of our real estate products are initially capitalized as deferred commissions and subsequently charged to expense in the period in which the related sale is recognized as revenue. See “—Sales and Revenue Recognition—Revenue Recognition”. Amounts earned by third party brokerage firms but not yet paid are reflected as a commissions payable liability on our balance sheet.

## **Results of Operations**

### *Six Months Ended June 30, 2007*

On May 11, 2007, our stockholders contributed the land where we are developing the Trump Ocean Club tower into Newland in a transaction valued at US\$ 25.0 million. In addition, our stockholders made additional contributions to Newland amounting to US\$ 3.8 million. These contributions increased our total stockholders' equity from approximately US\$ 2.5 million in the beginning of the period to approximately US\$ 31.2 million as of June 30, 2007. During this period, we also received additional customer deposits, with respect to future purchases of real estate products amounting to US\$ 18.3 million, of which US\$ 14.8 million was retained as restricted cash and held in escrow in the HSBC Panama Account. As of June 30, 2007, amounts on deposit in the HSBC Panama Account amount to US\$ 39.3 million. Unrestricted customer deposits, and the cash contributions from our stockholders, were mainly used to fund construction of Trump Ocean Club. As of June 30, 2007, we had invested US\$ 34.8 million in the development of the Trump Ocean Club, including US\$ 25.0 million in land acquisition costs, US\$ 1.0 million in direct construction costs, US\$ 3.8 million in project overhead and US\$ 4.9 million in administrative and sales expenses. Additionally, we have invested US\$ 0.9 million in land acquisition costs under a contract for promise of purchase for the real property where we will develop our private beach club. Additionally, during the six month period ended June 30, 2007, we paid US\$ 1.2 million in license fees and royalties in connection with our use of the Trump brand name. As of June 30, 2007 deferred commissions related to our real estate agents and brokerage firms amounted to US\$ 8.0 million, of which US\$ 7.2 million were registered as commissions payable. We paid off these liabilities in August 2007.

### *Year ended December 31, 2006*

We were incorporated on March 28, 2006 for the purpose of developing the Trump Ocean Club International Hotel & Tower in Panama City, Panama. In the year ended December 31, 2006, cash contributions from stockholders amounted to US\$ 2.5 million and the total amount received from clients as deposits for the future purchase of real estate products amounted to US\$ 27.2 million, including US\$ 24.4 million retained as restricted cash and held in escrow in the HSBC Panama Account. In 2006, US\$ 3.5 million from our customer deposits and stockholder contributions was invested in the development of our project, and US\$ 0.9 million was paid to Roger Khaffif in connection with the purchase of a real estate property in Contadora Island, Panama, where we intend to



develop our private beach club. We also paid approximately US\$ 0.9 million in sales commissions to our real estate agents and brokerage firms.

## **Outlook**

We broke ground on the construction of the Trump Ocean Club on May 5, 2007, and commenced our sales activities during the first quarter of 2006. Through June 30, 2007, we have presold approximately 64% of the building's units, amounting to approximately US\$ 278.7 million or 54% of our estimated gross sellout. Assuming the Panamanian and international economic environments remain stable, we believe that our total available inventory will be sold by 2010. See "Business – Marketing and Sales – Sales."

As a result of the foregoing and our revenue and cost recognition policies, we expect that all of our revenues and expenses from the sale of real estate products will be recognized in 2010. Upon completion and delivery of our units, our customer deposits liability will be satisfied and all receivables related to real estate sales are expected to be collected. Additionally, subsequent to completion of the building, we expect to recognize recurring revenue from the operation of Trump Ocean Club's international casino, luxury hotel, restaurants, wellness spa, private beach club and yacht club.

## **Liquidity and Capital Resources**

As of the date of this offering, the primary use of our liquidity has been to fund construction of the project (mainly, foundations and earthworks), commissions to brokers, advertising expenses, legal and design fees and other project related soft costs.

Through May 22, 2007, our principal source of liquidity was equity contributions from our stockholders in the amount of US\$ 6.2 million and unrestricted customer deposits in the amount of US\$ 2.8 million. Our customers are required, under their respective unit purchase agreements, to make a series of up to four down payments, aggregating 30% of the purchase price of each acquired residential or hotel condominium unit, or 50% of the purchase price of each acquired commercial unit, prior to completion of Trump Ocean Club. Customers must pay the balance of the purchase price upon completion of and transfer of title to the acquired unit. Until May 22, 2007, most of our customer deposits were restricted deposits held in escrow on the HSBC Panama Account. Those restrictions were released on May 22, 2007, upon compliance with all pre-established conditions, including the ground breaking of the Project on May 5, 2007. Accordingly, for the period from May 22, 2007 to June 30, 2007, our main source of liquidity has been the use of customers deposits held in the HSBC Panama Account, under the terms and conditions of our escrow agreement with HSBC Investment Corporation (Panama), S.A. In addition, on July 16, 2007, we entered into a bridge loan facility with Bear Stearns Commercial Mortgage, Inc. to assure us the ability to fund a portion of the construction costs associated with Trump Ocean Club.

We expect that if current market conditions prevail, cash flows from the sale of our products, the proceeds of this offering and available cash on hand will be sufficient to fund our operating needs, debt service obligations, working capital requirements and capital expenditures for construction and completion of the Trump Ocean Club.



## Contractual Commitments

The following table summarizes our contractual obligations as of June 30, 2007.

	Total Contract Value	Payments Due by Period	
		Through December 31, 2007	For the three years ending December 31, 2010
		<i>(in millions)</i>	
Construction contract (Opcorp)....	US\$ 228.3	US\$ 27.0	US\$ 201.3
License agreement (Trump) <sup>(1)</sup> .....	75.4	1.2	74.2
Plans and Specifications Purchase Agreement (Upper Deck).....	9.1	4.4	4.7
Total .....	US\$ 312.8	US\$ 32.6	US\$ 280.2

(1) Under the Trump License agreement, we are required to pay variable license fees and royalties to Trump Marks Panama. Accordingly, the values provided above are based on our current projections and actual values for the periods indicated can be expected to vary from our current estimates.

In addition to the obligations set forth above, we have assumed construction obligations under the unit purchase agreements related to the sale of real estate products to our customers prior to the date of this offering memorandum.

## Off-Balance Sheet Transactions

As part of our ongoing business, we do not participate in transactions that generate relationships with unconsolidated entities or financial partnerships established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes, such as entities often referred to as structured finance or special purpose entities.

## Quantitative and Qualitative Disclosures about Market Risk

We are exposed to a variety of risks. The most important of these risks are market risks and credit risk.

### *Market Risk*

We are subject to real estate market risk, which is comprised of real estate investment and real estate construction risk originating from changes in real estate market prices and drivers of the real estate development process, respectively.

### *Credit Risk*

We are exposed to credit risk from our various customers that purchase condominium units of the Project. Management requires certain level of deposits from such customers in order to secure the sale of a specific condominium unit. Our cash and restricted cash is also exposed to credit risk, which arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Management deposits its cash and restricted cash in reputable international financial institutions in order to mitigate credit risk.

## BUSINESS

### Overview of Trump Ocean Club

We are a real estate development company established to develop the “Trump Ocean Club International Hotel & Tower” in Panama City, Panama. Trump Ocean Club is being developed as a multi-use luxury tower, overlooking the Pacific Ocean, with luxury condominium residences, a world-class hotel condominium, a limited number of offices and premier leisure amenities. Trump Ocean Club will be located on the Punta Pacifica Peninsula, one of the most exclusive neighborhoods in Panama City, on approximately 2.8 acres (11,200 square meters) of land, including approximately 295 lineal feet (90 lineal meters) of oceanfront. When fully developed, Trump Ocean Club is expected to have 69 floors of construction, three of which are technical floors dedicated to critical machinery, and to include, among other things, the following amenities:

- 627 luxury residential condominium units, including one, two and three bedroom units;
- 369 world-class hotel condominium units, including fully furnished studio style rooms and suites;
- private beach club on the island of Contadora, Panama;
- international casino;
- pier facility and yacht club;
- pool deck;
- 29 boutique shops;
- 20 office lofts;
- restaurants;
- business center;
- wellness spa; and
- 1451 parking spaces.

Given the international prestige and name recognition associated with the Trump brand name and the breadth of our product offerings, we believe Trump Ocean Club will be a unique development not only in Panama, but also in the Central American and Caribbean regions.

We broke ground on May 5, 2007 and, through June 30, 2007, have presold approximately 64% of the building’s condominium and commercial units, amounting to approximately US\$ 278.7 million or 54% of our estimated gross sellout. We expect to complete and deliver our hotel and residential condominium units by the end of August 2010. As of June 30, 2007, we have invested approximately US\$ 34.8 million in the development of the Trump Ocean Club. Additionally, we have invested US\$ 0.9 million in land acquisition costs under a contract for promise of purchase for the real property where we will develop our private beach club.

CB Richard Ellis, Inc., or CBRE, a leading commercial real estate services firm, has appraised the Trump Ocean Club tower and private beach club and estimates the project’s “as is” development value to be US\$ 113.6 million as of September 14, 2007. After giving effect to this offering and Newland’s pro forma cash balance, CBRE estimates the market value of the project to be US\$ 362.9 million. A copy of the CBRE appraisal report is attached to this offering memorandum as Annex A.



## **Financing of Trump Ocean Club**

The total cost to complete Trump Ocean Club is estimated to be approximately US\$ 227.1 million, including US\$ 25.9 million in land acquisition costs, US\$ 173.0 million in direct construction costs, and US\$ 28.2 million in furniture, fixtures and equipment, or FF&E, but excluding project overhead, selling and administrative expenses and financial costs. See “Annex C—Financial Projections—Business Assumptions—Construction Costs.”

As of June 30, 2007, we have invested approximately US\$ 25.9 million in land acquisition costs and US\$ 1.0 million in direct construction costs for the development of Trump Ocean Club. Between June 30, 2007 and the closing date of this offering we anticipate to incur, and use a portion of our customer down payments to pay for, an additional US\$ 14.7 million in direct construction costs. Accordingly, on the closing date of this offering, we estimate the remaining cost to complete Trump Ocean Club will be approximately US\$ 185.5 million.

We estimate that the net proceeds from this offering will be approximately US\$ 210.6 million. Of the total net proceeds, we will use US\$ 15.0 million to repay outstanding amounts on our existing bridge loan facility, approximately US\$ 9.6 million to make our initial deposit in the Debt Service Reserve Account established under the Indenture, and US\$ 186.0 million to fund the Construction Escrow Account to be used for the construction of Trump Ocean Club. For additional information regarding the use of the proceeds of the Notes, see “Use of Proceeds”.

Through June 30, 2007 we have presold approximately 64% of our building’s units by entering into unit purchase agreements with our customers. Under these unit purchase agreements, prior to completion of construction of the related real property, our customers are required to make down payments directly into an account established at HSBC Investment Corporation (Panama) S.A., or HSBC Panama Account. Restrictions upon the use of these funds for development of the Trump Ocean Club were removed on May 22, 2007, upon compliance with all pre-established conditions. We estimate that on the closing date of this offering, there will be approximately US\$ 23.7 million on deposit in the HSBC Panama Account.

On July 16, 2007, we entered into a bridge loan facility with Bear Stearns Commercial Mortgage, Inc. to assure us the ability to fund a portion of the construction costs associated with Trump Ocean Club. We deposited funds disbursed under the bridge loan facility into an escrow account established with KeyBank Real Estate Capital, or Bridge Escrow Account. We estimate that on the closing date of this offering, there will be approximately US\$ 11.7 million on deposit in the Bridge Escrow Account. On the closing date of this offering, we will repay all outstanding amounts on the bridge loan facility and will gain access to the amounts held in the Bridge Escrow Account.

On the closing date of this offering, we will transfer, to the Construction Escrow Account, US\$ 11.7 million from the Bridge Escrow Account and a sufficient amount from the HSBC Panama Account to cause the amounts on deposit in the Construction Escrow Account to exceed the estimated remaining direct construction costs and FF&E by US\$ 15.1 million.

Our ability to withdraw funds from the Construction Escrow Account to fund the construction costs of Trump Ocean Club is subject to, among other requirements, receiving required certifications from the independent engineer regarding the progress of construction. See “Description of Notes—Construction Escrow Account.”

We expect that our selling and administrative expenses, project overhead, and financial costs, will be covered with cash on hand and collections from our customers under our unit purchase agreements. See “Annex C—Financial Projections”.

## **Ownership of Trump Ocean Club**

Trump Ocean Club is being developed by Newland, which is controlled by Ocean Point Development Corp., a Panamanian holding company, or Ocean. Ocean is controlled, directly and indirectly, by Roger Khafif, Arias Serna y Saravia S.A., or Arias Serna & Saravia, and Espacios Urbanos S.A., or Espacios Urbanos.

Roger Khafif owns interests in several companies in Panama with operations in diversified industries, including Kedco Fashion Corp. and Rafkas Imp/Exp, two companies in Panama's Colon Free Zone. In addition, Mr. Khafif owns interests in several real estate projects in Panama, including the development of two beach resorts, the Coronado Country Club Resort outside Panama City and the Emerald Bay resort in Contadora Island, Panama. Arias Serna & Saravia is an architectural and engineering firm headquartered in Colombia with wide-ranging experience in the real estate business. Espacios Urbanos is a real estate brokerage firm headquartered in Colombia and dedicated to the sale and marketing of residential, commercial and industrial properties. Neither Roger Khafif, Arias Serna & Saravia nor Espacios Urbanos owns an interest in any company which may compete with Trump Ocean Club. See "Business – Project Sponsor and Key Strategic Partners."

## **Market Dynamics**

The real estate market in Panama has experienced high growth rates over the last 5 years, as a result of Panama's economic and political stability, low cost of living, attractive weather, convenient location, the use of the U.S. dollar as legal tender and the widespread availability of long-term mortgage financing to local and foreign borrowers. These conditions have made Panama an increasingly attractive retirement destination for U.S. and Canadian baby boomers. In addition, Panama's Spanish-speaking culture has drawn an increasing number of residents from Spain and other Latin American countries. As a result of these trends, Trump Ocean Club primarily targets affluent U.S., Canadian, Spanish and Latin American individuals who consider purchasing real estate in Panama or the Central American and Caribbean regions. Trump Ocean Club's luxurious design and amenities have also attracted customers in the local market due to the limited offering of this type of products in Panama.

## **Our Strengths**

***Unique products with strong customer appeal.*** We believe Trump Ocean Club offers unique products in the market in which it competes, since its luxurious residential units and world-class hotel condominiums are complemented by amenities such as an international casino, a private beach club, the only 24-hour yacht club in Panama City and other premier leisure services. In addition, Trump Ocean Club benefits from its location at the heart of a large urban center, Panama City. As of the date of this offering memorandum, we believe that Trump Ocean Club is the only luxury complex in Panama that will offer this combination of amenities to its customers. Our historical sales data reflects the strong customer appeal of our products. As of June 30, 2007, 64% of our units have been presold for US\$ 278.7 million or 54% of our estimated gross sellout.

***Diverse customer base and strong sales contracts.*** As of June 30, 2007, over 85% of our customers reside outside of Panama, including approximately 41% in the United States, 8% in Canada, 11% in Venezuela, 9% in Colombia and 16% in other countries. In addition, the unit purchase agreements executed by our customers include provisions that protect the economics of our project: (i) the obligation of our customers to make aggregate down payments of at least 30%, (ii) a restriction on unit re-sales without our express written consent, (iii) the obligation to pay a commission with respect to any re-sales equivalent to between 3% and 8% on the final re-sale price, (iv) Newland's right to increase the purchase price of any unit by up to 6% of the contract price, (v) the absence of any contractual penalties for the delayed delivery of our units, (vi) our ability to demand specific performance of the unit purchase agreements from our customers, and (vii) customer's forfeiture of any amounts paid under a unit purchase agreement in the event of a breach of contract, including a payment default or breach of the resale restrictions.

***Attractive economics and future recurring revenue sources.*** We estimate the total completion cost of Trump Ocean Club to be approximately US\$ 268.9 million, excluding sales and administrative expenses and financial costs. We estimate the gross cash sellout from our residential, hotel and commercial units and private beach club memberships to be approximately US\$ 512.3 million. In addition, upon completion of Trump Ocean Club, we expect to generate recurring revenue from the operations of our casino, hotel, restaurants, spa, private beach club and yacht club.

***Premier brand.*** We benefit from the international prestige and name recognition associated with the Trump brand name in the real estate and hospitality industries. We believe that our use of the Trump name facilitates the branding of Trump Ocean Club as an exclusive, luxurious and high quality tower, which will enhance the marketing and sale of our real estate products to affluent individuals in the United States, Canada, Europe and Latin America. See "Business—Principal Project Agreements—License Agreement."

***Experienced sponsors and management team.*** Our sponsors have wide-ranging experience in the successful execution of real estate projects in Latin America. In particular, Arias Serna & Saravia has more than 26 years of experience in the development and construction of luxury hotels and other real estate projects, and Espacios Urbanos has more than 20 years of experience in the sale and marketing of real estate products.

***Tax Benefits.*** Upon completion of this offering, and once we enter into a hotel management agreement with a hotel operator, we will be eligible to register with the Panamanian Institute of Tourism. This registration will entitle us to benefit from certain tax incentives with respect to the hotel component of Trump Ocean Club, including exemptions from import duties on construction materials and equipment and property transfer taxes. These exemptions will allow us to develop Trump Ocean Club and sell our hotel condominium units with significant cost reductions. However, we have not included these tax incentives in the assumptions underlying our financial model.

## **The Development Site**

### *Trump Ocean Club Tower*

We are developing the Trump Ocean Club tower on approximately 2.8 acres (11,200 square meters) of land, including approximately 295 lineal feet (90 lineal meters) of oceanfront, in the Punta Pacifica neighborhood of Panama City, Panama. Punta Pacifica is an exclusive residential area that has experienced rapid development over the last five years. Trump Ocean Club is conveniently located at Colon Street, next to one of the exits of the Corridor Sur toll road, the highway connecting Panama City to the Tocumen International Airport. Due to rapid real estate development at Punta Pacifica, there is moderate traffic congestion in the area. In response to these traffic conditions, we are looking for ways to offer our owners and tenants additional access to the property through our waterfront.

Prior to 2000, the Punta Pacifica neighborhood where the project is located was occupied by the old Paitilla Airport and a shallow marine area of Panama Bay. As such, this area of Panama City was sparsely populated and largely uninhabitable. In 2000, the Panamanian government granted ICA Panama, S.A. a concession to construct and operate the Corredor Sur toll road, as well as the right to create approximately 35 hectares (86 acres) of new land for development and commercialization by filling a shallow marine area of Panama Bay, adjacent to the proposed Corredor Sur toll road and old Paitilla Airport. This area developed into the current Punta Pacifica neighborhood.

### *Private Beach Club*

We are developing our private beach club on approximately 0.76 acres (3,100 square meters) of land on Contadora Island, Panama. Contadora Island is part of the Pearl Islands archipelago in the Gulf of Panama, and is located approximately 45 miles off the pacific coast of Panama. Contadora Island is easily accessible from Panama City via a short commercial flight or by boat. Upon completion of Trump Ocean Club we will provide our owners and tenants with daily ferry service between the Trump Ocean Club tower and our private beach club.

## **Design of Trump Ocean Club**

We acquired the basic scheme and preliminary architectural project for Trump Ocean Club from Upper Deck Properties, S.A., or Upper Deck, our affiliate, in 2006. This basic scheme and preliminary architectural project was originally prepared by Arias Serna & Saravia, our affiliate, and includes the basic mechanical and structural designs for the project and its architectural details and specifications.

When fully developed, the Trump Ocean Club tower is expected to have 69 floors of construction, three of which are technical floors dedicated to critical machinery, and to house substantially all of our amenities (except for our private beach club, pier facility and yacht club) under a single structure. We have designed the Trump Ocean Club tower and our condominium units to take advantage of our oceanfront location and minimize the impact of any surrounding buildings. Accordingly, Trump Ocean Club will have direct access to the oceanfront and almost all condominium units are designed to have ocean views.



The Trump Ocean Club will include a 55-story main tower, three stories of which are technical floors dedicated to critical machinery, developed over a 14-story base building. Our bayloft residential condominium units will be located on the base building and will have a direct view of the ocean. The base building will also include hotel lobbies, boutique retail, ocean view restaurants, an outdoor swimming pool, gardens, as well as common and service areas. In addition, the seaside of our base building will include an ocean terrace with access to our pier facility and yacht club.

The Trump Ocean Club main tower will include hotel and residential condominium units. Our 369 hotel condominium units will be located on the back wings of the main tower, between the 16<sup>th</sup> and 35<sup>th</sup> floors. Of our 627 residential condominium units, 519 units will be located in the remaining sections of the main tower and 118 units will be located in the front area of our base building. To facilitate the adequate and safe transit of customers and visitors between different areas of Trump Ocean Club, our design includes approximately 36 elevators, 10 emergency staircases, and a number of escalators and moving walkways.










# THE TRUMP OCEAN CLUB







SECTION PLAN USES

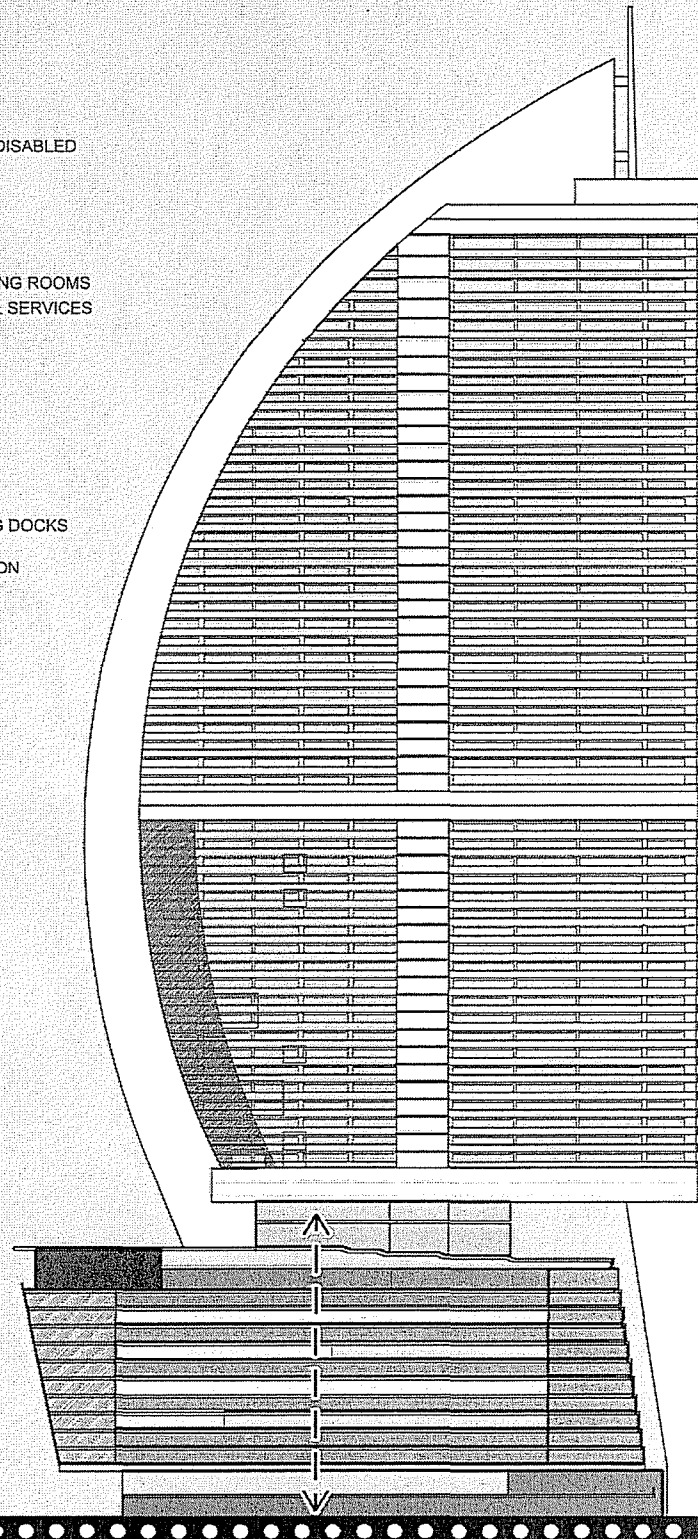
## CONVENTIONS

-  CONDO / CONDO
-  BAYLOFT
-  CONDO HOTEL STUDIOS
-  CONDO HOTEL SUITE ON CURVE
-  CONDO HOTEL DELUXE STUDIOS
-  CONDO HOTEL STUDIO DISABLED
-  CONDO HOTEL SUITE ON CURVE DISABLED

-  SKY LOBBY
-  OCEAN CLUB / POOL DECK
-  SPA / GYM
-  BALL ROOM/PREFUNCTION/MEETING ROOMS
-  BACK OF HOUSE / PRIVATE HOTEL SERVICES

-  PRIVATE PARKING
-  PUBLIC PARKING
-  HOTEL PARKING

-  OFICINAS / OFFICES
-  COMERCIO / BOUTIQUE AND MALL
-  CASINO / CASINO
-  RECEIVING/PURCHASING/LOADING DOCKS
-  SKYLOBBY ELEVATORS CONNECTION
- 



- LOSA 6600T
- RPH TOP FLOOR
- LOSA 6500
- LOSA 6400
- LOSA 6300
- LOSA 6200
- LOSA 6100
- LOSA 6000
- LOSA 5900
- LOSA 5800
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- LOSA 800
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- LOSA 600
- LOSA 500
- LOSA 400
- LOSA 300
- LOSA 200
- LOSA 100
- LOSA 000 / GROUND FLOOR
- BASEMENT FLOOR



**ARIAS  
SERNA  
SARAVIA**  
ARQUITECTURA DE VIDA

*esf.*

Our residential condominium units, excluding the penthouse, will range in size from 540 square feet (50 square meters) to 4,250 square feet (400 square meters), and our hotel condominium units will range in size from 540 square feet (50 square meters) to 1,080 square feet (100 square meters).

Below we provide a more detailed description of the composition of Trump Ocean Club:

- *Basement Level.* Technical rooms, parking, valet parking lobby, cleaning, loading docks and storage.
- *Street Level – 000.* Vehicle access, access plaza, main lobbies, commercial units, restrooms, terraces, restaurants and casino lobby.
- *Slab Level – 100.* Casino, commercial units, terraces, restaurants and restrooms.
- *Slab Levels – 200 to 1100.* Commercial units, 110 residential bayloft units, terraces, vehicle and pedestrian circulation, technical areas and parking.
- *Slab Level – 1200.* 8 residential bayloft units, ballroom, foyer, business center and service area.
- *Slab Level – 1300 Gym and Spa.* Wellness spa, gym, retail space, locker rooms, pool deck access and technical areas.
- *Slab Level – 1400 Pool Deck.* Pool deck, pools, terraces, pool bar, outdoor bar, outdoor restaurant areas and gardens.
- *Slab Level – 1500 Sky Lobby.* Hotel access lobby, cocktail lounge, bar lounge, back office, area for general circulation and complementary services.
- *Slab Level – 15T Technical Areas.*
- *Slab Level – 1600 to 3500.* 369 hotel condominium units and 120 residential condominium units.
- *Slab Level – 35T Technical Areas*
- *Slab Level 3600 to 6600.* 389 residential condominium units.
- *Slab Level – 66T Technical Areas*

The design and construction approval process in Panama City, Panama is a three-stage process. Before commencing the formal process, municipal authorities must approve a general set of architectural plans and drawings for the project. Our general plans and drawings were approved in November 2006. The first stage of the formal process involves the approval of plans and specifications for foundations and pile work. We completed this first stage on May 4, 2007. The second stage of the process involves the approval of the general architectural, structural and technical plans for the platform. We filed our application for the second stage with the municipal authorities on June 29, 2007 and received approval of the drawings on October 2, 2007. The third stage of the process involves the approval of the general architectural, structural and technical plans for the tower. We are currently preparing these set of plans and specifications and estimate that we will file our application with the municipal authorities in November 2007 and will obtain all necessary licenses and permits before February 2008, in compliance with our construction program.

### **Construction of Trump Ocean Club**

In February 2007, we retained CYASA S.A., or CYASA, a Panamanian company, to perform the initial earthworks for the project and commenced development activities at the Trump Ocean Club site. CYASA



completed the initial earthworks in May 2007 and excavated approximately 45,000 cubic meters (1.6 million cubic feet) of earth or approximately four meters (13.1 feet) deep on 95% of the total area of the site.

The Trump Ocean Club tower has a total height of over 260 meters (853 feet) and includes a built-on area of approximately 260,000 square meters (2.8 million square feet), excluding the pier facility and yacht club and our private beach club. In February 2007, we retained Galante Geo Panama S.A. to perform pile works for the project and commenced construction of the Trump Ocean Club tower. Galante Geo Panama is a consortium formed by R. y A. Galante Herrera, Ltda. and Geofundaciones S.A., the two largest piling contracting companies in Colombia. Galante Geo Panama commenced boring activities for the first concrete pile on May 6, 2007. Piling works will include the installation of 277 piles, which we estimate will be completed in December 2007. As of the date of this offering memorandum, 137 piles have been built and are all located in the area of the building's main vertical structures, thus guaranteeing that the critical construction path of the vertical structure will not be affected by the duration of piling works.

In October 2007, we commenced the installation of concrete headers on the piles. Although the installation of the headers overlaps with pile work activities, this overlap allows us to leave the piles that are not a part of the Trump Ocean Club main tower outside of our critical construction path.

We anticipate construction of the concrete structure for the Trump Ocean Club tower to commence in November 2007. Our general contractor has retained Diaz y Guardia to build this structure. Diaz y Guardia S.A., or Diaz y Guardia is a leading construction firm in Panama, with approximately 54 years of experience in the Panamanian construction industry.

The timely availability of critical materials and supplies for the project is a key factor in the success of the project. Concrete, labor, and steel are, in that order, the three most important inputs in the construction process. To ensure a timely supply of concrete, we are negotiating two separate supply agreements with the two leading concrete suppliers in Panama: Cemento Bayano, S.A. and Cementos Panama, S.A. We expect each of these companies to supply 50% of the total volume of concrete required to develop the Trump Ocean Club tower, equivalent to approximately 110,000 cubic meters (3,880,000 cubic feet) of concrete. The execution of these two separate supply agreements will minimize the risk associated with a delay or gap in concrete supply.

With respect to furniture, fixtures and equipment, we expect to commence the request of quotes, evaluation of subcontractors and award of contracts in January 2008. These contracts will cover hydraulic, sanitary and electrical systems, air conditioning, fire protection, security and control systems, elevators, escalators, fenestration, exterior wall cladding and internal finishes.

## **Real Estate Products and Distribution**

All residential and hotel condominium units will be finished with marble floors, granite countertops in kitchen and bathrooms, imported fixtures and faucets, air conditioning and kitchen appliances. The price per square meter that we charge for our hotel and residential condominium units varies according to floor level and type of view of each unit. Below we provide additional information on the sales price and principal characteristics of our products:

- *Residential Condominium Units.* There are seven main types of residential condominium units at Trump Ocean Club:

*One bedroom units:* We are developing approximately 156 one bedroom units, with an average size of approximately 1,054 square feet ( 98 square meters). Our one bedroom units will include a dining/living room area, kitchen, terrace, one bedroom and 1.5 bathrooms. The launch price per square meter for this type of unit was US\$ 2,800, and the base price per square meter for our current inventory is approximately US\$ 4,842.

*Two bedroom units:* We are developing approximately 200 two bedroom units with an average size of approximately 1,646 square feet (153 square meters). Our two bedroom units will include a



dining/living room area, kitchen, terrace, two bedrooms and 2.5 bathrooms. The launch price per square meter for this type of unit was US\$ 2,800, and the base price per square meter for our current inventory is approximately US\$ 4,842.

*Three bedroom units:* We are developing approximately 74 three bedroom units with an average size of approximately 1,969 square feet (183 square meters). Our three bedroom units will include a dining/living room area, kitchen, terrace, three bedrooms and 2.5 bathrooms. The launch price per square meter for this type of unit was US\$ 2,800, and the base price per square meter for our current inventory is approximately US\$ 4,842.

*Curve units:* We are developing approximately 65 curve units with an average size of approximately 1,463 square feet (136 square meters). Curve units are located on the wing endings of our main tower and are specially designed to take advantage of double balconies with views both to the Pacific Ocean and Panama Bay. Curve units include both one bedroom and two bedroom units. The launch price per square meter for this type of unit was US\$ 2,800, and the base price per square meter for our current inventory is approximately US\$ 4,842.

*Three bedroom combo units:* We are developing approximately 13 three bedroom combo units with an average size of approximately 4,250 square feet (395 square meters). Our combo units will include an oversized living room area, kitchen, three bedrooms, family room, terrace and four bathrooms. The launch price per square meter for this type of unit was US\$ 2,800, and the base price per square meter for our current inventory is approximately US\$ 4,842.

*Penthouse:* We are developing one penthouse with a size of approximately 14,806 square feet (1,376 square meters). The penthouse is designed as a full floor unit, with a flexible custom-fit layout to be arranged by the purchaser. Located on the upper floor of the building, the penthouse will have 360-degree ocean and bay views. The purchaser may also divide the penthouse into three separate condominium units according to its particular needs. The launch price per square meter for the penthouse was US\$ 2,800 and the and the current base price per square meter is approximately US\$ 4,842.

*Baylofts:* We are developing approximately 118 baylofts, located on the first 12 floors of our base building. Baylofts will have direct ocean views and are sold to clients fully furnished. Accordingly, they are considered “premium” units. Our baylofts range in size from 603 square feet (56 square meters) to 1,721 square feet (160 square meters). The launch price per square meter for this type of unit was US\$ 4,700, and the base price per square meter for our current inventory is approximately US\$ 5,700.

- *Hotel Condominium Units.* There are three main types of hotel condominium units at Trump Ocean Club:

*Studio-style units:* We are developing approximately 320 studio-style units, with an average size of approximately 527 square feet ( 49 square meters). Our studio-style units will include a five fixture bathroom, minibar, refrigerator, microwave oven and balcony. The launch price per square meter for this type of unit was US\$ 4,380 and the base price per square meter for our current inventory is approximately US\$ 7,467.

*One bedroom suite units:* We are developing approximately 10 one bedroom suite units, with an average size of approximately 1,108 square feet (103 square meters). Our one bedroom suite units will include a dining/living room area, kitchen, terrace, one bedroom and a five fixture bathroom. The launch price per square meter for this type of unit was US\$ 4,380, and the base price per square meter for our current inventory is approximately US\$ 7,467.

*Curve units:* We are developing approximately 39 curve units with an average size of 818 square feet (76 square meters). Curve units will include a five fixture bathroom, minibar/refrigerator, microwave



oven and one or two balconies. Approximately 31 curve units have a one bedroom suite layout and approximately 8 curve units have a studio-style layout. The launch price per square meter for this type of unit was US\$ 4,380, and the base price per square meter for our current inventory is approximately US\$ 7,467.

- *Memberships.* We presell our real estate products by entering into unit purchase agreements with our customers. Under these purchase agreements, our customers are required to purchase a membership in our private beach club when they acquire a hotel or residential condominium unit. The table below sets forth the purchase price of our private beach club memberships, based on the number of bedrooms included in the purchased unit:

<u>Product offering</u>	<u>Sales Price of Membership</u>
<i>Residential condominium units:</i>	
One bedroom units.....	US\$ 10,000
Two bedroom units.....	US\$ 14,000
Three bedroom units.....	US\$ 18,000
Curve units.....	US\$ 10,000
Baylofts.....	US\$ 14,000
Three bedroom combo unit.....	US\$ 18,000
Penthouse.....	US\$ 18,000
<i>Hotel condominium units:</i>	
Studio units.....	US\$ 15,000
One bedroom suite units.....	US\$ 25,000
Curve units.....	US\$ 25,000

- *Commercial Units.* We are developing 29 commercial units on the first floor of our base building, which will be strategically located in the area connecting the main lobby with the pier facility and yacht club. Our commercial units range in size from 323 square feet (30 square meters) to 2,464 square feet (229 square meters). The launch price and current base price per square meter for this type of unit is approximately US\$ 9,000.
- *Office Lofts.* We are developing 20 office lofts located on the second through fifth floors of our base building. Office lofts will face the access plaza and will have an independent lobby entrance conveniently located to one side of the main lobby entrance. Each floor will include reception areas, service areas and approximately 5 office lofts with an average size of 430 square feet (40 square meters) per unit. These units are projected to be launched to the market at a base price per square meter of US\$ 2,500.

## Sales and Marketing

### *Sales*

We commenced the sale of our real estate products in the first quarter of 2006, mainly through local brokers in the City of Panama. In response to international interest in Panamanian real estate products, in June 2006, we expanded our sales structure and retained the services of Komco International Corp., or Komco, our affiliate and a consulting company that renders services in the international market pursuant to an agreement dated May 23, 2006. Based on this agreement, Komco retained the services of International Sales Group Latin America Ltda., or ISG Latin America, as master real estate broker for Trump Ocean Club. ISG Latin America is a limited liability company incorporated in Bogotá, Colombia and controlled by International Sales Group, LLC, based in Miami, Florida, United States, an international real estate sales and marketing organization with a world-wide network of co-brokers. International Sales Group, LLC and its network have substantial experience, both in the U.S. and international markets, and specialize in luxury real estate projects. International Sales Group, LLC's recent real estate projects include, among others, Allure in Las Vegas, 360° in Miami, Algiers Crossing in New Orleans and North Star Yacht Club in Fort Meyers.

Our current target market includes baby boomer retirees from the United States and Canada, investors from Europe and Latin American, and local buyers. We market Trump Ocean Club under the Trump brand name pursuant to a license agreement with Trump Marks Panama. In addition, we are in the process of negotiating a hotel management agreement and a casino lease agreement with affiliates of Donald J. Trump. We believe that our use of the Trump brand name and the prospective operation of our hotel and casino by affiliates of Donald J. Trump has facilitated the branding of Trump Ocean Club as an exclusive, luxurious and high quality tower and enhanced our historical sales.

Our current pricing methodology establishes a base price per square meter for each type of unit using the price of such unit as though located in the middle of the building. The actual price per square meter that we charge for each of our hotel and residential condominium units varies from such base price according to floor level and type of view of each unit.

Under our current pricing strategy, we bundle our products into groups which are launched into the market in separate project phases. Before launching a new project phase, we adjust the price of our products in response to market demand for the previous phase. Under this pricing strategy, premium units, such as baylofts, had been retained in our inventory and were only recently launched in the market.

Under our standard unit purchase agreement, our customers are required to make installment payments on the purchase price of a real estate unit, as follows<sup>(1)</sup>:

- (i) 10% of the purchase price upon execution of a unit purchase agreement;
- (ii) 10% of the purchase price thirty days following execution of the unit purchase agreement
- (iii) 5% of the purchase price six months following execution of the unit purchase agreement;
- (iv) 5% of the purchase price twelve months following execution of the unit purchase agreement; and
- (v) 70% of the purchase price upon completion and delivery of the unit to the customer.

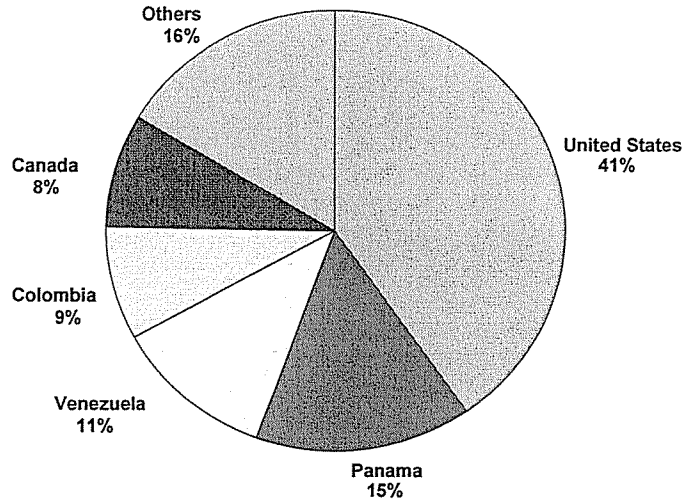
Through June 30, 2007, we have presold approximately 64% of the building's units, amounting to approximately \$ 278.7 million or 54% of our estimated gross sellout. As a result of the efforts of ISG Latin America and its international network, we have a geographically diverse universe of buyers. The graph below reflects the geographic distribution of our sales as of the date of this offering memorandum.

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(1) Reflects current contract terms. Prior to groundbreaking, the contract terms were (i) 10% of the purchase price paid upon execution of a unit purchase agreement (ii) 10% of the purchase price paid on the groundbreaking date; (i) 5% of the purchase price paid May 5, 2008; (iii) 5% of the purchase price paid May 5, 2009; and (iv) 70% of the purchase price paid upon completion and delivery of the unit to the customer.



### Geographic Distribution of Trump Ocean Club Sales



Assuming the Panamanian and international economic environments remain stable, we believe that our total available inventory will be sold by 2010. Below we provide additional detail on our sales outlook by product offering:

- *Residential Condominium Units.*

*One bedroom units:* Through June 30, 2007, we have presold 146 one bedroom units and only 10 units remain available for sale. We will release the remaining 10 units into the market in different phases to maximize value. We expect that all one bedroom units will be sold by December 31, 2007.

*Two bedroom units:* This type of unit represents 32% of the total number of residential units in the building. Through June 30, 2007, we have presold 130 two bedroom units and 70 units remain available for sale. Under our sales strategy, we will continue to sell this type of unit in phases until the end of construction and may increase sales prices in response to the level of sales achieved in previous phases. However, our financial projections, included elsewhere in this offering memorandum, do not assume that there will be a price increase on these units.

*Three bedroom units:* Through June 30, 2007, we have presold 56 three bedroom units and 18 units remain available for sale. We will release the remaining units into the market in different phases throughout the next two years to maximize value.

*Curve units:* Through June 30, 2007, we have presold 18 curve units and 47 units remain available for sale. Under our sales strategy, we will continue selling these units throughout construction until 2010, and may increase sales prices in response to ongoing demand. However, our financial projections, included elsewhere in this memorandum, do not assume that there will be a price increase on these units.

*Three bedroom combo units:* Through June 30, 2007 we have sold 7 combo units and 6 units remain available for sale. Due to the large square footage of these units, we expect purchasers of three bedroom combo units will be end users living in Panama. We expect to complete sales of this type of unit by December 2009.

*Penthouse:* We expect to sell the penthouse by the end of 2007.

*Baylofts:* Because of their special loft-style characteristics, baylofts are being sold to a different target market relative to the rest of the building. We commenced our sale of baylofts in mid 2007 and through June 30, 2007 have presold 9 units. Accordingly 109 units remain available for sale. Under our current sales strategy, baylofts are being marketed in Europe and made available for sale in different phases which we organize by floor location. The first three floors were launched only in Spain and were sold within two weeks. In particular, baylofts are released at fairs and special events. We estimate that the sales price of our baylofts will increase at least 10% by our final sales phase. However, our financial projections, included elsewhere in this offering memorandum, do not assume there will be a price increase on these units.

- *Hotel Condominium Units.*

*One bedroom suite units:* Through June 30, 2007 we have presold 8 units and 2 units remain available for sale. Due to its lower sales price, small area and anticipated revenues from hotel operations, we expect that this will be the most attractive type of unit for investor-type customers. Over the last two years Panama has experienced a deficit in hotel room availability. We expect that the expansion of the Panama Canal will increase demand for hotel rooms and attract additional investors.

*Studio-style units:* Through June 30, 2007 we have presold 274 units and 46 units remain available for sale. We will launch the remaining 46 units in inventory in phases through completion of construction. Phases will be determined by sales volume for every monthly release.

*Curve units:* Through June 30, 2007 we have presold 18 units and 21 units remain available for sale. We expect to complete sales of this type of unit by December 2010.

- *Commercial Units.* We commenced the sale of our commercial units in June 2007 and are marketing them solely in Colombia through Espacios Urbanos, our affiliate. Espacios Urbanos specializes in developing and selling retail spaces in Colombia. We are specifically targeting investor-type customers that intend to rent these commercial units to recognized international brand names. However, Trump Ocean Club will review and consider each and every potential retail space end-user. We have a total of 29 commercial space units and, through June 30, 2007, have presold 6 units. We believe that this type of product will be sold over an extended period of time since most investors will have to wait up to 3 years until their units are completed and delivered. Taking into account this long-term sales outlook, prices are expected to increase along our construction timeframe.
- *Office Lofts.* We have not yet launched these units into the market. We expect to do so by January 2009.

### *Marketing*

We have developed our marketing strategy in consultation with Americas Media Group, Inc., or AMG, a fully integrated media and marketing agency serving developers, hoteliers and luxury brand companies around the world. AMG services over 10,000 regional, national and international publications and mediums. Based on this portfolio, AMG has prepared a list of publications that we have incorporated into our print media campaign and which assist us in reaching out to our target market. As of the date of this offering memorandum, we publish all advertising for Trump Ocean Club through AMG.





*Marketing Trends and Competition*

The Panamanian real estate market has experienced rapid development and high growth rates over the last five years. These growth rates have led to new market trends that are reflected in the composition of current real estate offerings in Panama:

- *Increased international demand.* Panama has become an increasingly attractive destination for international investors, U.S. and Canadian baby boomers and European residents, as a result of Panama’s economic and political stability, low cost of living, attractive weather, convenient location, use of the U.S. dollar as legal tender, and the widespread availability of long-term mortgage financing to local and foreign borrowers. In addition, we expect that the recent approval of an expansion of the Panama Canal will generate an increase in the demand for real estate and hotel products in Panama City, Panama.
- *Increased demand for amenities and services.* The level of sophistication of an international customer base is greater than that of local customers, given that international customers reside in more mature and developed markets. Accordingly, the design of current real estate projects is more responsive to new demands in urbanism and security.
- *Increased real estate prices.* The price of land and finished products in the Panamanian high-end real estate market has increased at an accelerated pace in the last three years, due to the scarcity of bay view properties and a strong foreign demand for second homes and retirement destinations. However, Panamanian real estate products are still priced lower than equivalent products in most developed markets, making Panama an attractive market for international customers.

We compete with other high-end real estate developments in Panama City, Panama. Most high-end developments in Panama City are located in:

- (i) Punta Pacifica, where Trump Ocean Club is being developed;
- (ii) Avenida Balboa, a water front boulevard along the Bay of Panama; and
- (iii) Costa del Este, a large development located east of Panama City.

CBRE has prepared an appraisal report of the Project providing the following general description of high-end real estate products currently being developed in Panama City, Panama:

<b>Panama City Location</b>	<b>Projects under construction</b>	<b>Units under construction</b>	<b>Units sold or reserved</b>
Bayside.....	14	1800	85
East.....	7	600	80
South.....	6	200	60
Center.....	1	50	40
North.....	-	-	-
Total.....	28	2650	265

Although we compete with other high-end real estate developments in Panama City, we do not believe there are comparable products to those offered by Trump Ocean Club in the market. Our luxurious residential units and world-class hotel condominiums are complemented by amenities such as an international casino, a private beach club and other premier leisure services. As of the date of this offering memorandum, Trump Ocean Club is the only luxury complex in Panama that will offer this combination of products and amenities to its customers.

## Key Strategic Partners

Prior to the commencement of construction we crafted a development plan which includes a broad vision of the overall project as well as certain details regarding individual products. Our development plan is being executed by a number of key strategic partners. For information regarding contracts with our key strategic partners, see “—Principal Project Agreements.”

### *Arias Serna & Saravia*

Arias Serna & Saravia, our indirect stockholder and affiliate, is a Colombian architecture and engineering firm established in 1980. Arias Serna & Saravia has extensive experience in all areas of the real estate development business, including planning, design, promotion, project administration and sales. Opcorp, our contractor, is controlled by Arias Serna & Saravia.

Projects developed by Arias Serna & Saravia in the past include the Santa Clara Hotel, a hotel developed on approximately 196,500 square feet (18,260 square meters) of land in Cartagena, Colombia. Arias Serna & Saravia received a restoration award from the S.C.A. Seccional Bolivar (1998), an award for excellence in real estate from The International Real Estate Federation, or FIABCI, (1997) and an Honorable Mention from FIABCI in Paris (1998), for its development work at the Santa Clara Hotel. Arias Serna & Saravia has also developed other condominiums and residential complexes including the Pradera de Potosi, outside of Bogota, Colombia, the Arboretto, the Altos de Montearroyo, the Altos de Bellavista and the Sierras del Moral.

### *Espacios Urbanos*

Espacios Urbanos, our indirect stockholder and affiliate, is a company with 20 years of experience in the sale and marketing of residential, industrial and commercial properties. The company offers consulting, concept design and development services for investment opportunities in real estate. Espacios Urbanos is active in urban development activities in Colombia, especially in the concept design and sale and marketing of residential, commercial and industrial properties. Projects developed by Espacios Urbanos include the Centro Comercial – El Retiro, a shopping mall in Bogota, Colombia, and the Torres Unidas – Centro Empresarial, comprised of two 17-story towers linked through a fixed access point of elevators and services.

### *The Trump Organization*

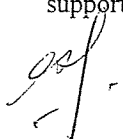
Donald J. Trump established The Trump Organization in 1980 as a macro organization that encompasses all of his developments and other affiliate corporations. Currently, The Trump Organization is developing residential, hotel and golf club projects in Chicago, Las Vegas, Los Angeles, Phoenix, Miami, Toronto, the Caribbean, Westchester, New York, Bedminster, New Jersey, and South Korea. For additional information regarding the current relationship between Trump Ocean Club and the businesses operated under the Trump trade name, see “—Principal Project Agreements—License Agreement.”

### *Diaz y Guardia*

Diaz y Guardia is a Panamanian company with over 50 years experience in all areas of construction, including general construction management, general contracting, design, project administration, light steel manufacturing and real estate promotion. The company has worked on a broad range of projects, including commercial facilities, banks, residential buildings and homes, public buildings, schools, churches, universities, tourist centers and convention centers.

### *ISG Latin America*

ISG Latin America is a Colombian company and the wholly owned subsidiary of the International Sales Group, LLC., an international real estate sales and marketing organization with a world-wide network of co-brokers. ISG Latin America and its affiliates offer complete real estate operations services, with international marketing support, on-line sales and professional administration.



## **Post-Completion Activities**

After completing the Trump Ocean Club, we will retain ownership of the commercial space to be occupied by the casino, restaurants and wellness spa. Additionally, we will retain the right to receive certain profits derived from the hotel operations at Trump Ocean Club. However, we do not anticipate our post-completion operating activities to be a necessary source of funds for the repayment of the Notes. Following completion of Trump Ocean Club and before commencing our post-completion operating activities, we anticipate to have received significant cash payments from our customers who are required, under their unit purchase agreements, to pay 100% of the price of their units upon their completion and delivery. We intend to use cash collected from these customers to repay the principal of and any accrued interest on the Notes.

## **Property Management, Maintenance and Association Dues**

As real estate products are delivered and our private beach club is opened, we will be required to provide many associated maintenance services, including:

- maintenance work and repairs within real estate units and our private beach club;
- sanitation and janitorial services;
- maintenance of infrastructure;
- landscaping of common areas, roads and walkways;
- security of the entire development;
- marketing and promotion; and
- telecommunications and internet services and utilities.

All Trump Ocean Club property owners and tenants will be required to pay maintenance dues which will cover substantially all of the cost of the maintenance services we provide.

## **Voluntary Rental Program**

As Trump Ocean Club is completed and real estate products are delivered, we contemplate creating a voluntary rental program whereby hotel condominium unit owners will be able to derive rental income from their property by agreeing to have it rented to third parties and managed by Trump Ocean Club or its authorized operators.

## **Commercial Property Leases**

We intend to lease commercial space throughout Trump Ocean Club to a variety of commercial tenants, including restaurants. As of the date of this offering memorandum, we are in active discussions with a number of potential tenants to lease commercial space.

## **Principal Project Agreements**

We have provided below a summary of the principal contracts relating to the design, development, construction, commercialization and operation of the project. We believe these are accurate summaries of the material terms of these contracts.

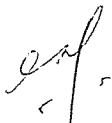


## *License Agreement*

On March 16, 2006, Donald J. Trump, as licensor, and K Group, as licensee, entered into a license agreement related to the use of the Trump brand name in connection with our project. On June 5, 2007, Donald J. Trump assigned his rights and obligations under the license agreement to Trump Marks Panama (with the consent of K Group and Newland), and K Group assigned the license agreement to Newland (with the consent of Trump Marks Panama). The license agreement was subsequently amended on June 19, 2007, September 15, 2007 and October 12, 2007. Below is a summary of the principal terms of this agreement.

- *Characteristics of the License.* The license agreement grants Newland a non-exclusive, non-assignable and non-transferable right to use the “Trump Ocean Club International Hotel & Tower” or “Trump Ocean Club” brand name, or the Trump brand name, solely for the purpose of identifying the Trump Ocean Club real estate development. The license agreement also permits the use of the Trump brand name in advertising, promotional and publicity materials used in the promotion of Trump Ocean Club or when such materials are related to the promotion of services or product offered for sale in connection with the operation of Trump Ocean Club, provided that such materials have been previously approved by the licensor.
- *Supervision by Licensor.* The license agreement provides that Newland shall deliver both preliminary and final plans and specifications to the licensor for review and verification of compliance with all operating standards.
- *Hotel.* The license agreement provides that Newland and Trump Marks Panama shall negotiate in good faith a hotel management agreement, and that in the event the parties are unable to agree upon a mutually acceptable agreement by December 31, 2007, Newland shall have the right to enter into a hotel management agreement with any other luxury hotel manager.
- *Casino.* Newland may only permit the operation of casino and gaming activities in Trump Ocean Club that have been approved in writing by Trump Entertainment and Resorts. In the event that the operator of the casino is not Trump Entertainment and Resorts, Newland shall ensure that the operator operates a non-branded casino and avoid any association with Trump Entertainment and Resorts, Trump Casino or Trump names and brands.
- *Confidentiality.* Except as required by applicable law, the licensor and Newland may not disclose the terms of the license agreement or any confidential, proprietary or non-public information relating to the assets, trade secrets, methods, financial affairs, or business of the parties. The disclosure of such information may be made to certain persons such as officers and directors of the parties, and professionals assisting a party with respect to the structure of the project. Any person to whom such disclosure is made shall first be required to execute a confidentiality agreement in a form acceptable to both parties.
- *Insurance.* The license agreement requires Newland to maintain certain insurance policies, before and after completion of Trump Ocean Club.
- *Royalties and Commissions.* Newland paid an initial fee of US\$ 1.2 million to Donald J. Trump upon execution of the license agreement. The license agreement also requires Newland to pay a base license fee of 4% on all gross revenue generated by the sale of hotel, residential, office and retail units, parking spaces and boat slips at Trump Ocean Club. In addition to the base license fee, the licensor is entitled to receive variable incentive fees based on the selling price of individual residential and hotel condominium units.

Newland is also required under the license agreement to pay a base license fee of 12% on all consideration received by Newland from the lease of commercial space at Trump Ocean Club, and 17.5% on all consideration received from the ownership or occupancy of any hotel condominium unit.



In addition, the licensor is entitled to receive royalties for the sale of products or services offered in connection with the operation of Trump Ocean Club in the amount equivalent to 15% of the gross proceeds from wholesale sales of such products by Newland and 12.5% of the gross proceeds from retail sales of such products by Newland.

Additionally, in the event the licensor or any of its affiliates is responsible for securing any financing for the construction of any portion of Trump Ocean Club, Newland shall pay the licensor (or such licensor's affiliate) 1% of the amount of the financing.

#### *Lump-Sum Construction Agreement*

We have retained Opcorp to construct the real estate products and infrastructure comprising Trump Ocean Club. Opcorp is controlled by Arias Serna & Saravia, our indirect stockholder and affiliate. On August 27, 2007, we executed a lump-sum construction agreement with Opcorp, for construction of Trump Ocean Club. Below is a summary of the principal terms of this contract.

- *Contract Purpose.* Opcorp is responsible for the construction and management of the project and for providing, on its own account and expense, all necessary materials, tools, equipment, furniture and other items required to develop Trump Ocean Club. Opcorp is also responsible for obtaining some government permits required to construct Trump Ocean Club and for negotiating all water, electricity and other public utility contracts.
- *Term of Contract.* Opcorp shall finalize construction of Trump Ocean Club in accordance with the plans, specifications and work schedules provided by us, to the satisfaction of an inspector appointed by us and acting in our behalf, within 40 months following beginning of the pile work at the Trump Ocean Club site. Failure by Opcorp to complete the Trump Ocean Club in time as specified in the lump-sum construction agreement will result in the payment of US\$ 500 per day in monetary damages by Opcorp to us for each day of delay, except for delays due to *force majeure* or acts of God. We will pay Opcorp a US\$ 2,000 per day incentive for each day of advanced delivery.
- *Contract Amount.* We will pay Opcorp a lump-sum price of approximately US \$228.3 million. The lump-sum price reflects (i) US\$ 27.1 million in construction and management fees, and (ii) US \$201.2 million to pay for the cost of any materials, supplies, tools, equipment, furniture and other items provided by Opcorp under the construction agreement. We are responsible for paying any applicable Panamanian Real-Estate and Services Transference Taxes (ITBMS) on the US\$ 27.1 million construction and management fees. See Annex C "Financial Model Assumptions—Business Assumptions—Construction Costs."

We will pay the construction costs and fees in monthly installments in accordance with an estimation of the percentage of completion of the work, as authorized by our inspector. We will also pay Opcorp an average amount per month of US\$ 260,000 for Opcorp's management services with respect to the construction of the Trump Ocean Club. We will withhold certain amounts from Opcorp as completion and performance guarantees.

- *Guarantees and Performance Bonds.* Opcorp provided us with a completion bond to guarantee its obligations under the construction agreement, in an amount equivalent to 15% of the value of the project. The completion bond will expire a year from termination of the project and covers any latent defects. In addition, Opcorp has obtained all-risk insurance coverage for the value of the contract, including civil liabilities for damages to third parties. Opcorp is responsible for obtaining performance bonds from each of Opcorp's subcontractors on the same terms and conditions as the completion bond provided by Opcorp to Newland. Opcorp is also responsible for obtaining payment bonds, for at least 50% of the value of each contract, from each subcontractor.



- *Termination of Contract.* The construction agreement expires upon completion of Trump Ocean Club and delivery of a project delivery certificate by our inspector. We may terminate the contract in advance if (i) we decide not to continue with the work for any reason; (ii) Opcorp is delayed in the agreed upon work schedule, except due to an act of God or *force majeure*; (iii) Opcorp breaches any of its obligations under the contract; (iv) Opcorp enters into bankruptcy or becomes insolvent; or (v) Opcorp lacks the personnel or equipment with the quality, ability and quantity necessary for the timely completion of the work. We may also suspend the work in whole or in part if Opcorp does not execute the work as specified in the contract.
- *Governing Law.* The construction agreement is governed by the laws of the Republic of Panama.

#### *Diaz y Guardia Construction Agreement*

Opcorp retained Diaz y Guardia, a corporation organized under the laws of the Republic of Panama, as a subcontractor in the development of Trump Ocean Club by entering into a construction agreement dated March 5, 2007. Below is a summary of the principal terms of this contract.

- *Contract Purpose.* Diaz y Guardia is responsible for the execution of the foundation and concrete structure work required to develop Trump Ocean Club, excluding pile work, in accordance with the designs, instructions, plans and specifications provided by Opcorp.
- *Term of Contract.* Diaz y Guardia must complete its work within 720 days following the issuance of the required construction permits and the execution by Opcorp and Diaz y Guardia of a minute of work initiation, subject to certain term extension due to justified causes. Failure by Diaz y Guardia to complete the work in time for reasons attributable solely to Diaz y Guardia will result in the payment of monetary damages to Opcorp for each day of delay, in an amount equivalent to up to 10% of the total contract fee. The contract will automatically terminate if the parties fail to execute a minute of work initiation by November 30, 2007, or if the parties agree in writing not to perform the work before that date.
- *Contract Amount and Fees.* The estimated total amount of the work to be performed under this contract is US\$ 45.0 million. In addition, Opcorp will pay Diaz y Guardia a service fee equivalent to US\$ 1.8 million, excluding the cost of materials, labor, equipment, transportation, taxes, insurance, administrative expenses, stationary and others costs and expenses. These costs and expenses shall be covered by Opcorp. The fees will be adjusted if there is a variation of more than 20% in the estimated amount of the work.

Opcorp will pay the price in monthly installments in accordance with performance of the work, as certified by Opcorp's auditor. Opcorp will withhold 10% of each installment payment until completion of the work. Upon completion of 50% of the total work, equivalent to US\$ 22.5 million, as certified by Opcorp's auditor, the withholding amount will be reduced to 5% for the remaining term of the contract.

- *Bonds and Guarantees.* Diaz y Guardia is required to provide Opcorp with a payment bond to guarantee its labor obligations during the performance of the work, in an amount equivalent to 20% of the estimated value of the work.
- *Governing Law.* The Diaz y Guardia construction agreement is governed by the laws of the Republic of Panama.

#### *Plans and Specifications Purchase Agreement*

Upper Deck, a commercial corporation incorporated under the laws of Costa Rica and our affiliate, retained Arias Serna & Saravia, its affiliate, to develop the plans and specifications of Trump Ocean Club pursuant to a master contract for architectural design dated as of August 30, 2005. Subsequently, we acquired the plans and

specifications for the basic scheme and the preliminary and architectural project of Trump Ocean Club from Upper Deck, pursuant to a plans and specifications purchase and sale contract, dated as of February 3, 2006. Below is a summary of the principal terms of this contract.

- *Contract Amount and Fees.* We have agreed to pay Upper Deck approximately US\$ 9.1 million for the plans and specifications of Trump Ocean Club. On March 15, 2007, we paid a first installment of the purchase price, in the amount of US\$ 2.2 million. We will pay the balance in 12 equal installments of US\$ 576,000 due every three months commencing on the 30 calendar day following the initiation of the pile work at the Trump Ocean Club site.
- *Architectural Supervision.* Upper Deck is responsible for causing Arias Serna & Saravia to provide architectural supervision services to Newland at no additional cost.
- *Governing Law.* The purchase agreement is governed by the laws of the Republic of Panama.

#### *Professional Services Agreement*

We have retained Edwin Brown & Associates, a Panamanian architectural firm, to provide certain professional services in connection with the development of Trump Ocean Club, pursuant to a professional services agreement dated as of April 6, 2006. Below is a summary of the principal terms of this contract.

- *Contract Purpose.* Edwin Brown will review the Trump Ocean Club plans and specifications prepared by Arias Serna & Saravia and will validate, with its seal and signature, their compliance with Panamanian laws.
- *Contract Amount and Fees.* We have agreed to pay Edwin Brown US\$ 4,000 per month for its professional services.
- *Term of Contract.* The contract has an initial term of 25 months from its date of execution.
- *Governing Law.* The Edwin Brown agreement is governed by the laws of the Republic of Panama.

#### *Consulting Agreement*

We have retained Komco, our affiliate and an international consulting company, as our international sale consultant pursuant to an agreement dated May 23, 2006. Below is a summary of the principal terms of this contract:

- *Contract Purpose:* Komco will provide us with marketing and sales services in connection with Trump Ocean Club, primarily with respect to non-Panamanian real estate buyers. Komco's services will include the initiation and coordination of advertising activities, as well as public relations and promotions in international markets. In addition, Komco will use its best efforts to facilitate and coordinate the sale of units in the international market by co-brokers.
- *Contract Amount and Fees.* We have agreed to pay consultant's commissions equivalent to 5% of the sales price of each unit sold pursuant to the terms of the consulting agreement, payable upon completion of the Project and upon repayment of the Notes. We have also agreed to reimburse Komco for all costs incurred in the marketing and sale of Trump Ocean Club units.
- *Term of Contract.* The agreement will expire on the date on which all contracts for the sale of units have closed and all fees have been paid to Komco.
- *Governing Law.* The Komco agreement is governed by the laws of the Republic of Panama.



### *Master Broker Agreement*

Komco has retained ISG Latin America as master real estate broker for Trump Ocean Club, pursuant to a business promotion agreement dated as of June 2006. ISG Latin America is an international real estate sales and marketing organization. Below is a summary of the principal terms of this contract:

- *Contract Purpose.* ISG Latin America will implement an overall marketing plan and advertising and public relations strategy for Trump Ocean Club. In addition, ISG Latin America will monitor the progress of sales at Trump Ocean Club, and recruit, train, hire and supervise the on-site sales staff.
- *Contract Amount and Fees.* Under the master broker agreement, Komco has agreed to pay a broker fee equivalent of up to 8% of the sales price of each unit sold through ISG Latin America and an ISG Latin America co-broker. Where such sales are made through ISG Latin America together with a co-broker, brokers fees are distributed as follows: (i) for non-Panamanian sales, Komco will pay 3% of the unit sales price to ISG Latin America and 5% to the applicable properly licensed co-broker; (ii) for the first 200 sales made within Panama, excluding Panamanian reservations from presales efforts, Komco will pay 2% of the unit sales price to ISG Latin America and 6% to the applicable co-broker; and (iii) for sales made within Panama after the initial 200 sales, Komco will pay 3% of the unit sales price to ISG Latin America and 5% to the applicable co-broker. Where sales are made solely through ISG Latin America without the participation of a co-broker, only ISG Latin America fees (as described above) would apply. As of the date of this offering memorandum ISG Latin America has not used co-brokers for every sale. Accordingly the current historical aggregate fee amounts to 7% of realized sales.
- *Term of Contract.* The agreement will expire on the date on which all contracts for the sale of units have closed and all fees have been paid to ISG Latin America.
- *Governing Law.* The ISG Latin America agreement is governed by the laws of Colombia.

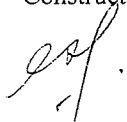
### *Administrative Services Letter Agreements*

We have retained the professional services of certain members of our management team by entering into two Administrative Services Letter Agreements, dated as of October 4, 2007, with Arias Serna & Saravia, our affiliate, and Diaz y Guardia, the contractor retained by our affiliate Opcorp. See “Management—Management Team.” Below is a summary of the principal terms of these agreements:

- *Agreement Purpose.* Arias Serna & Saravia and Diaz y Guardia will provide us with a team of full-time professionals that will provide management services to Newland in the areas of sales, design, construction, budget, finance and legal matters.
- *Amount and Fees.* The members of the management team are full-time employees of Arias Serna & Saravia or Diaz y Guardia, and will receive no compensation from Newland in connection with their services. Arias Serna & Saravia has received compensation for its services under the Plans and Specifications Purchase Agreement. See “—Plans and Specifications Purchase Agreement.” Diaz y Guardia receives compensation for its services under the Diaz y Guardia Construction Agreement. See “—Diaz y Guardia Construction Agreement.”

### **Procurement of Goods and Services**

Procurement of all raw materials, goods and services necessary to develop Trump Ocean Club is performed by Opcorp under the lump-sum construction agreement. Opcorp is also responsible for retaining all qualified personnel required to construct and develop Trump Ocean Club. See “Principal Project Agreements – Lump-sum Construction Agreement.”





## **Tax exemptions**

In 1994, Panama approved Law No. 8 to establish certain tourism incentives. Under Law No. 8 projects located in special tourism zones will be entitled to a full exemption from income tax, real estate tax, import duties for construction materials and equipment and other taxes. The metropolitan area of Panama City, Panama is a special tourism zone under Law No. 8.

On December 28, 2006, the Panamanian government approved Law 58, which creates new regulations and incentives for tourism developments outside the special tourism zones. One of the main benefits of Law 58 is that it extends such incentives until 31 December 2008.

Once we have been registered with the Panamanian Institute of Tourism, we will be entitled to the following tax incentives with respect to the hotel section of Trump Ocean Club, including any tennis courts, saunas, gyms, night clubs, restaurants, convention centers and pier facilities that are integrated into the hotel:

- Full exemption on the payment of import duties for a term of 20 years in connection with the importation of materials, belongings, furniture, equipment, ships, and certain automotive vehicles. The materials must be used exclusively in the construction and furnishing of public lodging establishments. This exemption does not apply to value added sales tax.
- Full exemption on the payment of the property taxes (land and improvements) for 20 years, commencing on the date of registration with the National Tourism Registry. This exemption applies as long as the project is used exclusively for tourism activities.
- Exemption on the payment of any docking or landing fees applicable to docks, airports or heliports built by the company.
- Income tax exemption on interest earned by our lenders and creditors on the financing of public lodging establishments.
- A recognized annual depreciation rate of 10% on improvements.
- Exemption for lenders and creditors financing the development of the hotel section of Trump Ocean Club on the payment of the 1% surtax of the Special Fund for Compensation of Interests used to finance the agriculture sector.

## **Legal**

### *Legal Proceedings*

Except as otherwise disclosed below, we have no knowledge of any legal claims or proceedings pending or threatened against us.

*Jumeirah Group.* On June 25, 2007, we received notice of a potential copyright infringement claim from Jumeirah Group, owner of the Burj Al Arab building and hotel in Dubai, United Arab Emirates. Jumeriah Group alleges that the design of Trump Ocean Club is based on the proprietary design of Burj Al Arab. We have retained legal counsel to review and advise us on this matter. As of the date of this offering memorandum, Jumeriah Group has not filed any action against us in connection with this allegation. Based on our review of Jumeirah Group's allegations and consultations with our legal counsel, we have determined that this allegation is unfounded and that any potential copyright infringement action would be unsuccessful. We will continue to diligently defend the design of Trump Ocean Club against any third party claims.



### *Administrative Sanctions*

We have not been sanctioned by the Panamanian National Securities Commission, nor by any other homologous authority in another jurisdiction.

### *Regulatory and Environmental Compliance*

In July, 1998, the Panamanian Government enacted Law 41, which created the ANAM. Law 41 also set forth the legal guidelines for the protection of the environment and the sustainable use of natural resources. ANAM, with the help of other governmental entities created by, and under the supervision of ANAM, such as the National Environmental Council and the National Environmental Consulting Commission, is responsible for the enforcement of Panamanian environmental policy, including the authority to impose environmental sanctions and fines. Pursuant to Law 41, ANAM can impose fines of up to US\$ 10.0 million for any violation of Law 41, including the improper use of the water concessions or the use of water resources without the applicable concession.

In addition to administrative sanctions, Law 41 also establishes civil and criminal responsibility for the violation of its terms. Law 5 of 2005 was recently enacted by the Panamanian Government and introduced environmental crimes into the Criminal Code, including crimes against wildlife, natural resources and crimes related to the approval and compliance with environmental documentation.

On October 4, 2006, we received notice from the Direction of Evaluation and Environmental Order of the ANAM stating that Trump Ocean Club's Category 1 Environmental Impact Study complies with all applicable environmental requirements and that Trump Ocean Club does not generate significant environmental risks.

### **Monetary Restrictions**

We are not subject to any monetary restrictions that could affect the project's operations. Our functional currency is the U.S. dollar, which since 1904 is also legal tender in and the functional currency of Panama. The Balboa is the official monetary unit of Panama, which serves only as coinage, and has been pegged at parity with the U.S. dollar since 1904.

### **Employees**

As of the date of this offering memorandum, our business is managed directly by our board of directors and management team, pursuant to our administrative services letter agreement. Accordingly, we have no employees and are not engaged in any labor disputes or proceedings. See "Management" and "Business—Principal Project Agreements—Administrative Services Letter Agreement."

A handwritten signature in black ink, appearing to be a stylized name, located at the bottom left of the page.

## MANAGEMENT

Certain of our directors and officers serve as directors and/or executive officers of our affiliates and receive compensation for such service. Accordingly, these directors and officers owe fiduciary duties to such affiliates, and such fiduciary duties may conflict with the fiduciary duties owed to us. In addition, certain executive officers and other significant employees of our affiliates provide services to us for which they receive no compensation. In such instances, these executive officers and other significant employees owe no fiduciary duties to us.

Our board of directors consists of three members: one elected by Roger Khafif and two elected by Upper Deck. Our charter document requires that, in the event there is a permanent vacancy on the board of directors, it must be filled by a new member selected by the stockholder who appointed the predecessor, with the approval of a majority of the other stockholders entitled to elect directors. However, this approval shall not be required (i) if the person that is elected to fill the vacancy is a first degree relative of the director to be substituted, (ii) if the director to be substituted does not have first degree relatives; or (iii) if the vacancy has been created by death, illness or a physical or mental disorder which prevents the director from exercising his or her duties. Our officers are appointed by the board of directors. Directors are not required to be shareholders of Newland.

Currently, our board of directors manages and directs our daily operations. The board of directors has absolute control and complete management authority over our business and affairs; hence, it may exercise all of the powers and authority of Newland, except for those conferred to or reserved for stockholders by law, our articles of incorporation or by-laws, when approved.

Under Panamanian corporate law, the directors and officers of a corporation are not considered employees of said corporation, unless specifically hired as employees at the same time.

### Directors

Our board's present membership is listed below:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Roger Khafif .....	52	Director
Eduardo Saravia Calderón.....	56	Director
Carlos Alberto Serna Londoño.....	58	Director

### Officers

The President, Secretary and Treasurer must all be directors of the corporation. The board of directors may appoint individuals to these positions at its discretion. The board of directors may also appoint a Deputy Secretary, who does not need to be a director of the corporation.

The Secretary or Treasurer, or in such person's absence, the Deputy Secretary, serves as the legal representative of the company. The sole role and responsibility of the legal representative is to receive judicial notifications, as established under Panamanian law.

Our officers are listed below:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Roger Khafif.....	52	President
Eduardo Saravia Calderón.....	56	Secretary
Carlos Alberto Serna Londoño.....	58	Treasurer
Carlos Sucre C.....	66	Deputy Secretary



## Management Team

We have appointed a management team to supervise, execute and manage the design, development, construction, commercialization and operation of Trump Ocean Club. Our management team members are listed below:

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Employer or Contractor</u>
Carlos Saravia.....	58	Chief Operating Officer and Chief Financial Officer	Arias Serna & Saravia
Rodrigo Rubio.....	42	Executive Vice President of Architecture and Design	Arias Serna & Saravia
Jenaro Echeverri .....	51	Executive Vice President of Construction	Arias Serna & Saravia
James Dunne .....	52	Construction Services Director	Diaz y Guardia
Ruben Arias .....	30	Financial Director	Arias Serna & Saravia
Rosella Violi .....	35	Sales Director	Arias Serna & Saravia
Johana Alvarez.....	31	General Counsel	Arias Serna & Saravia

The management team does not have an employment relationship with Newland, as they are all executive employees of either Arias, Serna & Saravia, our affiliate, or Diaz y Guardia, the contractor retained by our affiliate Opcorp. See "Business—Principal Project Agreements—Administrative Services Letter Agreements." The following are summarized biographies of our directors, officers and management team members:

*Roger Khafif* (Director and President). Mr. Khafif graduated from Southern Polytechnic State University in Atlanta, Georgia in 1978. From 1978 to 1981 he worked as a Textile engineer in Guatemala's leading textile mills. In 1981, he moved to Panama where he has been established ever since. He is a partner in two companies in Panama's Colon Free Zone (one of the largest Free Zones in the world), Kedco Fashion Corp. and Rafkas Imp/Exp. Mr. Khafif is currently developing a US\$ 60 million beach project called Coronado Country Club Resort, at the Coronado beach resort located one hour outside of Panama. Mr. Khafif is also developing a US\$ 9 million beach project called Emerald Bay at Contadora Island, located 30 miles from Panama City, off the Panamanian coast. He is also the President of K-Group Developers, one of our strategic partners in the development of Trump Ocean Club.

*Eduardo Saravia Calderón* (Director and Secretary). Mr. Saravia is a founding partner and the financial and administrative manager of Arias Serna & Saravia, and is also a manager at Las Bovedas S.A. and Hotel Santa Clara, S.A. Mr. Saravia graduated from the Universidad de los Andes in 1976 where he majored in civil engineering, and has extensive experience in the execution of construction projects in Colombia, including La Pradera Club Residencial, Bovedas de Santa Clara, Hotel Santa Clara, Edificio Bay Point and the New Point Plaza commercial center.

*Carlos Alberto Serna Londoño* (Director and Treasurer). Mr. Serna graduated from Antioch College in Yellow Springs, Ohio in 1974 with a B.S. in Economics. As part of his studies at Antioch College he undertook coursework at Oxford University, England (1973-1974). Mr. Serna has held the following positions: Assistant Professor of the Statistics Department at the University of Chicago (1970), Coordinator of Welfare Programs of the Clark County Welfare Department in Springfield, Ohio (1971), Financial Assistant for Acerias Paz del Rio S.A. (APR), the largest steel mill in Colombia (1978 – 1981), Director of the New York office of APR (1981 – 1982), Financial Director of Seguros y Financiera Fénix, currently Sun Alliance (1983 – 1984), and founder, owner and CEO of Espacios Urbanos (1989-present).

*Carlos Sucre C* (Deputy Secretary). Mr. Sucre is the managing partner and one of the founding partners of Sucre, Arias & Reyes. Mr. Sucre graduated from the Universidad de Panama with a degree in Law and Political Science. He has vast experience in Procedural Law especially Civil and Commercial law. He also engages in consulting and advising clients in Administrative, Civil and Commercial Law. Mr. Sucre has been practicing law for over 35 years. In addition to Mr. Sucre's law firm experience, he has also served as: Substitute Supreme Court Justice (1995-1997), Secretary of the Board of Directors of the Caja de Ahorros (1991-1995) and Arbitrator of the Panamanian Chamber of Commerce, Industry, and Agriculture. Mr. Sucre is or has been a part of a number of professional and charitable organizations, such as: Panamanian Rotary Club, over which he presided from 1985-1986 (active member), President of the National Council for Private Companies (*Consejo Nacional de la Empresa Privada*) (2000), President of the Panamanian Association of Corporation Executives (*Asociación Panameña de*

*Ejecutivos de Empresas*) (1999-2000, and 2000-2001) and the Presidential Committee against Money Laundering (Member 1996, and 1999-2004). Mr. Sucre is also a member of the International Bar Association, the American Bar Association, and the National Attorney Chapter (*Colegio Nacional de Abogados*) where he serves as a member on the Honor Tribunal.

*Carlos Alberto Saravia* (Chief Operating Officer and Chief Financial Officer). Mr. Saravia graduated from the University of Los Andes in 1972. In 1991 he obtained a Degree in Management from Bogota's Management Institute where he undertook coursework in strategic management, finance, business policy and marketing. Since 1999 he has been the Project Manager for Conceptualization, Structure and Management of real estate and hotel projects at Arias Serna & Saravia. He has acted as Professor of Strategic Management at La Universidad de la Sabana in Colombia. He was the developer and President of Brink's de Colombia, Domesa de Colombia and Procesos & Canje, and also acted as Chief Financial Officer of Skandia Insurance of Colombia, Chief Financial Officer of Grancolombiana Financial Group, Economic Attaché of the Colombian Embassy at Germany, Assistant to the President of Owens Corning Fiberglass Colombia and the Assistant to the Budget Director of the National Department of Economy. He has been a member of the following board of directors: International Financial Corporation, Skandia Life Insurance Company, Skandia Trust Company, Tequendama Insurance Company, Popular Trust Company, Colmena Insurance and Financial Company, Domesa de Colombia S. A., Brink's Chile S.A., Procesos & Canje S. A., Bankers Club, Spring Industrial Group, Colmena Health Care Company, Caja Social Bank, Colmena Savings and Loan Corp and Colombia Móvil Colombian Telecommunication Cp.

*Rodrigo Rubio Vollert* (Executive Vice President of Architecture and Design). Mr. Rubio graduated from Los Andes University in 1989 as an Architect and obtained a Master's Degree in Design Studies from Harvard University – Graduate School of Design in 2003. Mr. Rubio was in charge of the design division of Rubio y Gomez between 1990 and 1994. In 1994, Mr. Rubio opened his own architectural practice at R.O.M. (Rubio, Ortiz y Mazzanti), where he obtained four prizes in architectural competitions. In 1998, Mr. Rubio was appointed as assistant professor of the Architecture School Los Andes University, where he developed an academic career that includes the inception of a housing research group (acknowledged and ranked as “group A” by the Colombian research authority), a number of consultancy and research activities that had an impact on recent urban and housing policies, and the foundation of the Housing Policy Roundtable. In 2001, Mr. Rubio was appointed as associate professor at Los Andes University and in 2002 he was appointed head of the Department of Architecture. Between 1999 and 2002, Mr. Rubio was appointed member of the National Seismic Code Commission. In 2006, Mr. Rubio was selected for the Colombian biennale of architecture with his project “Chico 102”. He is a member of the Colombian Architects Society and the Colombian Association of Seismic Engineering. Mr. Rubio joined Arias Serna Saravia in November 2006 as its Executive Vice President of Architecture and Design.

*Jenaro Echeverri* (Executive Vice President of Construction). Mr. Echeverri graduated from the Facultad de Minas de the Universidad Nacional de Colombia at Medellín in 1982 as a Civil Engineer. He has partial postgraduate studies in Mathematics and numerous other courses related with Engineering, Construction and Management of civil projects. He has wide experience on structural design, construction, management and administration of civil engineering projects (infrastructure, concrete buildings, urban works and others) and experience on personal management at all company levels. He was the Construction Manager for AIA S.A., HA Engineering, Constructora Pedro Gomez, Amarilo, RE Ingenieria S.A. and is the current Construction Manager of Trump Ocean Club. He has managed civil projects in Colombia, Panama and Dominican Republic.

*James Thomas Dunne* (Construction Services Director). Mr. Dunne obtained a Bachelor's Degree in Civil Engineering in 1977 from Villanova University and a Master's Degree in Civil Engineering (Structural) from Cornell University in 1978. He is a license engineer in Panama, and before coming to Panama, was a licensed engineer in the United States of America in the States of California, Texas and New Jersey. Mr. Dunne is certified by the American Concrete Institute (ACI), a member of American Institute of Steel Construction (AISC) and a member of the board of directors of Diaz y Guardia in Panama City. He is an Engineer and Construction Manager specialized in major commercial and industrial projects with over 30 years of hands-on experience, well versed in all phases of construction including contract negotiation, estimating, scheduling, QA/QC, document control, project execution, building code compliance, safety implementation, purchasing, expediting and site management. In addition, Mr. Dunne is a nationally recognized structural engineer specialized in both concrete and steel design with successful projects completed in both Panama and throughout the United States. For the Trump Organization Mr. Dunne completed the Figali Convention Center (2002), and inspected and modified host facilities in Ecuador (2003)



and Thailand (2004). Mr. Dunne is Executive Construction Manager at Diaz y Guardia in Panama City. He previously owned an engineering company, Axiom Engineering in Houston, Texas, and worked for S&B Engineering and Construction in Houston, Texas and Earthquake Engineering Systems in San Francisco, California.

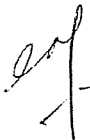
*Rubén Arias* (Financial Director). Mr. Arias graduated from Universidad del Quindío, Colombia in 2002 as a Civil Engineer and in 2006 as a specialist in Construction Management from Pontificia Universidad Javeriana in Bogotá, Colombia. He has worked for Arias Serna & Saravia since 2006 and is currently the Financial Director of Trump Ocean Club. He was previously the Technical and Financial Coordinator of this project. He worked as the Director of the Cost Department of Constructora Bolivar performing the economic feasibility studies and finance control for the construction projects of the company for more than 4 years, as Resident Engineer in the construction of the police's building in the city of Armenia, Colombia, and worked for the FES Foundation in the Presidential program "Empleo en Acción" developing several technical and economic feasibility studies and construction of infrastructure projects.

*Rosella Violi Franceschini* (Sales Director). Mrs. Violi graduated from Pontificia Universidad Javeriana in 1995 as Architect and obtained a post graduate degree in Construction Management from the same university in 1996. In 2002 she obtained a degree in Finance at Universidad Externado de Colombia. Mrs. Violi is Sales Coordinator of the Trump Ocean Club. She worked for Constructora Urbana San Rafael S.A as Procurement and Contracting Manager, was the Logistic Manager NPR (Non product related) of Industrias Philips de Colombia S.A., and architect for Corporación Grancolombiana de Ahorro y Vivienda GRANAHORRAR as well as for Inmobiliaria CHAR S.A

*Johana Alvarez Botero* (General Counsel). Mrs. Alvarez graduated from Pontificia Universidad Javeriana Law School in 2001, in the same year she obtained a graduate degree in Insurance Law from the same Law School. She practiced law and insurance law as counsel of Holguin, Neira & Pombo and Sanclemente, Fernandez & Hernández, well-known Colombian law firms. She was general counsel at the Federación Nacional de Cafeteros de Colombia, managing its trademark portfolio, and attorney of the legal division of Comcel S.A. and of Grupo Luxus.

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Our registered offices are located in Plaza 53, Building 53 Street, Obarrio, Ground Floor, City of Panama, Republic of Panama. Our telephone/facsimile number is 507-223-0225, and our corporate website is [www.trumpoceanclub.com](http://www.trumpoceanclub.com). The information on our website is not a part of or incorporated by reference in this offering memorandum. Our charter permits us to have offices or branches anywhere world-wide.



## PRINCIPAL SHAREHOLDERS

Certain information with respect to (i) each beneficial owner of more than 5% of our common shares, (ii) each of our directors, (iii) each of our executive officers and (iv) all current directors and executive officers, as a group, as of the date of this offering memorandum, is set forth below:

Name of principal shareholders of Newland:	Type of Share	Shares	Percentage of ownership in such share type
Ocean Point Development Corp. ....	—	100%	—

Name of principal shareholders of Ocean Point Development Corp.	Type of Share	Shares	Percentage of ownership
Roger Khafif .....	A	315	70%
Upper Deck.....	B	135	30%

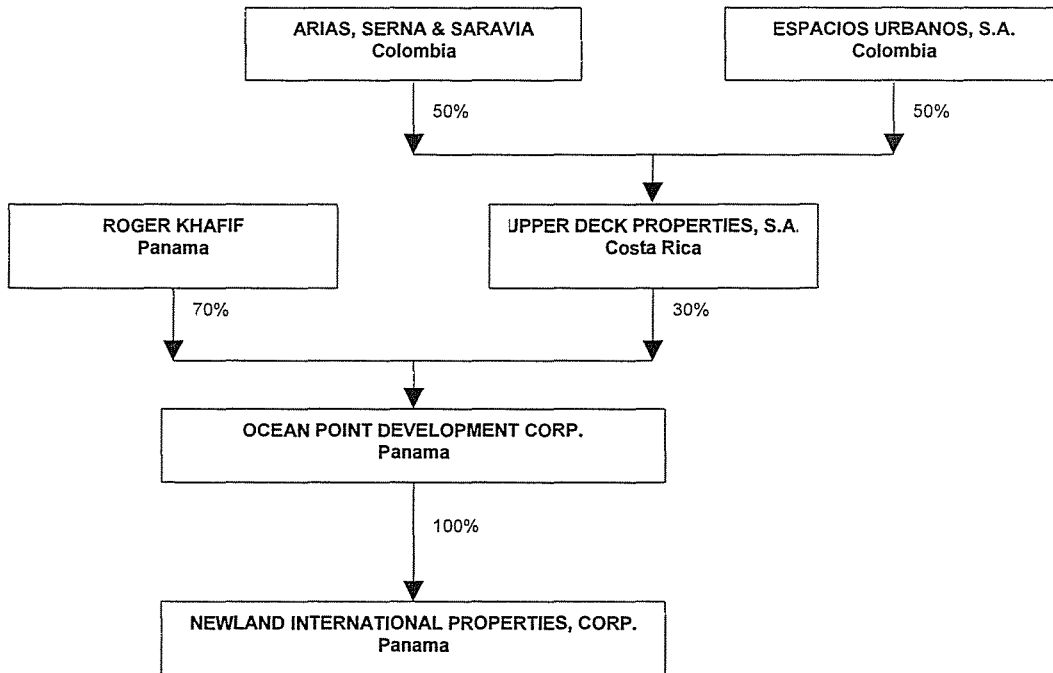
Pursuant to the current articles of incorporation of Ocean, series A shareholders are entitled to elect one director of the corporation and series B shareholders are entitled to elect two directors of the corporation. Both series A and series B shares enjoy the same economic power, with economic benefits accruing to shareholders based on their percentage ownership of the corporation.

Name of principal shareholders of Upper Deck	Type of Share	Shares	Percentage of ownership in such share type
Arias, Serna & Saravia.....	—		50%
Espacios Urbanos.....	—		50%

As shown in the table above, we are indirectly controlled by Roger Khafif, Arias, Serna & Saravia, and Espacios Urbanos.

The shareholders of Arias Serna & Saravia have equal participation and voting rights in the company. Accordingly, there is no controlling shareholder. Carlos Alberto Serna is the controlling shareholder of Espacios Urbanos. The following family ties exist between the shareholders of Arias Serna & Saravia and Espacios Urbanos: Luis Fernando Serna, legal representative of Arias, Serna & Saravia, is the brother of Carlos Alberto Serna and Rodrigo Serna, both shareholders of Espacios Urbanos.

Our ownership structure is outlined in the graph below:



*[Handwritten signature]*



## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

*We have engaged in, and we expect that we will continue to engage in, transactions with our principal shareholders, directors, officers and their respective affiliates, including without limitation, the transactions described below. Except as described below, we believe that these arrangements generally are on terms at least as favorable as those which we could obtain from an unaffiliated third party, to the extent there are third parties which could provide comparable services.*

*For more information regarding our relationships and transactions with related parties, see the notes to our financial statements included elsewhere in this offering memorandum.*

### *Opcorp*

On August 27, 2007, we executed a lump-sum price construction agreement with Opcorp. Pursuant to the terms of the lump-sum price construction agreement, Opcorp has agreed to complete construction of the Trump Ocean Club for a fixed price of US\$ 228.3 million, and Opcorp must perform all work to the satisfaction of an inspector appointed by us. Failure by Opcorp to complete the construction of the Trump Ocean Club as specified in the Opcorp Contract will result in monetary damages owed by Opcorp to us. For more information regarding the terms of this agreement, see “Business—Principal Project Agreements—Lump-Sum Construction Agreement.”

### *Upper Deck*

On August 30, 2005, Upper Deck and Arias Serna & Saravia, our affiliates, executed a master contract for architectural design to develop the plans and specifications of Trump Ocean Club. On February 3, 2006, we executed a plans and specifications purchase and sale contract with Upper Deck to acquire the basic scheme, preliminary project and architectural project for Trump Ocean Club for a total price of approximately US\$ 9.1 million. The plans and specifications were prepared by Arias Serna & Saravia under a master contract for architectural design with Upper Deck, dated August 30, 2005. For more information regarding the terms of the purchase agreement, see “Business—Principal Project Agreements—Plans and Specifications Purchase Agreement.”

### *Roger Khafif*

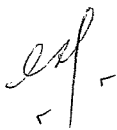
On January 2, 2007, we entered into a Contract of Promise of Purchase to acquire the real estate property where we are currently developing Trump Ocean Club’s private beach club. The property consists of 0.76 acres (3,100 square meters) of land located on the island of Contadora, Panama. We paid Roger Khafif, our affiliate, US\$ 0.9 million, equivalent to 100% of the purchase price, in complete satisfaction of our obligations under the Contract of Promise of Purchase.

### *Sucre, Arias & Reyes*

Mr. Carlos Sucre C, founder partner of Sucre, Arias & Reyes, is Deputy Secretary of Newland. Sucre, Arias & Reyes is our legal advisor in Panama and has been advising Newland in all matters related to Trump Ocean Club.

### *Komco*

We retained Komco, our affiliate, as an international sales and marketing consultant for Trump Ocean Club under a Consulting Agreement dated May 23, 2006. Komco’s services include the initiation and coordination of advertising, public relations and promotions in the international market, as well as facilitating the sale of units in the international market by co-brokers.



## DESCRIPTION OF NOTES

You can find the definitions of certain terms used in this description under the subheading “Certain Definitions.” Certain defined terms used in this description but not defined below under “— Certain Definitions” have the meanings assigned to them in the Indenture. In this description, the phrase “Newland” refers to Newland International Properties, Corp.

Newland will issue notes (the “Notes”) under an Indenture dated November 7, 2007 (the “Indenture”), between itself and HSBC Bank USA, N.A., as trustee (in such capacity, the “Trustee”), in a transaction that is not subject to the registration requirements of the Securities Act. See “Notice to Investors.”

The following description is a summary of the material provisions of the Indenture, the Co-Trustee Agreement, the Construction Completion Support Agreement and the Mortgage. It does not restate these agreements in their entirety. We urge you to read these agreements because such agreements, and not this description, define your rights as holders of the Notes. Copies of these agreements are available as set forth below under “—Notices and Reports; Available Information.”

The registered holder of a Note (each, a “Noteholder”) will be treated as the owner thereof for all purposes. Only registered holders will have rights under the Indenture. The Notes will be secured by the Collateral as described below under “— Collateral and Security.”

### Brief Description of the Notes

The Notes will be:

- (1) senior secured obligations of Newland; and
- (2) secured by a first priority security interest in or first mortgage on the Collateral.

### Principal, Maturity and Interest

Newland will issue US\$ 220 million in aggregate principal amount of Notes in this offering. The Notes will be senior obligations of Newland, and will be secured by a first priority security interest in or first mortgage on the Collateral as described herein. The Notes will be issued in minimum denominations of US\$ 10,000 and integral multiples of US\$ 1,000 in excess thereof.

Interest on the Notes will accrue at the rate of 9.50% per annum and will be payable semi-annually in arrears on May 15 and November 15, commencing on May 15, 2008 (each, a “Payment Date”). Newland will make each interest payment to the holders of record on the immediately preceding May 1 and November 1 respectively. Interest on the Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Principal of the Notes will be repaid in seven equal, semi-annual payments, on the Payment Dates occurring on November 15, 2011, May 15, 2012, November 15, 2012, May 15, 2013, November 15, 2013, May 15, 2014, and November 15, 2014.

### Listing

The Notes will be listed on the *Bolsa de Valores de Panamá, S.A.* (the Panama Stock Exchange), a Panamanian company (*sociedad anónima*) duly registered and authorized by the National Securities Commission of Panama to maintain and operate (1) facilities where individuals can trade securities; or (2) a system, either electronic, mechanic or otherwise, which allows the trade of securities through the matching of purchase and sale offers.



The Notes will not be listed on any other exchange outside of Panama. Beneficial interests in the Regulation S Global Note may be held in Panama through Latinclear, a participant in Clearstream.

### **Debt Service Reserve Account**

On the Closing Date, the Debt Service Reserve Account will be established in the name of the Trustee for the benefit of the Noteholders. An initial deposit therein (the “Debt Service Reserve Account Initial Deposit”) will be made by Newland from the net proceeds of the offering of the Notes equal to the amount of interest due on the Notes on the next Payment Date. After the Closing Date, cash will be deposited in the Debt Service Reserve Account as described herein in amounts required to maintain the amount on deposit in the Debt Service Reserve Account at the Reserve Requirement, and will be invested in specified Cash Equivalents upon the prior written direction by Newland to the Trustee. Income on amounts invested in the Debt Service Reserve Account will be transferred to the Collection Account by the Trustee on a monthly basis, provided that no Default or Event of Default has occurred and is continuing.

On each Payment Date, the Trustee will make withdrawals from the Debt Service Reserve Account to make payments of interest on and principal, if any, of the Notes due on such Payment Date to the extent funds on deposit in the Collection Account and the Investment Account are insufficient to make such payments.

### **Construction Escrow Account**

On the Closing Date, Newland will deposit the sum of the net proceeds of the offering (after deduction of underwriting discounts, offering expenses, the Bridge Loan Repayment Amount and the Debt Service Reserve Account Initial Deposit) and, from amounts remaining on deposit in escrow in the HSBC Panama Account and an escrow account relating to the Bridge Loan Agreement (“Escrow Amounts”), into the Construction Escrow Account, an amount sufficient such that the amount on deposit in the Construction Escrow Account exceeds the remaining direct costs (as certified on the Closing Date by the Company to the Trustee) of construction and furniture, fixtures and equipment as of the Closing Date by US\$ 15.1 million. Any remaining Escrow Amounts will be transferred to Newland. See “Use of Proceeds.”

Funds held in the Construction Escrow Account will be invested by the Trustee upon the prior written direction by Newland to the Trustee in Eligible Investments pending withdrawal; provided that the Trustee will as of any date maintain, in the form of Cash Equivalents, an amount at least sufficient to pay for construction of the Project for which disbursements will be required during the six (6) months following such date. Income on amounts invested in the Construction Escrow Account will be transferred to the Collection Account by the Trustee on a monthly basis, provided that no Default or Event of Default has occurred and is continuing. Newland will grant the Trustee, for the benefit of the holders of the Notes, a first priority security interest in the Construction Escrow Account and all amounts on deposit therein to secure the obligations of Newland under the Indenture and the Notes.

Upon receipt from Newland of an Eligible Escrow Withdrawal Request that complies with the requirements of the Indenture, the Trustee will transfer cash in the requested amount from the Construction Escrow Account to the Co-Trustee for payment by the Co-Trustee by check to the related contractors.

The Support Parties may, pursuant to the Construction Completion Support Agreement, be required from time to time to transfer funds to the Construction Escrow Account, as described herein under “—Construction Completion Support Agreement”. In addition, both Newland and each Construction Completion Support Party may from time to time deposit additional amounts into the Construction Escrow Account pursuant to, and in accordance with the conditions set forth in, the Indenture. Any amounts remaining in the Construction Escrow Account upon Construction Completion will be transferred to the Collection Account for application in accordance with the Priority of Payments.

### **Construction Completion Support Agreement**

Mr. Roger Khafif, Mr. Carlos A. Serna and Mr. Eduardo Saravia (the “Construction Completion Support Parties”) will enter into a construction completion support agreement with the Trustee, dated November 6, 2007 (the



“Construction Completion Support Agreement”). Pursuant to the Construction Completion Support Agreement, the Completion Support Parties jointly and severally agree to pay on each Escrow Top-Up Date the related Construction Shortfall, if any, to the Construction Escrow Account.

With respect to each Escrow Top-Up Date, the obligations of the Completion Support Parties shall be deemed to be satisfied if, on or before such Escrow Top-Up Date, Newland shall deposit the related Construction Shortfall into the Construction Escrow Account pursuant to, and in accordance with the conditions set forth in, the Indenture, and the Trustee shall have received written notice from Newland to such effect on or before such Escrow Top-Up Date.

The Construction Completion Support Agreement will not be a guarantee of payment of the Notes, and Noteholders will have recourse only to Newland and the Collateral for repayment of their Notes.

### **Collateral and Security**

The Collateral will include (i) the Subject Properties, (ii) the Receivables, (iii) the Accounts and all Eligible Investments on deposit therein, (iv) the Plans and Specifications, (v) the Trump License Agreement, (vi) Newland’s rights to all other revenues arising from the operation of the Project, including, without limitation, revenues arising from the operation of the Casino and the hotel, restaurants and spa, and any leases relating thereto; (vii) Newland’s rights under the Construction Contract, and (viii) all proceeds of the foregoing. Newland will grant the Trustee a first priority security interest in or first mortgage on the Collateral under the Indenture and the Security Documents to secure the payment of all obligations of Newland under the Indenture and the Notes. Except as otherwise permitted by the Indenture, Newland will not be permitted to sell, encumber, lease or transfer any Collateral.

#### *The Subject Properties*

The Subject Properties will be subject to the Mortgage in the name of the Co-Trustee. The “as is” development value of the Subject Properties has been determined by the Independent Appraiser to be US\$ 113.6 million as of September 14, 2007.

Subject Properties will from time to time give rise to Receivables. To the extent a Subject Property gives rise to a Receivable under a Unit Purchase Agreement, the Co-Trustee will release such Subject Property from the Mortgage once the Trustee and the Co-Trustee receive an officers’ certificate from Newland certifying that the property relating to such Receivable has been purchased or financed by the obligor in accordance with the Unit Purchase Agreement and such Receivable will be pledged to the Trustee as security for the Notes.

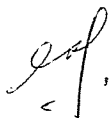
Upon any casualty relating to the Subject Properties, any Insurance Proceeds will, subject to any provisions in the related Unit Purchase Agreements, be deposited into the Construction Escrow Account and disbursed, for completion of Construction, subject to the provisions herein under “—Construction Escrow Account”.

#### *The Receivables*

Newland will pledge to the Trustee, as security for the Notes, all Receivables owned by it on the Closing Date and all Receivables arising from time to time thereafter. The Receivables will arise under Unit Purchase Agreements pursuant to which the related obligor will be required, prior to completion of the related unit, to make a series of up to four payments collectively consisting of (a) 30% of the purchase price (for hotel or residential condominium units) or (b) 50% of the purchase price (for commercial units) and the obligor will be required to pay the remaining balance of the purchase price of the unit upon delivery by Newland of the completed unit.

#### *The Accounts*

Upon execution of a Unit Purchase Agreement, payments by the related obligor will be made directly into the HSBC Panama Account. All such payments (after the deduction of the amount of the fee due to licensor in respect of such unit in accordance with the Trump License Agreement) will be transferred into the Release Account twice weekly. Such amounts will then be held in the Release Account during each Monthly Collection Period and



released to Newland on a weekly basis until the full amount of the Monthly Working Capital Amount has been so released (or, if the full Monthly Working Capital Amount is not accumulated during such Monthly Collection Period, the amount so accumulated as of the end of such Monthly Collection Period), and all remaining collections, if any, in the Release Account during such Monthly Collection Period will be transferred to the Collection Account on the first Business Day in the calendar month in which the related Disbursement Date shall occur. Amounts on deposit in the Collection Account will be invested in specified Cash Equivalents upon the prior written direction by Newland to the Trustee.

If any payment made by an obligor under a Unit Purchase Agreement is received by Newland rather than the related account to which payment should have been made, Newland will be required to transfer such payment into the account into which such payment should have been made, promptly upon receipt.

The Release Account, the Debt Service Reserve Account, the Investment Account, the Collection Account and the Construction Escrow Account will constitute Accounts comprising the Collateral.

### **Application of Amounts on Deposit in the Collection Account and the Investment Account**

On the 15th day of each month or, if such day is not a Business Day, the next succeeding Business Day (each, a "Disbursement Date"), the following amounts will be applied by the Trustee in the following order of priority (the "Priority of Payments"):

(1) if such Disbursement Date (A) is not a Payment Date, to retain on deposit in the Collection Account up to an amount sufficient to pay the fees, expenses and indemnities of the Trustee, the Co-Trustee, the Independent Appraiser and the Independent Engineer on the Payment Date next succeeding such Disbursement Date, or (B) is a Payment Date, from the Collection Account (or, if amounts on deposit therein are insufficient, from the Investment Account) to pay the fees, expenses and indemnities of the Trustee, the Co-Trustee, the Independent Appraiser and the Independent Engineer;

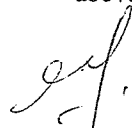
(2) (A) if such Disbursement Date is not a Payment Date, to retain on deposit in the Collection Account, up to an amount sufficient (together with any amount so retained pursuant to this clause (2) on a prior Disbursement Date and not yet released) to pay interest and principal, if any, due on the Notes on the next Payment Date, and (B) if such Disbursement Date is a Payment Date, (i) from the Collection Account, (ii) if amounts on deposit therein are insufficient, from the Investment Account, and (iii) if such amounts in (i) and (ii) herein are insufficient, from the Debt Service Reserve Account, to pay interest and principal (if any) due on the Notes on such Payment Date;

(3) if such Disbursement Date (A) is not a Payment Date, to transfer from the Collection Account to the Debt Service Reserve Account, up to an amount sufficient to maintain the Reserve Requirement as of such Disbursement Date, or (B) is a Payment Date, to transfer from the Collection Account (or, if amounts on deposit therein are insufficient, from the Investment Account) to the Debt Service Reserve Account, up to an amount sufficient to maintain the Reserve Requirement as of such Disbursement Date;

(4) if the Collateralization Ratio Requirement is not met or if a Default or an Event of Default shall have occurred and be continuing, to transfer all remaining amounts from the Collection Account to the Investment Account, for investment in Eligible Investments as specified in writing by Newland to the Trustee;

(5) if the Collateralization Ratio Requirement is met and no Default or an Event of Default shall have occurred and be continuing, to transfer from the Debt Service Reserve Account to Newland all amounts in excess of the Reserve Requirement after application of amounts on deposit therein on such Disbursement Date in accordance with the Priority of Payments; and

(6) with respect to any amounts remaining after the application of clauses (1) through (5) above, to transfer such amounts from the Collection Account and/or the Investment Account, as the case



may be, to Newland.

To the extent amounts on deposit in the Collection Account (or, if applicable, the Investment Account) are insufficient to pay the amounts due and payable on any Payment Date according to the Priority of Payments, Newland will be required to pay any such shortfall to the Trustee in order to make such payments on such Payment Date. In addition, Newland may, at any time and from time to time, contribute further amounts to the Investment Account. Except in connection with any liquidation of the Collateral following an Event of Default, amounts will not be permitted to be withdrawn from the Construction Escrow Account to make payments on the Notes on any Payment Date.

Upon any acceleration of the Notes or the failure to pay principal on any Payment Date or upon any redemption in full of the Notes, amounts on deposit in all Accounts will be applied by the Trustee, first, to pay the fees, expenses and indemnities of the Trustee, the Co-Trustee, the Independent Appraiser and the Independent Engineer, and, second, to repay principal of and any accrued interest on the Notes and any other amounts owing to the holders of the Notes pursuant to the Indenture. Any remaining amounts will be distributed to Newland.

### **Additional Amounts**

All payments made by Newland under or with respect to the Notes will be made free and clear of and without withholding or deduction for or on account of any present or future taxes, levies, imposts, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Republic of Panama or any political subdivision or taxing authority of or in the Republic of Panama ("Taxes"), unless Newland is required to withhold or deduct any amount for or on account of Taxes by law or by the interpretation or administration of law. If Newland is so required to withhold or deduct any amount for or on account of Taxes from any payment made by Newland under or with respect to the Notes, Newland will pay such additional amounts ("Additional Amounts") as may be necessary so that the net amount (including Additional Amounts) received by each holder of Notes after withholding or deduction will not be less than the amount the holder would have received if Taxes had not been withheld or deducted.

However, no Additional Amounts will be payable by Newland with respect to a payment made to a holder of Notes with respect to any Tax which would not have been imposed, payable or due:

(1) in the case that the holder or a Beneficial Owner of a Note is or was a domiciliary, national or resident of, or engages or engaged in business, maintains or maintained a permanent establishment or is or was physically present in the Republic of Panama, or otherwise has some present or former connection with the Republic of Panama other than the mere holding or enforcement of the Notes or the receipt of principal, premium, if any, or interest in respect of the Notes;

(2) in the case that the holder or Beneficial Owner of Notes fails to comply with a request by Newland to satisfy any certification, identification or other reporting requirements which such holder or Beneficial Owner is legally entitled to satisfy, whether imposed by statute, treaty, regulation, administrative practice or otherwise, concerning the nationality, residence or connection with the Republic of Panama of such holder or Beneficial Owner;

(3) if, where presentation by the holder is required to receive payment under the Notes, the presentation for payment had occurred within 30 days after the date such payment was due and payable or was provided for, whichever is later;

The obligation of Newland to pay Additional Amounts in respect of Taxes will not apply with respect to:

(4) any estate, inheritance, gift, sales, transfer, personal property or any similar Tax; or

(5) any Tax which is payable otherwise than by deduction or withholding from payments made under or with respect to the Notes.



Newland will be required to:

- (6) make any required withholding or deduction;
- (7) remit the full amount deducted or withheld to the relevant authority (the "Taxing Authority") in accordance with applicable law;
- (8) obtain certified copies of tax receipts evidencing the payment of any Taxes so deducted or withheld from each Taxing Authority imposing such Taxes; and
- (9) promptly send the certified copies of such tax receipts to the Trustee (if the Trustee acts as the paying agent) or, if different, to the paying agent, in each case solely for the purpose of forwarding such receipts to any holder that has made a written demand for the certified copies to the Trustee or the paying agent, as the case may be.

If the receipts are not obtainable, Newland will be required to provide to the Trustee or the paying agent, as the case may be, such other evidence of the payments as Newland may reasonably obtain.

At least 30 days prior to each date on which any payment under or with respect to the Notes is due and payable (unless Newland's obligation to pay Additional Amounts arises after the 30th day prior to that date, in which case it will be promptly after Newland's obligation to pay Additional Amounts arises), if Newland will be obligated to pay Additional Amounts with respect to the payment, Newland will deliver to the Trustee and each paying agent an officers' certificate stating the fact that the Additional Amounts will be payable and the amounts so payable and will set forth other information necessary to enable the Trustee and each paying agent to pay the Additional Amounts to holders of Notes on the payment date. Each officer's certificate will be relied upon until receipt of a further officers' certificate addressing these matters.

Whenever in the Indenture or in this "Description of Notes" there is mentioned, in any context, the payment of amounts based upon the payment of principal, premium or interest or of any other amount payable under or with respect to any Note, such mention will be deemed to include mention of the payment of Additional Amounts as are, were or would be payable in respect of the payment of principal, premium or interest or of any other amount.

Interest payable on the Notes will be exempt from income tax or withholding requirements in Panama, provided that the Notes are registered with the Panamanian National Securities Commission and, in addition, are placed through a securities exchange or through an organized market in Panama. The Notes are in the process of being registered with the Panamanian National Securities Commission and will be initially placed on the Panama Stock Exchange. Accordingly, interest payments made on the Notes will be exempt from income tax or withholding requirements in Panama. Should the Notes not be initially placed on the Panama Stock Exchange, interest payments will be subject to a 5% income tax, which would have to be withheld by the Newland. See "Certain Republic of Panama Tax Considerations."

### **Currency Indemnity**

Newland will pay all sums due under the Indenture and the Notes solely in U.S. Dollars.

Any amount that Newland pays in a currency other than U.S. Dollars in respect of any sum due under the Indenture (the "Foreign Currency Payment Amount") will only constitute a discharge to Newland to the extent of the U.S. Dollar amount that the holder would be able to purchase on the Payment Date with the Foreign Currency Payment Amount. If the Foreign Currency Payment Amount is less than the U.S. Dollar amount due under the Indenture, Newland will indemnify such holder for the difference between the U.S. Dollar amount due and the U.S. Dollar amount which the holder is so able to purchase with the Foreign Currency Payment Amount (the "Foreign Currency Payment Amount Loss"). In the event a holder of a Note purchases U.S. Dollars on the Payment Date with all of the Foreign Currency Payment Amount, Newland will indemnify such holder for the reasonable transaction costs incurred in connection with such purchase of U.S. Dollars. For the purposes of this paragraph, it will be sufficient for a holder to certify in writing that such holder suffered a Foreign Currency Payment Amount Loss;



provided that such written certification is accompanied by documentation reasonably evidencing such Foreign Currency Payment Amount Loss.

### **Paying Agent and Registrar for the Notes; Transfer and Exchange**

The Trustee will initially act as paying agent and registrar for the Notes. The office of the Trustee is currently located at HSBC Bank USA, National Association, Corporate Trust and Loan Agency, 452 Fifth Avenue, New York, New York 10018-2706.

A holder may transfer or exchange Notes in accordance with the provisions of the Indenture. The registrar and the Trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents in connection with a transfer of Notes. Noteholders will be required to pay all taxes due on transfer. Newland is not required to transfer or exchange any Note selected for redemption. Also, Newland is not required to record the transfer or exchange of any Note for a period of 15 days prior to the date of redemption thereof.

### **Redemption**

#### *Optional Redemption*

Newland may on any one or more occasions redeem up to 35% of the aggregate initial principal amount of Notes issued under the Indenture, less any regularly scheduled payments of principal of the Notes, at a redemption price of 109.500% of the principal amount plus accrued and unpaid interest to, but excluding, the redemption date, with the net cash proceeds of one or more Equity Offerings; provided that: (i) at least 65% of the aggregate initial principal amount of Notes under the Indenture (excluding Notes held by Newland and its Affiliates), less any regularly scheduled payments of principal of the Notes, remains outstanding immediately after the occurrence of such redemption; and (ii) the redemption occurs within 45 days of the date of the closing of such Equity Offering. In addition, beginning on the third anniversary of the Closing Date, Newland may at any time, upon not less than 35 or more than 65 days' prior notice, redeem all or a portion of the outstanding principal amount of Notes at a redemption price in accordance with the following schedule if redeemed during the periods set forth below, plus any accrued and unpaid interest as of the time of such redemption:

<u>Periods</u>	<u>Redemption Price</u>
November 15, 2010 – November 14, 2011	104.750%
November 15, 2011 – November 14, 2012	102.375%
November 15, 2012 and thereafter	100%

Newland may also redeem all or part of the Notes, upon not less than 30 or more than 60 days' prior notice, at a redemption price equal to 100% of the outstanding principal amount of Notes redeemed plus the Applicable Make-Whole Premium as of, and accrued and unpaid interest to, but excluding, the redemption date, subject to the rights of Noteholders on the relevant record date to receive interest due on the relevant Payment Date.

Other than as provided herein with respect to repayment and redemption, Newland will not be required to make mandatory redemption payments or sinking fund payments with respect to the Notes.

Newland may acquire Notes by means other than a redemption, whether by tender offer, open market purchases, negotiated transactions or otherwise, in accordance with applicable securities laws, so long as such acquisition does not violate the terms of the Indenture and provided that any Note so acquired by Newland will be cancelled.

#### *Redemption For Changes in Withholding Taxes*

The Notes may be redeemed at the option of Newland, in whole but not in part, at any time prior to the final maturity date of the Notes upon not more than 60 nor less than 30 days' notice to the holders of the Notes (with copies to the Trustee and the paying agent) at a redemption price equal to 100% of the outstanding principal amount





of the Notes (together with accrued and unpaid interest, if any, to (but excluding) the date fixed for redemption, plus any Additional Amounts), if, as the result of certain changes in or amendments to the tax laws of the Republic of Panama, Newland has or will become obligated to pay Additional Amounts in excess of the Additional Amounts that Newland would be obligated to pay if Taxes were imposed with respect to payments of principal, premium or interest at a rate in excess of 10%.

Prior to the giving of any notice of such a redemption of the Notes as described herein and as a condition to any redemption, Newland will deliver to the Trustee (1) an Officers' certificate stating that Newland is entitled to effect such a redemption and setting forth in reasonable detail a statement of facts relating to the redemption and (2) a written opinion of counsel to that effect based on the statement of facts.

*Redemption at Option of Noteholders upon Change of Control*

If a Change of Control occurs, each holder of Notes will have the right to require Newland to repurchase all or any part of that holder's Notes pursuant to a Change of Control Offer on the terms set forth in the Indenture. In the Change of Control Offer, Newland will offer a Change of Control Payment in cash equal to 101% of the outstanding principal amount of Notes repurchased plus accrued and unpaid interest, if any, on the Notes repurchased, to, but excluding, the date of purchase, subject to the rights of Noteholders on the relevant record date to receive interest due on the relevant Payment Date. Within 30 days following the date on which Newland becomes aware that a Change of Control has occurred, Newland will mail a notice to each holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the Change of Control Payment Date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the Indenture and described in such notice. Newland will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, Newland will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control provisions of the Indenture by virtue of such compliance.

On the Change of Control Payment Date, Newland will, to the extent lawful:

- (1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;
- (2) deposit with the paying agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and
- (3) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an officers' certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by Newland.

The paying agent will promptly mail to each holder of Notes properly tendered the Change of Control Payment for such Notes.

Newland will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The provisions described above that require Newland to make a Change of Control Offer following a Change of Control will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control, the Indenture does not contain provisions that permit the holders of the Notes to require that Newland repurchase or redeem the Notes in connection with a Change of Control.



The Change of Control repurchase feature is a result of negotiations between Newland and the initial purchaser. Newland's management has no present intention to engage in a transaction involving a Change of Control, although it is possible that Newland will do so in the future. Subject to certain covenants described below, Newland could, in the future, enter into transactions including acquisitions, refinancings or other recapitalizations that would not constitute a Change of Control under the Indenture, but that could increase the amount of debt outstanding at such time or otherwise affect Newland's capital structure or credit ratings, if any.

Newland will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by Newland and purchases all of the Notes not validly tendered and not withdrawn under such Change of Control Offer.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, transfer, conveyance or other disposition of "all or substantially all" of the properties or assets of Newland. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of Notes to require Newland to repurchase its Notes as a result of a sale, transfer, conveyance or other disposition of less than all of the assets of Newland to another Person or group may be uncertain.

#### *Redemption at Option of Noteholders — Asset Sales*

Newland will not consummate an Asset Sale unless:

- (1) Newland receives consideration at the time of the Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of; and
- (2) at least 85% of the consideration received in the Asset Sale by Newland is in the form of cash or Cash Equivalents. For purposes of this provision, each of the following will be deemed to be cash:
  - (a) any liabilities of Newland (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes) that are assumed by the transferee of any such assets and as a result of which Newland is unconditionally released from further liability;
  - (b) any securities, notes or other obligations received by Newland from such transferee that within 90 days are converted into cash or Cash Equivalents, to the extent of the cash or Cash Equivalents received in that conversion;
  - (c) in connection with the sale of a business, accounts receivable of the business being sold which are retained by Newland following the Asset Sale; provided that at the time of such sale such accounts receivable are not past due more than 60 days and do not have a payment date more than 90 days from the date of the related invoice; and
  - (d) any assets of the kind referred to in clause (5) of the next paragraph of this covenant.

Within 270 days after the receipt of any Net Proceeds from an Asset Sale, Newland may apply those Net Proceeds at its option:

- (1) to repay Pari Passu Debt;
- (2) to acquire all or substantially all of the assets of another Permitted Business;
- (3) to make a capital expenditure in a Permitted Business;
- (4) if the Collateralization Ratio shall not be met, to deposit into the Investment Account; or



(5) to acquire other assets that are not classified as current assets under IFRS and that are used in a Permitted Business;

or enter into a binding commitment regarding clauses (2), (3) or (5) above, provided that such binding commitment shall be treated as a permitted application of Net Proceeds from the date of such commitment until and only until the earlier of (x) the date on which such acquisitions or expenditures are consummated and (y) the 180<sup>th</sup> day following the expiration of the aforementioned 270 day period. If such acquisition or expenditure is not consummated on or before such 180<sup>th</sup> day and Newland shall not have applied such Net Proceeds as described in clause (2), (3) or (5) of this paragraph on or before such 180<sup>th</sup> day, such commitment shall be deemed not to have been a permitted application of Net Proceeds.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the preceding paragraph will constitute "Excess Proceeds." When the aggregate amount of Excess Proceeds exceeds US\$ 5 million, Newland will make an Asset Sale Offer to all holders of Notes to purchase the maximum outstanding principal amount of Notes that may be purchased out of the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of principal amount plus accrued and unpaid interest, if any, to, but excluding, the date of purchase, and will be payable in cash (subject to the right of holders to receive interest due on the relevant Payment Date). If any Excess Proceeds remain after consummation of an Asset Sale Offer, Newland may use those Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes tendered into such Asset Sale Offer exceeds the amount of Excess Proceeds, the Trustee will select the Notes to be purchased on a pro rata basis. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

The Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each holder a Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. Newland will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of the Indenture, Newland will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Asset Sale provisions of the Indenture by virtue of such compliance.

#### *Notice of Redemption*

If less than all of the Notes are to be redeemed at any time, the Trustee will select Notes for redemption on a pro rata basis.

Newland will provide notice of redemption to the Trustee by courier at least 35 days but not more than 65 days before, and the Trustee will mail notices of redemption by first class mail at least 30 days but not more than 60 days before, the redemption date to each holder of Notes to be redeemed at its registered address, except that redemption notices may be mailed by the Trustee more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture. Notices of redemption may not be conditional.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount of that Note that is to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the holder of Notes upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption.

#### **Certain Covenants**

##### *Restricted Payments*

Newland will not directly or indirectly:



(1) declare or pay any dividend or make any other payment or distribution on account of Newland's Equity Interests or to the direct or indirect holders of Newland's Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of Newland and other than dividends or distributions payable to Newland);

(2) purchase, redeem or otherwise acquire or retire for value any Equity Interests of Newland or any direct or indirect parent of Newland (other than in exchange for Capital Stock of Newland (other than Disqualified Stock));

(3) make (i) any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness of Newland that is contractually subordinated to the Notes, except a payment of interest or principal at the Stated Maturity thereof or (ii) any Consulting Excess Payment; or

(4) make any Restricted Investment;

(all such payments and other actions set forth in these clauses (1) through (4) above being collectively referred to as "Restricted Payments"), unless, at the time of and after giving effect to such Restricted Payment:

(1) Construction Completion shall have occurred;

(2) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment; and

(3) the Restricted Payment Ratio Requirement shall be met.

So long as no Default or Event of Default has occurred and is continuing or would be caused thereby, the preceding provisions will not prohibit:

(1) the making of any Restricted Payment in exchange for, or out of the net cash proceeds of the substantially concurrent sale of, Equity Interests of Newland (other than Disqualified Stock) or from the substantially concurrent contribution of common equity capital to Newland; and

(2) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of Newland issued on or after the date of the Indenture in accordance with the requirements herein.

The amount of any Restricted Payment (other than cash) will be the Fair Market Value on the date of such Restricted Payment of the asset(s) or securities proposed to be transferred or issued by Newland pursuant to such Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued hereby shall be determined by resolution of the Board of Directors of Newland, and Newland shall deliver a copy of such resolution to the Trustee. The Board of Directors' determination must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of international standing if the Fair Market Value exceeds US\$ 5 million.

#### *Incurrence of Indebtedness*

Newland will not be permitted to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "incur") any Indebtedness; provided, however, that Newland may incur up to an aggregate of US\$ 20 million of Indebtedness (other than the Indebtedness evidenced by the Notes) at any time outstanding for general corporate purposes.



### *No Layering of Indebtedness*

Newland will not incur, create, issue, assume, guarantee or otherwise become liable for any Indebtedness that is contractually subordinate or junior in right of payment to any senior Indebtedness of Newland and pari passu in right of payment to the Notes.

### *Liens*

Newland will not directly or indirectly, create, incur, assume or suffer to exist any Lien of any kind on any asset owned on the date of the Indenture or thereafter acquired, except Permitted Liens.

### *Sale and Leaseback Transactions*

Newland will not enter into any sale and leaseback transaction unless:

(1) Newland could have (a) incurred Indebtedness in an amount equal to the Attributable Debt relating to such sale and leaseback transaction under the covenant described above under the caption “— Incurrence of Indebtedness” and (b) incurred a Lien to secure such Indebtedness pursuant to the covenant described above under the caption “— Liens”; and

(2) the sale and leaseback transaction is made in compliance with the covenant described above under the caption “— Redemption at the Option of Holders — Asset Sales.”

### *Merger, Consolidation or Sale of Assets*

Newland may not, directly or indirectly: (1) consolidate or merge with or into another Person; or (2) sell, assign, transfer, convey, lease or otherwise dispose of all or substantially all of its properties or assets, in one or more related transactions, to another Person; unless:

(1) either: (a) Newland is the surviving corporation; or (b) the Person formed by or surviving any such consolidation or merger (if other than Newland) or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made is a corporation organized or existing under the laws of the Republic of Panama, the United States, any state of the United States or the District of Columbia;

(2) the Person formed by or surviving any such consolidation or merger (if other than Newland) or the Person to which such sale, assignment, transfer, conveyance, lease or other disposition has been made assumes by written agreement all the obligations of Newland under the Notes and the Indenture and the other Security Documents;

(3) immediately after such transaction, no Default or Event of Default exists; and

(4) the Person formed by or surviving any such consolidation or merger or the Person to which such sale, assignment, transfer, conveyance, lease or other disposition is made, shall have a Consolidated Net Worth not less than Newland’s Consolidated Net Worth immediately prior thereto.

### *Transactions with Affiliates*

Newland will not make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of Newland (each, an “Affiliate Transaction”), unless:

(1) such Affiliate Transaction is on terms that are not materially less favorable to Newland than those that would have been obtained in a comparable transaction by Newland with an unrelated Person; and



(2) Newland delivers to the Trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US\$ 1 million, a resolution of the Board of Directors set forth in an officers' certificate certifying that such Affiliate Transaction complies with this covenant; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US\$ 5 million, (i) an opinion as to the fairness to Newland of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of international standing or (ii) with respect to any construction-related Affiliate Transaction (or any permitted successor thereto), a certification from the Independent Engineer to the Trustee to the effect that such Affiliate Transaction is on terms that are not materially less favorable to Newland than those that would have been obtained in a comparable transaction by Newland with an unrelated Person.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

(1) any employment agreement, employee benefit plan, officer and director indemnification agreement or any similar arrangement entered into by Newland in the ordinary course of business;

(2) payment of reasonable directors' fees;

(3) any issuance of Equity Interests (other than Disqualified Stock) of Newland to Affiliates of Newland;

(4) Restricted Payments that do not violate the provisions of the Indenture described above under the caption "— Restricted Payments";

(5) transactions with any Person solely in its capacity as a holder of Indebtedness or Capital Stock of Newland where such Person is treated no more favorably than any other holder of Indebtedness or Capital Stock of Newland; and

(6) transactions effected pursuant to agreements in effect on the date of the Indenture (including, without limitation, the Agreements in effect as of the Closing Date), and any amendment, modification, renewal, extension or replacement to such agreement provided that such amendment, modification, renewal, extension or replacement is not disadvantageous to the holders of the Notes in any respect.

#### *Business Activities*

Newland will not engage in any business other than Permitted Businesses.

#### *Subsidiaries*

Newland does not have and will not be permitted to create or acquire any Subsidiaries.

#### *Payments for Consent*

Newland will not directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any holder of Notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes unless such consideration is offered to be paid and is paid to all holders of the Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

## Notices and Reports; Available Information

Notices shall be deemed to have been given on the date of publication as aforesaid or, if published on different dates, on the date of the first such publication. In addition, notices will be mailed to holders of Notes at their registered addresses.

### *Receivables Reports*

Newland will provide the Trustee with monthly reports in the form set forth in an exhibit to the Indenture, setting forth, among other things, the identity and amount of each Receivable generated since the last such report, whether such Receivables are Eligible Receivables, the calculation of the Collateralization Ratio and whether or not the Collateralization Ratio Requirement has been met as of the end of the relevant reporting period, with each related Unit Purchase Agreement attached thereto.

### *Available Information*

Newland will provide to the Trustee and the Trustee will make available to the holders:

(1) annual financial statements audited by an internationally recognized firm of independent public accountants within 120 days of the end of each fiscal year, and quarterly financial statements within 60 days of the end of each of the first three fiscal quarters of each fiscal year, in each case for Newland. Such annual and quarterly financial statements will be prepared in accordance with IFRS and such annual financial statements be accompanied by a summary management discussion on the results of operations of Newland for the periods presented; and

(2) copies (including English translations of documents in other languages) of all public filings made by Newland with any stock exchange or securities regulatory agency within ten days after filing.

Newland has agreed in the Indenture that it will host a quarterly conference call for holders of the Notes to be held within a reasonable time, but in no event later than 30 days, after the delivery of the quarterly financial statements referred to above (or, in the case of the annual audited financial statements, within 90 days after the end of the fiscal year) by placing a notice and dial-in conference number on its website ([www.trumpoceanclub.com](http://www.trumpoceanclub.com)) at least 72 hours in advance of the conference call.

Newland shall take all action necessary to provide information to permit resales of the Notes pursuant to Rule 144A under the Securities Act, including furnishing to any holder of a Note or beneficial interest in a global Note, or to any prospective purchaser designated by such holder, upon request of such holder, financial and other information required to be delivered under Rule 144A(d)(4) (as amended from time to time and including any successor provision) unless, at the time of such request, Newland is subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act or is exempt from such requirements pursuant to Rule 12g3-2(b) under the Exchange Act (as amended from time to time and including any successor provision).

Anyone who receives this offering memorandum may obtain a copy of the Indenture, the Co-Trustee Agreement, the Construction Completion Support Agreement and the Mortgage without charge, by directing a request therefor to Newland by mail at Plaza 53, Building 53, Ground Floor, Obarrio Street, Republic of Panama, or by telephone at (507) 223-0225.

## Events of Default and Remedies

Each of the following is an "Event of Default" under the Indenture:

- (1) default for 5 days in the payment when due of interest on the Notes;



(2) failure to maintain the amount on deposit in the Debt Service Reserve Account at or above the Reserve Requirement for a period of 60 successive days;

(3) failure to meet the Collateralization Ratio Requirement (i) within nine (9) months of the Closing Date or (ii) for a period of 30 successive days at any time thereafter;

(4) default in the payment when due (at maturity, upon redemption or otherwise) of the principal of, or premium, if any, on the Notes;

(5) failure by Newland to comply with the provisions described under the captions “— Redemption at the Option of Holders — Change of Control,” or “— Certain Covenants — Merger, Consolidation or Sale of Assets”;

(6) failure by Newland to comply with the provisions described under the captions “— Certain Covenants — Restricted Payments” or “— Certain Covenants — Incurrence of Indebtedness”;

(7) failure by Newland for 30 days after notice to comply with any of the other agreements of Newland in the Indenture or any of the other Security Documents;

(8) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness of Newland whether such Indebtedness now exists or is created after the date of the Indenture, if that default:

(a) is caused by a failure to pay principal of, or interest or premium, if any, on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default; or

(b) results in the acceleration of such Indebtedness prior to its final date of maturity,

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a payment default described in (a) above or the maturity of which has been so accelerated, aggregates US\$ 2 million or more;

(9) failure by Newland to pay final judgments aggregating in excess of US\$ 2 million, which judgments are not paid, waived, satisfied, discharged or stayed for a period of 60 days;

(10) any default under the Construction Completion Support Agreement;

(11) certain events of moratorium in the Republic of Panama or bankruptcy or insolvency of Newland or any Construction Support Party, as described in the Indenture; and

(12) any Security Document or any Lien purported to be granted thereby is held in any judicial proceeding to be unenforceable or invalid, in whole or in part, or ceases for any reason (other than pursuant to a release that is delivered or becomes effective as set forth in the Indenture) to be fully enforceable and perfected, or Newland shall so assert.

In the case of an Event of Default arising from certain events of bankruptcy or insolvency with respect to Newland or any Construction Support Party, all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee, by written notice to Newland or the holders of at least 25% in aggregate principal amount of the then-outstanding Notes, by written notice to Newland and the Trustee, may declare all the Notes to be due and payable immediately. In addition, if an Event of Default occurs and is continuing, the holders of at least 25% in aggregate principal amount of the then-outstanding Notes may instruct the Trustee to discontinue honoring requests to withdraw funds from the Construction Escrow Account until such Event of Default is cured or waived.



Subject to certain limitations, holders of a majority in aggregate principal amount of the then-outstanding Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from holders of the Notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal or interest.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any holders of Notes unless such holders have offered to the Trustee reasonable indemnity or security against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest, if any, or when due, no holder of a Note may pursue any remedy with respect to the Indenture or the Notes unless:

- (1) such holder has previously given the Trustee notice that an Event of Default is continuing;
- (2) holders of at least 25% in aggregate principal amount of the outstanding Notes have requested the Trustee to pursue the remedy;
- (3) such holders have offered the Trustee reasonable security or indemnity satisfactory to it against any loss, liability or expense;
- (4) the Trustee has not complied with such request within 60 days after the receipt thereof and the offer of security or indemnity; and
- (5) holders of a majority in aggregate principal amount of the outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

The holders of a majority in aggregate principal amount of the Notes then outstanding by written notice to the Trustee may, on behalf of the holders of all of the Notes, rescind an acceleration or waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of interest or premium on, or the principal of, the Notes.

In the event of a declaration of acceleration of the Notes because an Event of Default described in clause (8) above under “Events of Default and Remedies” has occurred and is continuing, such declaration shall be automatically annulled if, within 20 days after such Event of Default arose, the event triggering such Event of Default pursuant to such clause (8) shall be remedied or cured by Newland or waived by the holders of the relevant Indebtedness.

Newland is required to deliver to the Trustee annually a statement regarding compliance with the Indenture. Upon becoming aware of any Default or Event of Default, Newland is required to deliver to the Trustee a statement specifying such Default or Event of Default.

#### **Legal Defeasance and Covenant Defeasance**

Newland may at any time terminate all of its Obligations with respect to the Notes (“Legal Defeasance”), except for certain Obligations, including those regarding any trust established for a Defeasance, to replace mutilated, destroyed, lost or stolen Notes and to maintain agencies in respect of the Notes.

In addition, Newland may at any time terminate all of its Obligations with respect to the Notes with respect to the covenants described above under “—Certain Covenants” (other than the covenant described under “—Certain Covenants —Merger, Consolidation or Sale of Assets”), and any omission to comply with such Obligations shall not constitute a Default with respect to the Notes issued under the Indenture (“Covenant Defeasance”). In order to exercise either Legal Defeasance or Covenant Defeasance, Newland must irrevocably deposit in trust, for the benefit of the holders of the Notes, cash in U.S. dollars or U.S. government obligations, or a combination thereof, in such amounts as will be sufficient to pay the principal of and interest on such Notes to the redemption date specified by



Newland in accordance with the terms of the Indenture and comply with certain other conditions, including the delivery of an opinion as to certain tax matters.

### **Amendment, Supplement and Waiver**

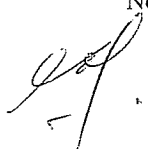
Except as provided in the next three succeeding paragraphs, the Indenture or the Notes may be amended or supplemented with the consent of the holders of at least a majority in aggregate principal amount of the Notes then outstanding, and any existing Default or Event of Default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the holders of a majority in aggregate principal amount of the then outstanding Notes.

Without the consent of each Noteholder affected, an amendment or waiver may not (with respect to any Notes held by a non-consenting holder):

- (1) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver;
- (2) reduce the principal of or change the final maturity of any Note or alter the provisions with respect to the redemption of the Notes (other than provisions relating to the covenants described under the captions above “—Redemption at Option of the Holders of the Notes Upon Change of Control” and “—Redemption at Option of Holders of Notes – Asset Sales”);
- (3) reduce the rate of or change the time for payment of interest on any Note;
- (4) waive a Default or Event of Default in the payment of principal of, or interest or premium, if any, on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the then-outstanding Notes and a waiver of the payment default that resulted from such acceleration);
- (5) make any Note payable in money other than that stated in the Notes;
- (6) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of, or interest or premium, if any, on the Notes;
- (7) waive a redemption payment with respect to any Note;
- (8) release any Construction Support Party from its obligations under the Construction Completion Support Agreement;
- (9) effect any release of Collateral other than as provided in the Indenture; or
- (10) make any change in the preceding amendment and waiver provisions.

Notwithstanding the preceding, without the consent of any holder of Notes, Newland and the Trustee may amend or supplement the Indenture or the Notes:

- (1) to cure any ambiguity, defect or inconsistency;
- (2) to provide for the assumption of Newland’s obligations to holders of Notes in the case of a merger or consolidation or sale of all or substantially all of Newland’s assets;
- (3) to make any change that would provide any additional rights or benefits to the holders of Notes or that does not adversely affect the legal rights under the Indenture of any such holder;



(4) to conform the text of the Indenture or the Notes to any provision of this Description of Notes to the extent that such provision in this Description of Notes was intended to be a verbatim recitation of a provision of the Indenture or the Notes;

(5) to provide for the appointment of a successor Trustee; provided that the successor Trustee is otherwise qualified and eligible to act as such under the terms of the Indenture; or

(6) to add a new form of Unit Purchase Agreement in accordance or to make an amendment to a form of Unit Purchase Agreement in accordance with the Indenture.

In addition, any amendment, waiver or supplement to the Indenture or the Notes, with or without consent of the holders of a majority of the aggregate principal amount of the Notes then outstanding, may be subject to prior approval or filing requirements of the Panamanian National Securities Commission pursuant to *Agreement 4-2003*.

The consent of the holders of the Notes is not necessary to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of such proposed amendment. After an amendment becomes effective, Newland is required to mail to each registered holder of the Notes a notice briefly describing such amendment. However, the failure to give such notice to all holders of the Notes, or any defect therein, will not impair or affect the validity of the amendment.

### **Satisfaction and Discharge**

The Indenture will be discharged and will cease to be of further effect as to all Notes issued thereunder, when:

(1) either:

(a) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to Newland, have been delivered to the Trustee for cancellation; or

(b) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and Newland has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the holders, cash in U.S. dollars, non-callable U.S. government obligations, or a combination of cash in U.S. dollars and non-callable U.S. government obligations in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire indebtedness on the Notes not delivered to the Trustee for cancellation for principal, premium, if any, and accrued interest to the date of maturity or redemption;

(2) Newland has paid or caused to be paid all sums payable by it under the Indenture; and

(3) Newland has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the Notes at maturity or the redemption date, as the case may be.

In addition, Newland must deliver an officers' certificate and an opinion of counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

### **Concerning the Trustee**

If the Trustee becomes a creditor of Newland, the Indenture limits its right to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise.



The holders of a majority in aggregate principal amount of the then-outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of Notes, unless such holder has offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

Pursuant to the Indenture, the Trustee may at any time appoint one or more Persons to act as separate trustees or co-trustees. Such an appointment will not relieve the Trustee of any of its obligations, duties or responsibilities under the Indenture. In accordance with a co-trustee agreement to be dated as of the Closing Date (the “Co-Trustee Agreement”), among the Trustee, Newland, and HSBC Investment Corporation (Panama) S.A., as co-trustee (in such capacity, the “Co-Trustee”), the Co-Trustee will be the mortgagee of record under the Mortgage and will perform certain other duties as set forth therein. Copies of the Indenture and the Co-Trustee Agreement are available as set forth above under “—Notices and Reports; Available Information.”

### **Book-Entry, Delivery and Form**

The Notes are being offered and sold to “qualified institutional buyers” within the meaning of Rule 144A that are also “qualified purchasers” within the meaning of the U.S. Investment Company Act of 1940, as amended, and the rules and regulations thereunder in reliance on Rule 144A (“Rule 144A Notes”). The Notes also may be offered and sold in offshore transactions in reliance on Regulation S (“Regulation S Notes”). Except as set forth below, the Notes will be issued in registered, global form in minimum denominations of US\$ 10,000 and integral multiples of US\$ 1,000 in excess thereof. The Notes will be issued on the issue date free of payment.

Rule 144A Notes initially will be represented by one or more Notes in registered, global form without interest coupons (collectively, the “Rule 144A Global Notes”). Regulation S Notes initially will be represented by one or more Notes in registered, global form without interest coupons (collectively, the “Regulation S Global Notes” and, together with the Rule 144A Global Notes, the “Global Notes”). The Rule 144A Global Notes will be deposited upon issuance with the Trustee as custodian for The Depository Trust Company (“DTC”), in New York, New York, and registered in the name of DTC or its nominee, in each case, for credit to an account of a direct or indirect participant in DTC as described below. The Regulation S Global Notes shall be registered in the name of a nominee or common depository of Euroclear System (“Euroclear”) or Clearstream Banking, S.A. (“Clearstream”). Beneficial interests in the Rule 144A Global Notes may not be exchanged for beneficial interests in the Regulation S Global Notes at any time except in the limited circumstances described below. See “— Exchanges between Regulation S Notes and Rule 144A Notes.”

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Notes may not be exchanged for definitive Notes in registered certificated form (“Certificated Notes”) except in the limited circumstances described below. See “— Exchange of Global Notes for Certificated Notes.” Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to receive physical delivery of Notes in certificated form.

Rule 144A Notes (including beneficial interests in the Rule 144A Global Notes) will be subject to certain restrictions on transfer in the United States and will bear a restrictive legend as described under “Notice to Investors.” Regulation S Notes will also bear the legend as described under “Notice to Investors.” In addition, transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), which may change from time to time.

Beneficial interests in the Regulation S Global Note may be held in Panama through Latinclear as a participant in Clearstream. Subject to the procedures of Latinclear and the other clearing systems discussed below, transfers of beneficial interests in the Regulation S Global Note may be made (i) among Latinclear participants or (ii) from a Latinclear participant to a non-Latinclear participant through Clearstream.



### *Depository Procedures*

The following description of the operations and procedures of DTC, Euroclear and Clearstream are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. Neither we nor the initial purchaser take any responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised us that DTC is a limited-purpose trust company created to hold securities for its participating organization (collectively, the "Participants") and to facilitate the clearance and settlement of transactions in those securities between the Participants through electronic book-entry changes in accounts of its Participants. The Participants include securities brokers and dealers (including the initial purchaser), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the "Indirect Participants"). Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through the Participants or the Indirect Participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

DTC has also advised us that, pursuant to procedures established by it:

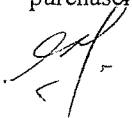
- (1) upon deposit of the Global Notes, DTC will credit the accounts of the Participants designated by the initial purchaser with portions of the principal amount of the Global Notes; and
- (2) ownership of these interests in the Global Notes will be shown on, and the transfer of ownership of these interests will be effected only through, records maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interests in the Global Notes).

So long as DTC, Euroclear or Clearstream or their nominee are the registered owner or holders of any Global Notes, DTC, Euroclear or Clearstream or such nominee will be considered the sole owner or holder of the Notes represented by the Global Notes for all purposes under the Indenture and the Notes. No beneficial owner of an interest in any Note will be able to transfer such interest except in accordance with the applicable procedures of DTC, Euroclear, Clearstream or Latinclear, in addition to those provided for under the Indenture.

Investors in the Rule 144A Global Notes who are Participants may hold their interests therein directly through DTC. Investors in the Global Notes who are not Participants may hold their interests therein indirectly through organizations (including Euroclear, Clearstream and Latinclear) which are Participants. All interests in a Global Note, including those held through Euroclear, Latinclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euroclear, Latinclear or Clearstream may also be subject to the procedures and requirements of such systems. The laws of some states require that certain Persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Global Note to such Persons will be limited to that extent. Because DTC can act only on behalf of the Participants, which in turn act on behalf of the Indirect Participants, the ability of a Person having beneficial interests in a Global Note to pledge such interests to Persons that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

**Except as described below, owners of interests in the Global Notes will not have Notes registered in their names, will not receive physical delivery of Notes in certificated form and will not be considered the registered owners or "holders" thereof under the Indenture for any purpose.**

Payments in respect of the principal of, and interest and premium, if any, on a Global Note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered holder under the Indenture. Under the terms of the Indenture, Newland, the Trustee and any Paying Agent will treat the persons in whose names the Notes, including the Global Notes, are registered as the owners of the Notes for the purpose of receiving payments and for all other purposes. Consequently, none of Newland, the Trustee, any Paying Agent, the initial purchaser or any agent of the foregoing has or will have any responsibility or liability for:



(1) any aspect of DTC's records or any Participant's or Indirect Participant's records relating to or payments made on account of beneficial ownership interest in the Global Notes or for maintaining, supervising or reviewing any of DTC's records or any Participant's or Indirect Participant's records relating to the beneficial ownership interests in the Global Notes; or

(2) any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants.

DTC has advised that its current practice, upon receipt of any payment in respect of securities such as the Notes (including principal and interest), is to credit the accounts of the relevant Participants with the payment on the payment date unless DTC has reason to believe that it will not receive payment or such payment date. Each relevant Participant is credited with an amount proportionate to its beneficial ownership of an interest in the principal amount of the relevant security as shown on the records of DTC. Payments by the Participants and the Indirect Participants to the beneficial owners of Notes will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be the responsibility of DTC, the Trustee or us. None of Newland, the Trustee or any Paying Agent will be liable for any delay by DTC or any of the Participants or the Indirect Participants in identifying the beneficial owners of the Notes, and Newland, the Trustee and any Paying Agent may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Subject to the transfer restrictions set forth under "Notice to Investors," transfers between the Participants will be effected in accordance with DTC's procedures, and will be settled in same-day funds, and transfers between participants in Euroclear, Latinclear and Clearstream will be effected in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the Notes described herein, cross-market transfer between the Participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by their respective depositories; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

DTC has advised us that it will take any action permitted to be taken by a holder of Notes only at the direction of one or more Participants to whose account DTC has credited the interests in the Global Notes and only in respect of such portion of the aggregate principal amount of the Notes as to which such Participant or Participants has or have given such direction. However, if there is an Event of Default under the Notes, DTC reserves the right to exchange the Global Notes for legended Notes in certificated form, and to distribute such Notes to its Participants.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the Rule 144A Global Notes and the Regulation S Global Notes among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and may discontinue such procedures at any time. None of Newland, the Trustee, the Co-Trustee, any Paying Agent, the initial purchaser and any of their respective agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

#### **Exchange of Global Notes for Certificated Notes**

A Global Note is exchangeable for Certificated Notes if:



(1) DTC (a) notifies Newland or the Trustee that it is unwilling or unable to continue as depository for the Global Notes or (b) has ceased to be a clearing agency registered under the Exchange Act and, in either case, Newland fails to appoint a successor depository; or

(2) there has occurred and is continuing a Default or Event of Default with respect to the Notes and holders representing 25% of more of the then-outstanding principal amount of the Notes request that such Global Notes be exchanged for Certificated Notes.

In addition, beneficial interests in a Global Note may be exchanged for Certificated Notes upon prior written notice given to the Trustee by or on behalf of DTC in accordance with the Indenture. In all cases, Certificated Notes delivered in exchange for any Global Note or beneficial interests in Global Notes will be registered in the names, and issued in any approved denominations, requested by or on behalf of the depository (in accordance with its customary procedures) and will bear the applicable restrictive legend referred to in “Notice to Investors,” unless that legend is not required by applicable law.

#### *Exchange of Certificated Notes for Global Notes*

Certificated Notes may not be exchanged for beneficial interests in any Global Note unless the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Notes. See “Notice to Investors.”

#### *Exchanges Between Regulation S Notes and Rule 144A Notes*

Beneficial interests in a Rule 144A Global Note may be transferred to a Person who takes delivery in the form of an interest in the Regulation S Global Note, only if the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Rule 903 or 904 of Regulation S or Rule 144 (if available).

Transfers involving exchanges of beneficial interests between the Regulation S Global Notes and the Rule 144A Global Notes will be effected by DTC by means of an instruction originated by the Trustee through the DTC Deposit/Withdraw at Custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Note and a corresponding increase in the principal amount of the Rule 144A Global Note or vice versa, as applicable. Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in the other Global Note will, upon transfer, cease to be an interest in such Global Note and will become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Note for so long as it remains such an interest.

#### *Same Day Settlement and Payment*

We will make payments in respect of the Notes represented by the Global Notes (including principal, premium, if any, and interest, if any) by wire transfer of immediately available funds to the accounts specified by DTC or its nominee. We will make all payments of principal, interest and premium, if any, with respect to Certificated Notes by wire transfer of immediately available funds to the accounts specified by the holders of the Certificated Notes or, if no such account is specified, by mailing a check to each such holder’s registered address. The Notes represented by the Global Notes are expected to be eligible to trade in PORTAL and to trade in DTC’s Same-Day Funds Settlement System, and any permitted secondary market trading activity in such Notes will, therefore, be required by DTC to be settled in immediately available funds. We expect that secondary trading in any Certificated Notes will also be settled in immediately available funds.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a Global Note from a Participant will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement processing day (which must be a business day for Euroclear and Clearstream) immediately following the settlement date of DTC. DTC has advised us that cash received in Euroclear or Clearstream as a result of sales of interests in a Global Note by or through a



Euroclear or Clearstream participant to a Participant will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream following DTC's settlement date.

Subject to the satisfaction of certain conditions, on the settlement date for the Notes, local brokers whose bids were accepted by us will receive beneficial interests in the Regulation S Global Note directly from us, through Latinclear, against payment therefor. Bear, Stearns & Co. Inc. will receive beneficial interests in the Notes directly from us, through Latinclear, and Bear, Stearns & Co. Inc. will subsequently transfer such beneficial interests to subsequent purchasers through such subsequent purchaser's participant accounts in DTC, Euroclear or Clearstream, as the case may be.

### **Governing Law and Jurisdiction**

The Indenture, the Co-Trustee Agreement, the Notes and the Construction Completion Support Agreement will each be governed by and construed in accordance with the laws of the State of New York. The Mortgage and the Unit Purchase Agreements will be governed by and construed in accordance with the laws of the Republic of Panama.

### **Certain Definitions**

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

“Accounts” means the Release Account, the Construction Escrow Account, the Collection Account, the Debt Service Reserve Account and the Investment Account.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control,” as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms “controlling,” “controlled by” and “under common control with” have correlative meanings.

“Applicable Make-Whole Premium” means, with respect to any Note on any redemption date, the greater of (1) 1% of the principal amount of the Note; or (2) the excess of: (a) the present value at such redemption date of (i) the principal amount of the Note at maturity, plus (ii) all required interest payments due on the Note through maturity (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal the Treasury Rate as of such redemption date plus 50 basis points; over (b) the principal amount of the Note.

“Asset Sale” means (i) the transfer, sale, lease, conveyance or other disposition of any assets or rights; provided that the sale, conveyance or other disposition of all or substantially all of the assets of Newland will be governed by the provisions of the Indenture described above under the caption “—Redemption at Option of Noteholders Upon Change of Control” and/or the provisions described above under the caption “— Certain Covenants — Merger, Consolidation or Sale of Assets” and not by the provisions of the Asset Sale covenant, and (ii) the sale of Equity Interests in any Person.

Notwithstanding the preceding paragraph, none of the following items will be deemed to be an Asset Sale:

- (i) any sale of real property pursuant to a Unit Purchase Agreement which gives rise to a Receivable, or any sale, lease conveyance or other disposition of rights or interests in and to the Casino, restaurants and wellness spa to be developed as part of the Project, in each case in accordance with the provisions of the Indenture;





(2) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than US\$ 1 million;

(3) the sale or lease of products, services, accounts receivable or other assets (other than real property) in the ordinary course of business and any sale or other disposition of damaged, worn-out or obsolete assets in the ordinary course of business;

(4) the sale or other disposition of cash or Cash Equivalents;

(5) the granting of Liens not otherwise prohibited by the Indenture;

(6) surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims;

(7) a Restricted Payment that does not violate the covenant described above under the caption “— Certain Covenants — Restricted Payments” or a Permitted Investment;

(8) transactions permitted under the covenant described above under the caption “— Merger, Consolidation or Sale of Assets”; and

(9) the licensing or sublicensing of intellectual property or other general intangibles and licenses, leases or subleases of other property (other than real property).

“Asset Sale Offer” has the meaning assigned to that term in the Indenture governing the Notes.

“Attributable Debt” in respect of a sale and leaseback transaction means, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with IFRS; provided, however, that if such sale and leaseback transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of “Capital Lease Obligation.”

“Beneficial Owner” has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular “person” (as that term is used in Section 13(d)(3) of the Exchange Act), such “person” will be deemed to have beneficial ownership of all securities that such “person” has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms “Beneficially Owns” and “Beneficially Owned” have a corresponding meaning.

“Board of Directors” means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

Unless the context otherwise requires, “Board of Directors” shall mean the board of directors of Newland.



“Bridge Loan Agreement” means the bridge loan agreement dated as of July 16, 2007, between Newland, as borrower, and Bear, Stearns Commercial Mortgage, Inc. as lender.

“Bridge Loan Repayment Amount” means the amount required to be repaid pursuant to the terms of the Bridge Loan Agreement.

“Business Day” means any day other than a Saturday, Sunday or other day on which banking institutions in New York, New York, Panama City, the Republic of Panama or the location of the corporate trust office of the Trustee are authorized or required by law to be closed.

“Capital Lease Obligation” means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet in accordance with IFRS, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

“Capital Stock” means:

- (1) in the case of a corporation, corporate stock or other equivalents (however designated);
- (2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;
- (3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and
- (4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

“Cash Equivalents” means:

- (1) United States dollars;
- (2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (provided that the full faith and credit of the United States is pledged in support of those securities);
- (3) certificates of deposit, time deposits, eurodollar time deposits, overnight bank deposits or bankers’ acceptances, in each case with any U.S. commercial bank having capital and surplus in excess of US\$ 500.0 million and a Thomson Bank Watch Rating of “B” or better;
- (4) repurchase obligations with a term of not more than ten days for underlying securities of the types described in clauses (2) and (3) above and clause (6) below entered into with any financial institution meeting the qualifications specified in clause (3) above;
- (5) commercial paper, at the time of acquisitions, having one of the two highest ratings obtainable from Moody’s Investors Service, Inc. or Standard & Poor’s Ratings Services;
- (6) marketable general obligations issued by any State of the United States of America or any political subdivision of any such State or any public instrumentality thereof and, at the time of acquisition, having one of the two highest ratings obtainable from Moody’s Investors Service, Inc. or Standard & Poor’s Ratings Services;



(7) interests in any investment company or money market fund at least 95% of the assets of which constitute instruments of the kinds described in clauses (1) through (6) above; and

(8) any demand, money market fund, common trust fund or time deposit or obligation, or interest-bearing or other security or investment not set forth in clauses (1) through (7) above, rated in the highest rating category by a Rating Agency (if rated by such Rating Agency);

and, in the case of each of clauses (2) through (8) above, maturing not later than the next Payment Date.

“Casino” means the casino to be constructed as part of the Project.

“Change of Control” means the occurrence of any of the following:

(1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of Newland as a whole to any “person” (as that term is used in Section 13(d) of the Exchange Act) other than a Permitted Holder;

(2) the adoption of a plan relating to the liquidation or dissolution of Newland; or

(3) the Permitted Holders shall cease to be the Beneficial Owners, directly or indirectly, of a majority in the aggregate of the total voting power of the Voting Stock of Newland.

“Change of Control Offer” means, if a Change of Control occurs, an offer by Newland to each holder to repurchase all or any part (equal to US\$ 1,000 or an integral multiple of US\$ 1,000) of each holder’s Notes at a purchase price equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest, if any, on the Notes repurchased, if any, to, but excluding, the date of purchase, subject to the rights of holders on the relevant record date to receive interest due on the relevant interest payment date.

“Closing Date” means November 14, 2007.

“Co-Trustee” means HSBC Investment Corporation (Panama) S.A, and any successor.

“Co-Trustee Agreement” means the Agreement of Appointment and Acceptance of Co-Trustee, dated as of the Closing Date, among Newland, the Trustee and the Co-Trustee.

“Collateral” means (i) the Subject Properties, (ii) the Receivables, (iii) the Accounts and all Eligible Investments on deposit therein, (iv) the Plans and Specifications, (v) the Trump License Agreement, (vi) Newland’s rights to all other revenues arising from the operation of the Project, including, without limitation, revenues arising from the operation of the Casino and the hotel, restaurants and spa, and any leases relating thereto; (vii) Newland’s rights under the Construction Contract, and (viii) all proceeds of the foregoing.

“Collateralization Ratio” means, at any date, the percentage equivalent of a fraction (a) the numerator of which is the sum of (i) the aggregate principal balance of all Eligible Receivables subject to the Lien of the Trustee under the Indenture and (ii) the sum of (A) 1.25 times the principal amount of Cash Equivalents in or for the credit of the Investment Account and (B) the principal amount of all other Eligible Investments in or for the credit of the Investment Account, and (b) the denominator of which is the principal balance of the Notes from time to time outstanding minus the DSRA Principal Reserve; provided, that if the denominator in clause (b) is zero or less than zero, the Collateralization Ratio shall be deemed to be 125%

“Collateralization Ratio Requirement” means that the Collateralization Ratio shall be equal to or greater than 125%.



“Collection Account” means a segregated account in the name of the Trustee that includes only Cash Equivalents, the proceeds thereof and interest earned thereon.

“Consolidated Net Income” means, with respect to any specified Person for any period, the aggregate of the Net Income of such Person for such period, on a consolidated basis, determined in accordance with IFRS; provided that:

- (1) the Net Income (but not loss) of any Person that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person; and
- (2) the cumulative effect of a change in accounting principles will be excluded.

“Consolidated Net Worth” means, with respect to any Person at any date of determination, the consolidated stockholders’ equity represented by the shares of such Person’s capitalized stock outstanding as of such date, as determined on a consolidated basis.

“Construction” means the construction by Newland of the Project in accordance with the Plans and Specifications.

“Construction Budget” means the construction budget as set forth as an exhibit to the Construction Contract.

“Construction Completion” means the completion of Construction in accordance with the Construction Contract, as certified by the Independent Engineer in writing to the Trustee.

“Construction Contract” means the construction contract, dated as of August 27, 2007, between Newland International Properties, Corp. and Opcorp Arsesa International, Inc., formerly Opcorp International, Inc. relating to the Construction of the Project in accordance with the Plans and Specifications.

“Construction Escrow Account” means a segregated account in the name of the Trustee that includes only Eligible Investments, the proceeds thereof and interest earned thereon.

“Construction Shortfall” means, in respect of an Evaluation Report, the greater of (a) zero and (b) (i) the Estimated Completion Cost minus (ii) the greater of (A) zero and (B) (x) the Current Account Balance minus (y) the Minimum Escrow Balance.

“Consulting Agreement” means the consulting agreement between Newland and Komco dated May 23, 2006.

“Consulting Excess Payment” means any payment by Newland to or for the account of Komco under the Consulting Agreement in respect of services thereunder in excess of the amount billed to Komco by any third party in respect of such services.

“Current Account Balance” means, as of any date, the amount then on deposit in the Construction Escrow Account.

“Debt Service Reserve Account” means a segregated account in the name of the Trustee that includes only Cash Equivalents, the proceeds thereof and interest earned thereon.

“Default” means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

“Disqualified Stock” means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder of the Capital Stock), or

upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the date on which the Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require Newland to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that Newland may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption “— Certain Covenants — Restricted Payments.” The amount of Disqualified Stock deemed to be outstanding at any time for purposes of the Indenture will be the maximum amount that Newland may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

“DSRA Principal Reserve” means, on any date, the amount on deposit in the Debt Service Reserve Account reserved therein pursuant to clause (ii) of the definition of “Reserve Requirement”.

“Eligible Escrow Withdrawal Request” means a written request from Newland delivered to the Trustee not less than 3 Business Days prior to the requested date of withdrawal to transfer cash from the Construction Escrow Account to the Co-Trustee for payment of the related contractors by check, certifying (i) that the withdrawal conditions are met, (ii) as applicable, whether or not the Independent Engineer, in the Evaluation Report submitted in connection with such request, determined that a Construction Shortfall exists, and (iii) that such funds will be used to pay the contractor(s) specified in such notice for the Construction services provided by such contractor in accordance with the Construction Contract and the Plans and Specifications, accompanied by a certification from the Independent Engineer to the effect that the construction relating to the Project to which such request relates has occurred consistent with the Plans and Specifications.

“Eligible Investments” means (i) Cash Equivalents and (ii) securities issued by the government of the United States or the Republic of Panama, in each case having maturities not less than 180 days before the final Payment Date.

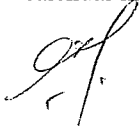
“Eligible Receivable” means, at any date, a Receivable that meets each of the following criteria: (i) any property interest relating to the Receivable is valid and enforceable under the laws of the Republic of Panama, (ii) such Receivable is not subject to any Lien thereon other than the Lien created by the Indenture, (iii) the related Unit Purchase Agreement provides for (A) initial payments by the obligor thereunder of at least 30% of the purchase price thereof, and (B) provided that the required payments have been made by the obligor in accordance therewith, delivery of the related property to the obligor only after completion of construction of the related unit, (iv) the obligor on such Receivable is not then in default in respect of payment thereunder and has not been in default for more than 30 days in respect of payment thereunder on more than two occasions, and (v) such Receivable does not constitute an advance, loan or the extension of credit to an officer or employee of Newland or any affiliate of Newland.

“Equity Interests” means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

“Equity Offering” means any public or private issuance or sale of Equity Interests of Newland.

“Estimated Completion Cost” means, as of the related Evaluation Date, the estimated cost to complete Construction of the Project as determined by the Independent Engineer based on the Construction Budget, taking into consideration both expected increases and decreases in the costs of any remaining items required to complete Construction as compared to the costs budgeted therefor in the Construction Budget.

“Evaluation Date” means, with respect to any calendar month, the first Business Day of such calendar month on which an Eligible Escrow Withdrawal Request shall be submitted by the Company to the Trustee pursuant to the Indenture; or, if no such Eligible Escrow Withdrawal Request shall be submitted on any Business Day in such calendar month, the last Business Day of such calendar month shall be the Evaluation Date for such calendar month.



“Evaluation Report” means each report dated as of an Evaluation Date and prepared by the Independent Engineer and delivered, together with the related Eligible Escrow Withdrawal Request, to the Company, each Construction Completion Support Party, the Trustee and the Co-Trustee, identifying in reasonable detail:

1. the Current Account Balance as of a date not more than five (5) Business Days prior to the date of such report (as requested by the Company from the Trustee pursuant to the Indenture);
2. the Estimated Completion Cost; and
3. the amount of (and, if applicable, the reason(s) for) any Construction Shortfall.

“Fair Market Value” means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of Newland (unless otherwise provided in the Indenture); provided that no such determination shall be required to be made by the Board of Directors in respect of any transaction (or series of related transactions) which involves, in the good faith determination of an officer of Newland, less than US\$ 1.0 million.

“Guarantee” means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

“Hedging Obligations” means, with respect to any specified Person, the obligations of such Person under:

- (1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;
- (2) other agreements or arrangements designed to manage interest rates or interest rate risk; and
- (3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices.

“HSBC Panama” means HSBC Investment Corporation (Panama) S.A.

“HSBC Panama Account” means the account maintained at HSBC Panama into which obligors make payments on Receivables.

“IFRS” means the International Financial Reporting Standards and applicable accounting requirements published by the International Accounting Standards Board.

“Indebtedness” means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

- (1) in respect of borrowed money;
- (2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);
- (3) in respect of banker’s acceptances;
- (4) representing Capital Lease Obligations or Attributable Debt in respect of sale and leaseback transactions;



(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed; or

(6) representing the net obligations under any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit, Attributable Debt and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with IFRS. In addition, the term “Indebtedness” includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person.

The amount of any Indebtedness outstanding as of any date will be (i) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount; (ii) the principal amount of the Indebtedness, in the case of any other Indebtedness; and (iii) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of (a) the Fair Market Value of such assets at the date of determination and (b) the amount of the Indebtedness of the other Person.

“Independent Appraiser” means CB Richard Ellis, Inc. or a duly qualified appraiser to be selected by Newland from a list of eligible successors to be set forth in an exhibit to the Indenture (or other comparable Person of international standing).

“Independent Engineer” means The Louis Berger Group, Inc., or a duly qualified independent engineer to be selected by Newland from a list of eligible successors to be set forth in an exhibit to the Indenture (or other comparable Person of international standing).

“Insurance Proceeds” means any proceeds payable under an insurance policy as to which Newland or the Trustee is primary beneficiary or loss payee thereunder based upon a claim thereunder relating to a Subject Property.

“Investment” means, with respect to any Person, any direct or indirect investment by such Person in other Persons (including Affiliates) in the form of loans (including Guarantees or other obligations, other than advances to customers in the ordinary course of business that are recorded as accounts receivable), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with IFRS. The acquisition by Newland of a Person that holds an Investment in a third Person will be deemed to be an Investment by Newland in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the final paragraph of the covenant described above under the caption “— Certain Covenants — Restricted Payments.” Except as otherwise provided in the Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

“Investment Account” means a segregated account in the name of the Trustee that includes only Eligible Investments, the proceeds thereof and interest earned thereon.

“Komco” means Komco International Corp., a company incorporated in the City of Belize, Belize.

“Latinclear” means Central Latinoamericana de Valores, S.A., a company organized under the laws of the Republic of Panama and a clearing house that is a participant in Clearstream.

“Licensor” means Trump Marks Panama LLC and any successor or assignee thereto.

“Lien” means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any



option or other agreement to sell, give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

“Minimum Escrow Balance” means, as of any date, (a) the Estimated Completion Cost as set forth in the most recently available Evaluation Report (or, if such date is an Evaluation Date, such Evaluation Date) times (b) 7.5%.

“Monthly Collection Period” means the period beginning on and including the first day of each month (or, in the case of the first such period, the Closing Date), to but not including the first day of the next succeeding month.

“Monthly Working Capital Amount” means, for each Monthly Collection Period, the sum of (i) the Monthly Working Capital Requirement for such Monthly Collection Period and (ii) provided no Default or Event of Default shall have occurred and be continuing, the aggregate amount of any Monthly Working Capital Carryover Shortfall Amounts for prior Monthly Collection Periods.

“Monthly Working Capital Carryover Shortfall Amount” means, with respect to any Monthly Collection Period, (x) if no Default or Event of Default shall have occurred and be continuing, the greater of (a) (i) the Monthly Working Capital Requirement minus (ii) the aggregate amount of collections received in the Release Account during such Monthly Collection Period and (b) zero, or (y) otherwise, zero; provided, that any excess of collections in clause (ii) above over the Monthly Working Capital Requirement in clause (i) above shall reduce any aggregate Monthly Working Capital Carryover Shortfall Amounts for prior Monthly Collection Periods for purposes of clause (ii) of the definition of “Monthly Working Capital Amount.”

“Monthly Working Capital Requirement” means, with respect to any Monthly Collection Period (i) during the 2007 calendar year, \$2.25 million, (ii) during the 2008 calendar year, \$2.0 million, (iii) during the 2009 calendar year, \$1.5 million, and (iv) thereafter, \$1.2 million.

“Mortgage” means the mortgage executed by Newland in favor of the Co-Trustee pursuant to which Newland grants a mortgage to the Co-Trustee over the Subject Properties to secure the payment and performance of its obligations under the Indenture and the Notes.

“Net Income” means, with respect to any specified Person, the net income (loss) of such Person, determined in accordance with IFRS and before any reduction in respect of preferred stock dividends, excluding, however:

- (1) any gain (but not loss), together with any related provision for taxes on such gain (but not loss), realized in connection with: (a) any Asset Sale; or (b) the disposition of any securities by such Person or the extinguishment of any Indebtedness of such Person; and
- (2) any extraordinary gain (but not loss), together with any related provision for taxes on such extraordinary gain (but not loss).

“Net Proceeds” means the aggregate cash proceeds received by Newland in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements, and amounts required to be applied to the repayment of Indebtedness secured by a Lien on the asset or assets that were the subject of such Asset Sale and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with IFRS.

“Non-Recourse Debt” means Indebtedness:





(1) as to which Newland (a) does not provide credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is not directly or indirectly liable as a guarantor or otherwise, or (c) does not constitute the lender;

(2) no default with respect to which would permit upon notice, lapse of time or both any holder of any other Indebtedness (other than the Notes) of Newland to declare a default on such other Indebtedness or cause the payment of the Indebtedness to be accelerated or payable prior to its Stated Maturity; and

(3) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of Newland.

“Obligations” means any principal, interest, penalties, fees, expenses, indemnifications, reimbursements (including without limitation, reimbursement for legal fees and expenses), damages and other liabilities payable under the documentation governing any Indebtedness.

“Pari Passu Debt” means:

(1) all senior Indebtedness of Newland ranking pari passu with the Notes and all Hedging Obligations with respect thereto;

(2) any other Indebtedness of Newland permitted to be incurred under the terms of the Indenture, unless the instrument under which such Indebtedness is incurred expressly provides that it is subordinated in right of payment to the Notes; and

(3) all Obligations with respect to the items listed in the preceding clauses (1) and (2).

Notwithstanding anything to the contrary in the preceding clauses (1), (2) and (3), Pari Passu Debt will not include:

(a) any liability for federal, state, local or other taxes owed or owing by Newland;

(b) any Indebtedness owed by Newland to any of its Affiliates;

(c) any trade payables;

(d) the portion of any Indebtedness that is incurred in violation of the Indenture; or

(e) Non-Recourse Debt.

“Permitted Business” means any of the lines of business conducted by Newland on the date of the Indenture and any businesses similar, related, incidental, complementary or ancillary thereto or that constitutes a reasonable extension or expansion thereof, including the construction, operation and management of the Project.

“Permitted Holders” means any of Mr. Roger Khafif, Mr. Carlos A. Serna and Mr. Eduardo Saravia and each of their respective spouses, children, estates, heirs, estate-planning trusts, executors, administrators, committees or other personal representatives or Persons controlled by such Persons.

“Permitted Investments” means:

(1) any Investment in Newland;

(2) any Investment in an Eligible Investment;



(3) any Investment by Newland in a Person, if as a result of such Investment, such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, Newland;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption “— Redemption at the Option of Holders — Asset Sales”;

(5) any acquisition of assets or Capital Stock solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of Newland;

(6) any Investments received in compromise or resolution of (a) obligations of trade creditors or customers that were incurred in the ordinary course of business of Newland, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (b) litigation, arbitration or other disputes with Persons who are not Affiliates;

(7) Investments represented by Hedging Obligations entered into in the ordinary course of business for bona fide hedging purposes and not for the purpose of speculation;

(8) repurchases of the Notes;

(9) receivables owing to Newland created in the ordinary course of business;

(10) payroll, travel and similar advances that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes;

(11) Investments in existence on the date of the Indenture; and

(12) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (12) that are at the time outstanding not to exceed US\$ 2 million.

“Permitted Liens” means:

(1) Liens on assets of Newland securing Pari Passu Debt that was permitted by the terms of the Indenture to be incurred;

(2) Liens in favor of Newland;

(3) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with Newland; provided that such Liens were not created in connection with or in contemplation of such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with Newland;

(4) Liens on property (including Capital Stock) existing at the time of acquisition of the property by Newland; provided that such Liens were in existence prior to, such acquisition, and not incurred in contemplation of, such acquisition;

(5) Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business;

(6) Liens existing on the date of the Indenture;



(7) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; provided that any reserve or other appropriate provision as is required in conformity with IFRS has been made therefor;

(8) Liens imposed by law, such as carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business or good faith deposits in connection with bids, tenders, contracts or leases to which Newland is a party;

(9) Liens created for the benefit of (or to secure) the Notes;

(10) Liens arising out of judgments, decrees, orders or awards not giving rise to a Default in respect of which Newland shall in good faith be prosecuting on appeal or proceeding for review, which appeal or proceeding shall not have been finally terminated or if the period within such appeal or proceeding may be initiated shall not have expired;

(11) Liens securing Hedging Obligations entered into in the ordinary course of business for bona fide hedging purposes and not for the purpose of speculation;

(12) encumbrances, ground leases, easements or reservations of, or rights of others for, licenses, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning, building codes or other restrictions (including, without limitation, minor defects or irregularities in title and similar encumbrances) as to the use of the real property of Newland or Liens incidental to the conduct of the business of Newland or to the ownership of its real property which do not in the aggregate materially adversely affect the value of said real property or materially impair its use in the operation of the business of Newland, in each case on property other than the Collateral;

(13) any interest or title of a lessor under any operating lease;

(14) Liens arising solely by virtue of any statutory or common law provisions relating to banker's Liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a depository institution; provided that:

(a) such deposit account is not a dedicated cash collateral account and is not subject to restrictions against access by Newland in excess of those set forth by regulations promulgated by the U.S. Federal Reserve Board; and

(b) such deposit account is not intended by Newland to provide collateral to the depository institution; and

(15) Liens for the purpose of securing the payment of all or a part of the purchase price of purchase money obligations or other payments incurred to finance the acquisition, lease, improvement or construction of, assets or property acquired or constructed in the ordinary course of business in connection with a Permitted Business provided that:

(a) the aggregate principal amount of Indebtedness secured by such Liens is otherwise permitted to be incurred under the Indenture and does not exceed the cost of the assets or property so acquired or constructed; and

(b) such Liens are created within 180 days of construction or acquisition of such assets or property and do not encumber any other assets or property of Newland other than such assets or property and assets affixed or appurtenant thereto.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.



“Plans and Specifications” means the architectural plans and specifications for the Construction of the Project, as set forth in an exhibit to the Indenture, as revised, supplemented, modified or amended in accordance with the Construction Contract and the Indenture.

“Project” means the construction of the Trump Ocean Club International Hotel & Tower in Panama City, Panama.

“Receivables” means all of Newland’s rights and interests in and to (i) each Unit Purchase Agreement and all payments (including, without limitation, installment payments and cash payments made by the obligor thereunder in lieu of financing the related Unit) payable by the obligor thereunder, (ii) any payment under any contract of sale, lease, conveyance or other disposition of rights or interests in and to the Casino, restaurants and wellness spa to be developed as part of the Project, (iii) any Insurance Proceeds relating to the related Subject Property, (iv) any recoveries received from an obligor following a default by such obligor under the related Unit Purchase Agreement, and (v) all proceeds of all of the foregoing, and all Liens and other interests relating thereto.

“Release Account” means a segregated account in the name of the Trustee that includes only Cash Equivalents, the proceeds thereof and interest earned thereon.

“Reserve Requirement” means, with respect to any date, an amount equal to the sum of (i) the amount of interest on the Notes due on the next Payment Date, and (ii) on and after the first Payment Date on which principal of the Notes is due to be paid (the November 15, 2011 Payment Date), the amount of principal of the Notes due on the next Payment Date.

“Restricted Investment” means an Investment other than a Permitted Investment.

“Restricted Payment Ratio” means, at any date, the percentage equivalent of a fraction (a) the numerator of which is the aggregate principal amount of all Cash Equivalents in the Investment Account and (b) the denominator of which is the sum of (i) the principal balance of the Notes from time to time outstanding and (ii) the aggregate of all remaining interest payments on the Notes through maturity.

“Restricted Payment Ratio Requirement” means that the Restricted Payment Ratio shall be equal to or greater than 100%.

“Security Documents” means the Indenture, the Co-Trustee Agreement and the Mortgage.

“Stated Maturity” means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the date of the Indenture or, if later, the date of incurrence of such Indebtedness, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

“Subject Properties” means, at any time, (i) the real property relating to a Unit Purchase Agreement and (ii) the real property owned by Newland (other than pursuant to clause (i) above), in each case subject to the Lien of the Mortgage in favor of the Co-Trustee.

“Subsidiary” means, with respect to any specified Person:

- (1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders’ agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and



(2) any partnership of which more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person (or any combination thereof).

“Treasury Rate” means as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to such redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from such redemption date to November 15, 2014; provided, however, that if the period from such redemption date to November 15, 2014 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

“Trump License Agreement” means the license agreement, dated as of March 16, 2006, by and between Donald J. Trump, as licensor, and K Group Developers, Inc, as assigned pursuant to the assignment and assumption of license agreement, dated as of June 5, 2007, by and between Donald J. Trump and the Licensor, and assignment and assumption of license agreement, dated as of June 5, 2007, among the Licensor, K Group Developers Inc. and the Company, as amended.

“Unit Purchase Agreement” means (i) a “Contract For A Promise Of Sale (Condominium Unit)”, (ii) a “Contract For A Promise Of Sale (Hotel–Condominium Unit)” or (iii) a “Contract For A Promise Of Sale (Commercial Space)” between a purchaser of a unit in the Project, substantially in the forms thereof set forth as exhibits to the Indenture, .

“Voting Stock” of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

“Withdrawal Conditions” means, in respect of any requested withdrawal by Newland from the Construction Escrow Account, unless and until an Event of Default shall have occurred and be continuing for a period of 45 days, that the Withdrawal Ratio Requirement shall be satisfied in respect of such request after giving effect to the requested withdrawal.

“Withdrawal Ratio” means, at any date, the percentage equivalent of a fraction (a) the numerator of which is the sum of (i) the sum of (A) 1.25 times the principal amount of Cash Equivalents in or for the credit of the Investment Account and (B) the principal amount of all other Eligible Investments in or for the credit of the Investment Account, and (ii) the aggregate principal balance of all Eligible Receivables subject to the Lien of the Trustee under the Indenture and (b) the denominator of which is (x) the principal balance of the Notes from time to time outstanding minus (y) the sum of (A) the principal amount of Eligible Investments in or for the credit of the Construction Escrow Account and (B) the DSRA Principal Reserve; provided that if the denominator in clause (b) is zero or less than zero, the Withdrawal Ratio shall be deemed to be 125%.

“Withdrawal Ratio Requirement” means, with respect to any requested withdrawal from the Construction Escrow Account, that the Withdrawal Ratio shall be equal to or greater than 125% after giving effect to such requested withdrawal.

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## NOTICE TO INVESTORS

The Notes have been registered and authorized for public offering in Panama by the Panamanian National Securities Commission. The Notes have not been registered under the Securities Act or under the laws of any state of the United States. We have not been registered under the Investment Company Act, in reliance upon the exemption from registration contained in Section 3(c)(7) thereof. The Notes may not be offered or sold within the United States or to or for the account or benefit of U.S. Persons, as such terms are defined under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes are being offered only (a) in the United States in reliance upon an exemption from the registration requirements of the Securities Act to investors who are (i) Qualified Institutional Buyers (as defined in Rule 144A under the Securities Act) that are also Qualified Purchasers or (ii) neither U.S. persons (as defined under Regulation S under the Securities Act) nor U.S. residents (within the meaning of the Investment Company Act) outside the United States in reliance on Regulation S. If at any time we determine that we do not have a reasonable belief that a beneficial owner of any Notes (or any interests therein), if in the United States, is a Qualified Purchaser, we may require such owner to sell such Notes (or interests therein) to an eligible purchaser. All sales and other transfers of the Notes (or any interests therein) will be subject to the foregoing restrictions and, therefore, the ability of such beneficial owner to resell or otherwise transfer such beneficial owner's Notes (or any interest therein) will be limited.

By purchasing the Notes, each purchaser will be deemed to have represented and agreed as follows:

- (1) The purchaser represents that that such purchaser is not an affiliate (as defined in Rule 144 under the Securities Act) of ours, that such purchaser is not acting on our behalf and that either:
  - (a) such purchaser (i) is a Qualified Institutional Buyer and a Qualified Purchaser and is purchasing the Notes for its own account or for the account of another Qualified Institutional Buyer or Qualified Purchaser in either case, for investment purposes and not with a view to the distribution thereof (except in accordance with Rule 144A), and such purchaser is aware that the Initial Purchaser is selling the Notes to such purchaser in reliance on Rule 144A under the Securities Act; or (ii) is an entity that would be an investment company but for the exception provided for in Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act (any such entity, an "excepted investment company") (a) all of the beneficial owners of outstanding securities (other than short-term paper) of which (such beneficial owners determined in accordance with Section 3(c)(1)(A) of the Investment Company Act) acquired such securities on or before April 30, 1996 ("pre-amendment beneficial owners") and (b) all of whose pre-amendment beneficial owners have consented to such entity's treatment as a Qualified Purchaser in accordance with the Investment Company Act; or
  - (b) such purchaser is neither a U.S. person (as defined in Regulation S under the Securities Act) nor is such purchaser purchasing the Notes for the account or benefit of a U.S. person, other than a distributor, and such purchaser is purchasing Notes in an offshore transaction in accordance with Regulation S.
- (2) The purchaser understands that the Notes are being offered in transactions not involving any public offering in the United States within the meaning of the Securities Act, that the Notes have not been registered under the Securities Act or any state securities laws and that:
  - (a) the Notes are being offered and sold only to, and may be reoffered, sold or otherwise transferred only (i) to, notwithstanding the availability of any other exemption from the registration requirements under the Securities Act, investors who are (x) Qualified Institutional Buyers (as defined in Rule 144A under the Securities Act) that are also Qualified Purchasers or (y) neither U.S. persons (as defined in Regulation S under the Securities Act) nor U.S. residents (within the meaning of the Investment Company Act) outside the United States in reliance on Regulation S, (ii) to us or (iii) pursuant to an effective registration statement and, in each case, in accordance



with any applicable securities laws of any state of the United States or any other applicable jurisdiction; and

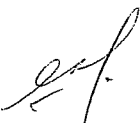
- (b) we have not registered as an investment company pursuant to the Investment Company Act, in reliance on certain exemptions including Section 3(c)(7) of the Investment Company Act. To rely on Section 3(c)(7) of the Investment Company Act, we must have a “reasonable belief” that all purchasers of the Notes that are U.S. persons (including initial purchasers and subsequent transferees) are Qualified Purchasers, at the time of their purchase of the related Notes.
- (3) The purchaser confirms that:
- (a) such purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of purchasing the Notes, and such purchaser and any accounts for which it is acting are each able to bear the economic risks of its or their investment;
  - (b) such purchaser is not acquiring the Notes with a view towards any distribution thereof in a transaction that would violate the Securities Act or the securities laws of any state of the United States or any other applicable jurisdiction; provided that the disposition of its property and the property of any accounts for which such purchaser is acting as fiduciary shall remain at all times within its control; and
  - (c) such purchaser has received a copy of this offering memorandum and acknowledges that such purchaser has had access to such financial and other information, and has been afforded the opportunity to ask such questions of representatives of us and receive answers thereto, as it deemed necessary in connection with its decision to purchase the Notes.
- (4) The purchaser agrees to deliver to each person to whom such purchaser transfers Notes notice of the restrictions on transfer of such Notes.
- (5) The purchaser understands that the certificates evidencing the Notes will, unless otherwise agreed by us and the holder thereof, bear a legend substantially to the following effect:

“THE SECURITY (OR ITS PREDECESSOR) EVIDENCED HEREBY WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 5 OF THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND THE SECURITY EVIDENCED HEREBY MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THE SECURITY EVIDENCED HEREBY IS HEREBY NOTIFIED THAT THE SELLER MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT. THE HOLDER OF THE SECURITY EVIDENCED HEREBY AGREES FOR THE BENEFIT OF THE ISSUER THAT (A) SUCH SECURITY MAY BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1) (a) IN THE UNITED STATES TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) THAT IS ALSO A “QUALIFIED PURCHASER” FOR PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER OR BUYERS TO WHOM NOTICE IS GIVEN THAT THE RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON THE EXEMPTION FROM SECURITIES ACT REGISTRATION PROVIDED BY RULE 144A, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (b) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT (PROVIDED THAT AS A CONDITION TO REGISTRATION OF TRANSFER OF THIS SECURITY AS SET FORTH ABOVE, WE MAY REQUIRE DELIVERY OF ANY DOCUMENTS OR OTHER EVIDENCE THAT WE, IN OUR ABSOLUTE DISCRETION, DEEM NECESSARY OR APPROPRIATE

TO EVIDENCE COMPLIANCE WITH SUCH EXEMPTION: ANY PERSON DESCRIBED IN (a) OR (b) ABOVE BEING AN "ELIGIBLE PURCHASER"), (2) TO NEWLAND INTERNATIONAL PROPERTIES, CORP. OR (3) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER FROM IT OF THE SECURITY EVIDENCED HEREBY OF THE RESALE RESTRICTIONS SET FORTH IN (A) ABOVE.

THE PURCHASER UNDERSTANDS THAT ANY SALE TO A PERSON WHO IS NOT AN ELIGIBLE PURCHASER WILL BE NULL AND VOID TO THE EXTENT PERMITTED BY APPLICABLE LAW; AND THAT THE PURCHASER WILL CERTIFY UPON REQUEST THAT THE PURCHASER IS AN ELIGIBLE PURCHASER AND UPON THE FAILURE TO PROVIDE SUCH CERTIFICATION, THE PURCHASER SHALL BE REQUIRED TO EITHER SELL ALL OF ITS RIGHT, TITLE AND INTEREST THIS NOTE TO AN ELIGIBLE PURCHASER WITHIN 30 DAYS AFTER NOTICE OF SUCH SALE REQUIREMENT IS GIVEN OR TO PERMIT THE ISSUER TO REDEEM THIS NOTE."

- (6) The Notes may not be sold or transferred to, and each purchaser or transferee, by its purchase or acquisition of the Notes, shall be deemed to have represented and covenanted that it is not acquiring the Notes for or on behalf of, any pension or welfare plan (as defined in Section 3 of the Employee Retirement Income Security Act of 1974, or ERISA) or plan (as defined in Section 4975 of the Code), except that such purchase for or on behalf of a pension or welfare plan shall be permitted:
- (a) to the extent such purchase is made by or on behalf of a bank collective investment fund maintained by the purchaser in which no plan (together with any other plans maintained by the same employer or employee organization) has an interest in excess of 10% of the total assets in such collective investment fund and the conditions of Section III of Prohibited Transaction Class Exemption 91-38 issued by the Department of Labor are satisfied;
  - (b) to the extent such purchase is made by or on behalf of an insurance company pooled separate account maintained by the purchaser in which, at any time while the Notes are outstanding, no plan (together with any other plans maintained by the same employer or employee organization) has an interest in excess of 10% of the total of all assets in such pooled separate account and the conditions of Section III of Prohibited Transaction Class Exemption 90-1 issued by the Department of Labor are satisfied;
  - (c) to the extent such purchase is made from an insurance company general account, the conditions of Sections I and IV of Prohibited Transaction Class Exemption 95-60 issued by the Department of Labor are satisfied;
  - (d) to the extent such purchase is made on behalf of a plan by a qualified professional asset manager, as such term is used in Prohibited Transaction Class Exemption 84-14 issued by the Department of Labor, and the assets of such plan when combined with the assets of other plans established or maintained by the same employer (or affiliate thereof) or employee organization and managed by such investment advisor, bank or insurance company do not represent more than 20% of the total client assets managed by such investment advisor, bank or insurance company, and the conditions of Section I of such exemption are otherwise satisfied;
  - (e) to the extent such plan is a governmental plan (as defined in Section 3 of ERISA) which is not subject to the provisions of Title I of ERISA of Section 401 of the Code; or
  - (f) to the extent such purchase is made on behalf of a plan by an in-house asset manager as defined in Prohibited Transaction Class Exemption 96-23 and the conditions of Part I of Prohibited Transaction Class Exemption 96-23 issued by the Department of Labor are satisfied.





- (7) In the case of a purchaser of a Rule 144A Note, it is (a) either not a Flow-Through Investment Vehicle or it is a Flow-Through Investment Vehicle that is a Qualifying Investment Vehicle and (b) if it is a Qualifying Investment Vehicle, (x) it has only one class of securities outstanding (other than any nominal share capital the distributions in respect of which are not correlated to or dependent upon distributions on, or the performance of, the Notes) and (y) either (1) none of the beneficial owners of its securities is a U.S. Person or (2) some or all of the beneficial owners of its securities are U.S. Persons and each such beneficial owner has certified to the purchaser that such owner is a Qualified Purchaser. A purchaser is a “Flow-Through Investment Vehicle” if: (i) in the case of a purchaser that would be an investment company but for the exception in Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act, and the amount of the purchaser’s investment in the Notes exceeds 40% of the total assets (determined on a consolidated basis with its subsidiaries) of the purchaser, (ii) any person owning any equity or similar interest in the purchaser has the ability to control an investment decision of the purchaser (other than a general partner or similar entity) or to determine on an investment-by-investment basis, the amount of such person’s contribution to any investment made by the purchaser, (iii) the purchaser was organized or reorganized for the specific purpose of acquiring any Notes or (iv) additional capital or similar contributions were specifically solicited from any person owning an equity or similar interest in the purchaser for the purpose of enabling the purchaser to purchase Notes. A “Qualifying Investment Vehicle” means an entity as to which all of the beneficial owners of any securities issued by such entity have made, and as to which (in accordance with the document pursuant to which such entity was organized or the agreement or other document governing such securities) each such beneficial owner must require any transferee of any such security to make each of the representations set forth in this Final Offering Memorandum and/or the transfer certificate pursuant to which such Notes were transferred to such entity (in each case, with appropriate modifications to reflect the indirect nature of the interests of such beneficial owners in the Notes).

A handwritten signature in cursive script, appearing to be 'eaf', with a horizontal line underneath.

## CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that any discussion of tax matters set forth in this offering memorandum was written in connection with the promotion or marketing of the transactions or matters addressed herein and was not intended or written to be used, and cannot be used by any prospective investor, for the purpose of avoiding tax-related penalties under federal, state or local tax law. Each prospective investor should seek advice based on its particular circumstances from an independent tax advisor.

The following is a summary of certain United States federal income tax consequences of the purchase, ownership and disposition of notes as of the date hereof. Except where noted, this summary deals only with notes that are held as capital assets by a U.S. holder (as defined below) who acquired our Notes upon original issuance at their initial offering price.

A “U.S. holder” means a person that is for United States federal income tax purposes any of the following:

- an individual citizen or resident of the United States (as defined for United States federal Income tax purposes);
- a corporation (or any other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to United States federal income taxation regardless of its source; or
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

This summary is based upon provisions of the Internal Revenue Code of 1986, as amended (the “Code”), and regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, with possible retroactive effect, so as to result in United States federal income tax consequences different from those summarized below. This summary does not address all aspects of United States federal income taxes or all tax considerations that may be relevant to U.S. holders in light of their personal circumstances. In addition, it does not represent a detailed description of the United States federal income tax consequences applicable to holders who are subject to special treatment under the United States federal income tax laws. For example, this summary does not address:

- tax consequences to holders who may be subject to special tax treatment, such as dealers in securities or currencies, traders in securities that elect to use the mark-to-market method of accounting for their securities, financial institutions, regulated investment companies, real estate investment trusts, partnerships or other pass-through entities for U.S. federal income tax purposes, tax-exempt entities or insurance companies;
- tax consequences to persons holding the Notes as part of a hedging, integrated, constructive sale, conversion transaction, straddle or other risk reduction transaction for United States federal income tax purposes;
- tax consequences to holders of the Notes whose “functional currency” is not the United States dollar;
- alternative minimum tax consequences, if any; or
- any state, local or non-U.S. tax consequences.



If a partnership holds our Notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding our Notes, you should consult your tax advisors.

**If you are considering the purchase of Notes, you should consult your own tax advisors concerning the particular United States federal income tax consequences to you of the ownership of the Notes, as well as the consequences to you arising under the laws of any other taxing jurisdiction.**

### **Payments of Interest**

Interest on a note will generally be taxable to you as ordinary income at the time it is paid or accrued in accordance with your method of accounting for tax purposes. In addition to interest on the Notes (which includes any Panamanian tax withheld from the interest payments you receive), you will be required to include in income any Additional Amounts paid in respect of such Panamanian tax withholding. You may be entitled to deduct or credit this tax, subject to certain limitations (including that the election to deduct or credit foreign taxes applies to all of your foreign taxes for a particular tax year). Interest income (including any Additional Amounts) on a note generally will be considered foreign source income and, for purposes of the United States foreign tax credit, generally will be considered passive income. You will generally be denied a foreign tax credit for foreign taxes imposed with respect to the Notes where you do not meet a minimum holding period requirement during which you are not protected from risk of loss. The rules governing the foreign tax credit are complex. You are urged to consult your tax advisors regarding the availability of the foreign tax credit under your particular circumstances.

### **Sale, Exchange and Retirement of Notes**

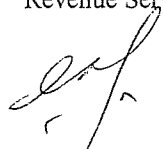
Your adjusted tax basis in a note will generally be your cost for that note, decreased by any principal payments on the note. Upon the sale, exchange, retirement or other disposition of a note, you will recognize gain or loss equal to the difference between the amount you realize upon the sale, exchange, retirement or other disposition (less an amount equal to any accrued interest that you did not previously include in income, which will be taxable as interest income) and the adjusted tax basis of the note. Such gain or loss will be capital gain or loss and will generally be treated as United States source gain or loss. Capital gains of individuals derived in respect of capital assets held for more than one year are generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

No assurance can be given as to the United States federal or other tax consequences of holding co-trustee shares in the event of a failed foreclosure, and you should consult your own tax advisors in respect thereof. See “Risk Factors—Risks Related to the Notes—The proceeds of a foreclosure sale of the collateral may not be sufficient to pay all or any portion of the Notes.”

### **Backup Withholding and Information Reporting**

Generally, information reporting requirements will apply to all payments we make to you and the proceeds from a sale of a note paid to you, unless you are an exempt recipient such as a corporation. Additionally, if you fail to provide your taxpayer identification number, or in the case of interest payments, fail either to report in full dividend and interest income or to make certain certifications, you may be subject to backup withholding.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your United States federal income tax liability provided the required information is furnished to the Internal Revenue Service.



## CERTAIN PANAMA TAX CONSIDERATIONS

*The following is a summary of the principal Panamanian income tax consequences resulting from the beneficial ownership and disposition of the Notes by certain persons. This summary is based on the Panamanian Tax Code of 1956, as amended, other applicable tax laws, decrees and regulations issued thereunder, and judicial and administrative interpretations thereof, all as in effect on the date hereof, and is subject to any changes in these or other laws, decrees, regulations and interpretations occurring after such date, possibly with retroactive effect. This summary is intended as a descriptive summary only and is not a complete analysis or listing of all potential Panamanian income tax consequences to holders of the Notes.*

*The summary does not address the tax treatment of potential investors that may be subject to special income tax withholding rules. The summary is not intended as tax advice to any particular investor, nor does it purport to furnish information in the level of detail or with attention to an investor's specific tax circumstances that would be provided by an investor's own tax advisor. Prospective purchasers of the Notes are urged to consult their own tax advisors as to the precise Panamanian and other tax consequences of acquiring, owning and disposing of the Notes.*

### **Taxation of Interest**

Interest payable on the Notes will be exempt from income tax or withholding requirements in Panama, provided that the Notes are registered with the Panamanian National Securities Commission and, in addition, are placed through a securities exchange or through an organized market in Panama. The Notes are in the process of being registered with the Panamanian National Securities Commission and are expected to be initially placed on the Panama Stock Exchange. Accordingly, interest payments made on the Notes will be exempt from income tax or withholding requirements in Panama. Should the Notes not be initially placed on the Panama Stock Exchange, interest payments would be subject to a 5% income tax, which would have to be withheld by the Issuer.

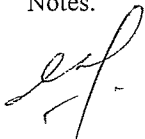
### **Taxation of Dispositions**

Under current Panamanian tax law, because the Notes have been registered with the Panamanian National Securities Commission, any capital gains realized by a holder of the Notes on the sale or other disposition of Notes will be exempt from income tax in Panama, provided that the sale or disposition of the Notes is made through a securities exchange or another organized market. The Notes will be listed on the Panama Stock Exchange. Thus, any gains realized on the sale of the Notes on this exchange will be exempt from income tax in Panama.

If the Notes are not sold through a securities exchange or another organized market, pursuant to Law No. 18 of June 19, 2006, (i) the seller will be subject to income tax in Panama on capital gains realized on the sale of the Notes calculated at a fixed rate of ten percent (10%); (ii) the buyer will be obligated to withhold from the seller an amount equal to five percent (5%) of the aggregate proceeds of the sale, as an advance in respect of the capital gains income tax payable by the seller, and the buyer will be required to send to the fiscal authorities the withheld amount within ten (10) days following the date of withholding; (iii) the seller will have the option of considering the amount withheld by the buyer as payment in full of the seller's obligation to pay income tax on capital gains; and (iv) in the event the amount withheld by the buyer is greater than the amount of capital gains income tax payable by the seller, the seller will be entitled to recover the excess amount as a tax credit by filing a special sworn income tax declaration with the fiscal authorities.

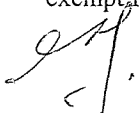
### **Stamp and Other Taxes**

As the Notes have been registered with the Panamanian National Securities Commission, the Notes are not subject to stamp taxes. There are no sales, transfer or inheritance taxes applicable to the sale or disposition of the Notes.



**Foreign Investors**

A person domiciled outside of Panama is not required to file a tax return in Panama, solely by reason of his or her investment in the Notes, provided that gains realized on the sale and disposition of the Notes are, in effect, exempt from income tax as indicated above.

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**PLAN OF DISTRIBUTION**

In accordance with the terms and subject to the conditions contained in the Purchase Agreement dated November 7, 2007, and the related Terms Agreement to be entered into by Bear, Stearns & Co. Inc. upon the submission of its bid for the Notes through the Panama Stock Exchange, as described below, Bear, Stearns & Co. Inc., acting as the sole manager of the offering and as the initial purchaser, has agreed to purchase all of the Notes being sold pursuant to the Purchase Agreement that are not purchased by investors through Local Brokers, as defined below. We have agreed to sell, pursuant to the Purchase Agreement and the Terms Agreement, the following principal amount of Notes to the initial purchaser.

<b>Initial Purchaser</b>	<b>Principal Amount of Notes</b>
Bear, Stearns & Co. Inc. ....	US\$ 220,000,000

Initially, the Notes will be offered by us on the Panama Stock Exchange to the initial purchaser and local investors at a price that is subject to change, as will be determined by us and the initial purchaser depending on market conditions. The initial purchaser proposes to offer the Notes for resale at the offering price that appears on the front cover of this offering memorandum. After the initial offering of the Notes, the offering price and other selling terms may from time to time be varied by the initial purchaser.

The Purchase Agreement provides that the obligations of the initial purchaser to pay and accept delivery of the Notes are subject to, among other conditions, the delivery of certain legal opinions by their counsel. The initial purchaser is obligated to take and pay for all of the Notes offered hereby if any are taken and to resell such securities to purchasers as described in this offering memorandum under "Notice to Investors."

The Purchase Agreement provides that we will indemnify the initial purchaser against certain liabilities, including liabilities under the Securities Act, and will contribute to payments the initial purchaser may be required to make in respect thereof.

We have been advised that the initial purchaser proposes to resell the Notes initially to (1) Qualified Institutional Buyers (as defined in Rule 144A) in reliance on Rule 144A under the Securities Act who are also Qualified Purchasers (for purposes of Section 3(c)(7) of the Investment Company Act and (2) outside the United States in offshore transactions to certain persons in reliance on Regulation S under the Securities Act. See "Notice to Investors." Any offer or sale of the Notes in reliance on Rule 144A will be made by broker-dealers who are registered as such under the Exchange Act. In connection with sales outside the United States, the initial purchaser has acknowledged and agreed that it will not offer, sell or deliver the Notes to, or for the account of, U.S. persons (1) as part of its distribution at any time or (2) otherwise until 40 days after the later of the commencement of the offering or the date the Notes originally were issued, but only to Qualified Purchasers. The initial purchaser will send to each dealer to whom it sells the Notes in reliance on Regulation S during the 40-day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used above have the meanings assigned to them in Rule 144A or Regulation S under the Securities Act, as applicable.

In addition, until the expiration of the 40-day distribution compliance period referred to above, an offer or sale within the United States by a dealer, whether or not participating in this offering, may violate the registration requirements of the Securities Act if such sale is made otherwise than in accordance with Rule 144A under the Securities Act or pursuant to another exemption from registration under the Securities Act.

Between 9:30 a.m. and 10:00 a.m. Panama time on the date the Issuer offers the Notes through the Panama Stock Exchange, each person registered as a member of the Panama Stock Exchange (a "Local Broker") will be permitted to submit bids for the Notes. At 10:00 a.m. Panama time, Bear, Stearns & Co. Inc. will be permitted to submit bids for the Notes through Mundial Asset Management, a Local Broker. We anticipate that the aggregate principal amount of the bids for the Notes that we accept from Local Brokers and Bear, Stearns & Co. Inc. will equal the aggregate principal amount of the Notes set forth on the cover page of this offering memorandum. Bids



accepted from Local Brokers may be at prices equal to or higher than the price at which the Notes will be offered to investors initially, which is set forth on the front cover page of this offering memorandum.

Subject to satisfaction of certain conditions, on the settlement date for the Notes, Local Brokers whose bids were accepted by us will receive a beneficial interest in the Regulation S Global Note directly from us, through Latinclear, against payment therefore. Bear, Stearns & Co. Inc. will receive beneficial interests in the Notes directly from us, through Latinclear, and Bear, Stearns & Co. Inc. will subsequently transfer such beneficial interests to subsequent purchasers through such subsequent purchaser's participant accounts in DTC, Euroclear or Clearstream, as the case may be.

The Local Broker through whom Bear, Stearns & Co. Inc. will submit its bid for the Notes, will receive a flat fee of US\$ 50,000 in connection with this offering. Trump Marks Panama, as assignee of the rights of Donald J. Trump, as licensor, under the license agreement, will receive a fee of US\$ 2.2 million for securing financing for construction in connection with this offering. See "Business—Principal Project Agreements—License Agreement." Wilkinson Peabody & Company, Inc. will receive a fee of US\$ 2.5 million in connection with their role in the financing of Trump Ocean Club.

The Notes have not been registered under the Securities Act and will be subject to significant resale and transfer restrictions discussed under the section of this offering memorandum titled "Notice to Investors." Prior to the offering, there has been no active market for the Notes. We have applied to list the Notes on the Panama Stock Exchange and the Notes are expected to be eligible for trading on the PORTAL Market. We do not intend to list the Notes on any other securities exchange. We have been advised by the initial purchaser that it intends to make a market in the Notes as permitted by applicable laws and regulations. The initial purchaser is not obligated, however, to make a market in the Notes and any such market making activities, if commenced, may be discontinued at any time at the sole discretion of the initial purchaser, without prior notice. Accordingly, no assurance can be given as to the liquidity of, or the development or continuation of trading markets for, the Notes.

In connection with the offering, certain persons participating in the offering may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes. Specifically, the initial purchaser, or any other person acting on their behalf, may bid for and purchase Notes in the open market to stabilize the price of the Notes. The initial purchaser may also over allot the offering, creating a syndicate short position, and may bid for and purchase Notes in the open market to cover the syndicate short position. In addition, the initial purchaser may bid for and purchase the Notes in market making transactions and impose penalty bids. Finally, the initial purchaser may reclaim selling concessions allowed to a dealer for distributing the Notes in this offering, if the initial purchaser repurchases previously distributed notes in transactions to cover short positions, in stabilization transactions or otherwise. Any of these activities may stabilize and maintain the market price of the Notes above independent market levels that may otherwise prevail. The initial purchaser is not required to engage in these activities, may end these activities at any time and must bring them to an end after a limited period.

Mundial Asset Management is authorized to act as Local Broker by the CNV through Resolution CNV- 88-04 of November 11, 2004. Mundial Asset Management is a company incorporated under the laws of the Republic of Panama as a *sociedad anónima*, and is a shareholder of *Bolsa de Valores de Panamá, S.A* and *Central Latinoamericana de Valores, S.A*. Mundial Asset Management is located at Avenida Balboa, Edificio Balboa Point 101, fourth floor, Panama City, Republic of Panama, and may be contacted at the above address, by telephone at (507) 210-1704, by fax at +507-210-1710, in the United States by telephone at 201-484-8052, toll free at 1-866-764-6904, through their website at [www.mundialam.com](http://www.mundialam.com), and by email at [info@mundialam.com](mailto:info@mundialam.com).



## GENERAL INFORMATION

### Responsibility for this Offering Circular

We accept responsibility for the information contained herein. To the best of our knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained herein conforms to fact and does not omit anything likely to affect the substance of such information.

### Governing Law

The Notes, the Indenture and the purchase agreement relating to the Notes are each governed by the laws of the State of New York.

### Clearance and Settlement

The Notes have been accepted for clearance through the facilities of DTC, Euroclear, Clearstream and, as a participant of Clearstream, Latinclear. For further information regarding clearance and settlement of the Notes, see “Description of Notes—Book-Entry, Delivery and Form.”

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## LEGAL MATTERS

The validity of the Notes and certain legal matters governed by U.S. federal and New York state law will be passed upon for us by Gibson, Dunn & Crutcher LLP. Certain legal matters with respect to Panamanian law will be passed upon for us by Sucre, Arias & Reyes. Carlos Sucre C., a partner of Sucre, Arias & Reyes, is our Deputy Secretary, and we have retained Sucre, Arias & Reyes as counsel on all matters associated with the development of Trump Ocean Club. Certain legal matters governed by U.S. federal and New York state law will be passed upon for the initial purchaser by Thacher Proffitt & Wood LLP. Certain legal matters with respect to Panamanian law will be passed upon for the initial purchaser by Arias, Fabrega & Fabrega.

## INDEPENDENT ACCOUNTANTS

Our financial statements as of December 31, 2006 and for the period from March 28, 2006, our date of incorporation, to December 31, 2006, included in this offering memorandum, have been audited by Grant Thornton Cheng y Asociados, a member of Grant Thornton International, our independent accountants as stated in their report included in this offering memorandum.

With respect to our unaudited financial statements as of and for the six months ended June 30, 2007 included in this offering memorandum, Grant Thornton Cheng y Asociados, a member of Grant Thornton International, has applied limited procedures in accordance with professional standards for a review of such information by independent accountants. However, as stated in their report included in this offering memorandum, they did not audit and they do not express any opinion on such financial statements. Accordingly, the degree of reliance on their report regarding such financial information should be restricted in light of the limited nature of the review procedures applied.

The financial projections included in this offering memorandum have been prepared by, and are the responsibility of, our management. Grant Thornton has neither examined nor compiled the accompanying financial projections. Accordingly, Grant Thornton does not express an opinion or any other form of assurance with respect to our financial projections. The Grant Thornton reports included in this offering memorandum relate to our historical financial information. It does not extend to the accompanying financial projections and should not be read to do so.

## INDEPENDENT FINANCIAL ADVISOR

Our independent financial advisor, KPMG, is a leading provider of financial consulting and auditing services.

KPMG has reviewed the integrity and mathematical accuracy of our financial model, confirmed the reasonableness of the assumptions by comparing them to the underlying supporting information, and confirmed that the resulting financial projections have been derived correctly from our financial model.

The financial projections included in this offering memorandum have been prepared by, and are the responsibility of, our management. KPMG conducted only a limited review of our projections and provides no assurances regarding the accuracy of the information used by our management to prepare our financial projections.

## INDEPENDENT APPRAISER

CBRE has prepared a Complete Appraisal Self Contained Report of the Trump Ocean Club, dated June 4, 2007, the "Appraisal", included as Annex A to this offering memorandum. You should read the Appraisal in its entirety for additional information with respect to Trump Ocean Club and the related subjects discussed therein. As stated in the Appraisal, CBRE has made a number of assumptions in reaching its conclusions, all of which are set forth therein, and has utilized the sources of information described therein. CBRE believes that the use of such information and assumptions is reasonable for the purposes of the Appraisal. We have included the Appraisal in this



offering memorandum in reliance upon the conclusions of CBRE contained therein and upon such firm's experience in preparing appraisals for similar projects.

#### **INDEPENDENT ENGINEER**

Louis Berger has prepared an Independent Engineer's Report, dated October 29, 2007, the executive summary of which is included as Annex B to this offering memorandum. You should read the executive summary of the Independent Engineer's Report in its entirety for additional information with respect to the property and the related subjects discussed therein. A complete copy of the Independent Engineer's Report is available for review at the request of any Noteholder at our offices as well as at the offices of the Trustee identified at the back of this offering memorandum. As stated in the Independent Engineer's Report, Louis Berger has made a number of assumptions in reaching its conclusions, all of which are set forth therein, and has utilized the sources of information described therein. Louis Berger believes that the use of such information and assumptions is reasonable for the purposes of the Independent Engineer's Report. We have included the executive summary of the Independent Engineer's Report in this offering memorandum in reliance upon the conclusions of Louis Berger contained therein, and upon such firm's experience in preparing independent engineer's reports for similar projects.

A handwritten signature in cursive script, appearing to read 'L. Berger', is located below the text.

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A handwritten signature in black ink, appearing to be 'JAF', with a small 'x' mark below the final letter.

To the Board of Directors  
**NEWLAND INTERNATIONAL PROPERTIES CORP.**  
(Panama, Republic of Panama)

We have audited the accompanying balance sheet of NEWLAND INTERNATIONAL PROPERTIES CORP. (the Company) as of December 31, 2006, and the related statements of stockholders' equity and cash flows for the period from March 28, 2006, date of inception, through December 31, 2006. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing, promulgated by the International Federation of Accountants. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **NEWLAND INTERNATIONAL PROPERTIES CORP.** as of December 31, 2006 and its cash flows for the period from March 28, 2006, date of inception, through December 31, 2006, in conformity with International Financial Reporting Standards, promulgated by the International Accounting Standards Board.

GT

August 2, 2007  
Panama, Republic of Panama

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**Report on review of interim financial information**

To the Board of Directors

**NEWLAND INTERNATIONAL PROPERTIES CORP.**

(Panama, Republic of Panama)

We have reviewed the accompanying balance sheet of **NEWLAND INTERNATIONAL PROPERTIES CORP.** (the Company) as of June 30, 2007, and the related statements of cash flows for the six month period ended June 30, 2007, and for the period from March 28, 2006, date of inception, through June 30, 2006, the statement of stockholder's equity for the six month period ended June, 30, 2007 and a summary of significant accounting policies and other explanatory notes, the "interim financial information". Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with International Standards on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditors of the Entity". A review of interim financial information consist of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope that an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the Company as of June 30, 2007, and its cash flows for the six month period ended June 30, 2007, and for the period from March 28, 2006, date of inception, through June 30, 2006, in accordance with International Financial Reporting Standards.

GT

August 2, 2007

Panama, Republic of Panama

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**Balance sheets**

<u>Assets</u>	<u>Notes</u>	<u>December 31,</u> <u>2006</u>	<u>June 30, 2007</u> <u>(Unaudited)</u>
Cash .....	3	B/. 81,766	7,777
Restricted cash .....	4	24,429,094	39,261,862
Projects .....	5	3,455,803	34,827,980
Other assets .....	6	1,761,440	10,124,287
		<hr/>	<hr/>
Total assets .....		B/. 29,728,103	84,221,906
		<hr/> <hr/>	<hr/> <hr/>
<b><u>Liabilities and stockholders' equity</u></b>			
<b><u>Liabilities</u></b>			
Customer deposits .....	4	B/. 27,208,899	45,475,547
Accounts payable and accrued expenses .....	7	19,204	7,200,003
Accounts payable – related parties .....	8	-	301,196
Total liabilities .....		<hr/> 27,228,103	<hr/> 52,976,746
		<hr/>	<hr/>
<b><u>Stockholders' equity</u></b>			
Common stock .....	9	10,000	-
Additional paid-in capital .....	9	2,490,000	31,245,160
Total stockholder's equity .....		<hr/> 2,500,000	<hr/> 31,245,160
		<hr/>	<hr/>
Total liabilities and stockholders' equity .....		B/. 29,728,103	84,221,906
		<hr/> <hr/>	<hr/> <hr/>



**Statements of stockholders' equity**

For the six months ended June 30, 2007 (unaudited) and for the period from March 28, 2006, date of inception, through December 31, 2006

	<u>Common stock</u>	<u>Additional paid-in capital</u>	<u>Total stockholder's equity</u>
<b>Balance at March 28, 2006</b>	B/ -	-	-
Capital paid.....	10,000	-	10,000
Additional paid-in capital.....	-	2,490,000	2,490,000
<b>Balance at December 31, 2006</b>	B/ 10,000	2,490,000	2,500,000
Contribution of additional paid-in capital.....	-	3,755,160	3,755,160
Contribution of land and change in par value of shares .....	(10,000)	25,000,000	24,990,000
<b>Balance at June 30, 2007 (unaudited) .....</b>	B/ <u>-</u>	<u>31,245,160</u>	<u>31,245,160</u>



## Statements of cash flows

For the six months ended June 30, 2007 (unaudited), and for the period from March 28, 2006, date of inception, through June 30, 2006 (unaudited), and for the period from March 28, 2006, date of inception, through December 31, 2006

		For the period from March 28, 2006, date of inception, through December 31, 2006	Six Months ended June 30, 2007 (Unaudited)	For the period from March 28, 2006, date of inception, through June 30, 2006 (Unaudited)
<b>Cash flows from operating activities</b>				
Projects .....	B/	(3,455,803)	(6,372,177)	(460,133)
Other assets .....		(1,761,440)	(8,362,847)	-
Accounts payable and accrued expenses .....		19,204	7,180,799	-
Accounts payable – related parties .....		-	301,196	-
<b>Net cash flows used in operating activities .....</b>		<b>(5,198,039)</b>	<b>(7,253,029)</b>	<b>(460,133)</b>
<b>Cash flows from financing activities</b>				
Restricted cash .....		(24,429,094)	(14,382,768)	-
Customer deposits .....		27,208,899	18,266,648	-
Additional paid in capital .....		2,490,000	3,755,160	460,133
Common stock .....		10,000	(10,000)	-
<b>Net cash flows provided by financing activities .....</b>		<b>5,279,805</b>	<b>7,179,040</b>	<b>460,133</b>
Net increase (decrease) in cash .....		81,766	(73,989)	-
Cash at the beginning of the period .....		-	81,766	-
Cash at the end of the period .....	B/	81,766	7,777	-
<b>Supplemental disclosure of non-cash operating and financing activities</b>				
Contribution of land included in project investments .....	B/	-	25,000,000	-



## Notes to the financial statements

December 31, 2006 and June 30, 2007

### 1 General Information

**NEWLAND INTERNATIONAL PROPERTIES CORP. (NEWLAND)** was incorporated pursuant to Public Instrument N° 3482 dated March 28, 2006 by the Notary Public 9th of the Circuit of Panama duly registered on Microfiche N° 521258, document N° 929232 of the Mercantile Section of the Public Registry of Panama, effective March 30, 2006 for the purpose of developing a real estate project known as the **TRUMP OCEAN CLUB INTERNATIONAL HOTEL & TOWER (TRUMP TOWER)** on a parcel of land originally belonging to its stockholder **OCEAN POINT DEVELOPMENT CORP. (OCEAN)** and located at Punta Pacifica, County of San Francisco, District and Province of Panama, on property lot N° 234240 registered on document N° 607870 of the Property Section of the Province of Panama of the Public Registry.

The **TRUMP TOWER** project is designed to be a 66-story building comprised of multiple residential, commercial, hotel and casino spaces located in Panama City, Republic of Panama. The construction of the building commenced on May 5, 2007 and its estimated completion date is August 2010.

The offices of **NEWLAND** are located in Building Plaza 53, Street 53, Obarrio, Ground Floor in Panama City, Republic of Panama.

The approval of the financial statements was authorized by the Board of Directors of **NEWLAND** on August 2, 2007.

### Translation of the financial statements

The financial statements and accompanying notes have been translated into English for convenience of the readers.

### 2 Summary of significant accounting policies

#### Basis of presentation

The financial statements of **NEWLAND** have been prepared in accordance with International Financial Reporting Standards (IFRS), which comprise standards and interpretations approved by the International Accounting Standards Board (IASB), and the Standing Interpretations Committee interpretations approved by the IASB that remain in effect.

The financial statements have been prepared on an historical cost basis and are expressed in Balboas (B/.), the monetary unit of the Republic of Panama, which is at par and freely exchangeable with the Dollar of the United States of America (USD\$).

The accounting policies have been applied consistently by **NEWLAND** and a summary of significant policies is set forth below:

#### Use of estimates

The preparation of the financial statements in conformity with IFRS requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the period. Although these estimates are based on the best information available to management, actual results may ultimately differ from those estimates.



## Projects

Projects under construction are measured at cost less impairment if necessary. Costs that can not be directly attributed to projects are expensed when incurred. Direct attributable costs to projects that form an integral part of the cost price include personnel expenses, construction materials and transport costs. Finished projects that have not been sold are carried at the lower of cost and estimated net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses. A loss on a project under construction is taken when it is probable that the total contract costs will exceed the total contract revenues. For finished products, a loss is taken when the recoverable amount of a finished project is lower than the book value.

## Revenue recognition

Revenue from the sale of condominium units is recognized when all the risks and rewards are substantially transferred to the buyer and the revenues and costs can be measured reliably. In general this occurs when legal title is transferred to the buyer. No revenue has been recognized from the sale of condominium units from inception through June 30, 2007.

### 3 Cash

The detail of cash at December 31, 2006 and June 30, 2007 is as follows:

		<u>December 31, 2006</u>	<u>June 30, 2007</u> (Unaudited)
HSBC — Panama .....	B/.	81,766	7,777

### 4 Restricted cash

Restricted cash is comprised of down payments received for the sale of **TRUMP TOWER** units that are held in an HSBC Investment Corporation (Panama), S. A., escrow account. Restricted cash can be used for the development of the **TRUMP TOWER** project when certain conditions defined in the Escrow Agreement dated April 27, 2006 and amended August 3, 2006 are met, including obtaining certain licenses, legal permits and financing commitment for the construction of the **TRUMP TOWER** project, and achieving a certain level of sales (the “break-even point”). On May 22, 2007, **NEWLAND** met the conditions necessary to use customer deposits for its development activities.

		<u>December 31, 2006</u>	<u>June 30, 2007</u> (Unaudited)
Restricted cash .....	B/.	24,429,094	39,261,862
Customer deposits.....	B/.	27,208,899	45,475,547

Customer deposits represent the total amount received from clients as deposits for the future purchase of units of the **TRUMP TOWER** project. Customer deposits include B/.2,779,805 that are guaranteed by stockholders.

### 5 Projects

The detail of projects at December 31, 2006 and June 30, 2007 is as follows:

		<u>December 31, 2006</u>	<u>June 30, 2007</u> (Unaudited)
Projects under construction.....	B/.	3,455,803	34,827,980

Finished projects, not yet sold .....	B/.	-	-
		<u>3,455,803</u>	<u>34,827,980</u>

Changes in projects under construction for the year ended December 31, 2006 and the six month period ended June 30, 2007 are as follows:

		<u>December 31, 2006</u>	<u>June 30, 2007</u> (Unaudited)
Opening balance .....	B/.	-	3,455,803
Project investments .....		3,455,803	31,372,177
Disposals .....		-	-
Capitalized interest .....		-	-
Transfers to finished projects, not yet sold ...		-	-
Impairments .....		-	-
	B/.	<u>3,455,803</u>	<u>34,827,980</u>

Included in project investments for the six month period ended June 20, 2007 is the contribution of land by **OCEAN** in the amount of B/.25,000,000 (See note 9).

## 6 Other Assets

The detail of other assets at December 31, 2006 and June 30, 2007 is as follows:

		<u>December 31, 2006</u>	<u>June 30, 2007</u> (Unaudited)
Deferred commissions .....	B/.	861,440	8,024,287
License .....		-	1,200,000
Advance for land purchase (see note 8) .....		900,000	900,000
	B/.	<u>1,761,440</u>	<u>10,124,287</u>

**NEWLAND** pays outside broker commissions for the sale of condominium units of the **TRUMP TOWER** project. Included in other assets as of December 31, 2006 and June 30, 2007 are commissions paid to outside brokers in the amount of B/.861,440 and B/.8,024,287 (unaudited). These commissions will be expensed as a selling-related cost upon the recognition of revenue from the sale of units.

On March 16, 2006, a related party entered into a license agreement (the "License Agreement") for the use of the trademark "Trump" in connection with the **TRUMP TOWER** project. The license fee includes an initial payment of USD\$1,000,000 upon execution of the agreement, plus a USD\$200,000 commission, a base license fee equal to 4% of the gross sales value of each condominium unit, parking space or other unit sold and 12% of the rental income from commercial units. The license fee also includes incentive fees for the sale of residential or hotel condominium units ranging from 5% – 50% of gross sales price in excess of a certain price per square foot. The initial payment is included in other assets and will be expensed upon the sale of units together with other selling – related costs such as license fees and incentive fees. The original contract term for the license agreement was for one year. On June 5, 2007, the related party assigned the License Agreement to **NEWLAND** and on June 19, 2007, the License Agreement was amended to extend the right to the License Agreement in perpetuity.

## 7 Accounts payable and accrued expenses

The detail of accounts payable and accrued expenses at December 31, 2006 and June 30, 2007 is as follows:

		<u>December 31, 2006</u>	<u>June 30, 2007</u> (Unaudited)
Commissions payable .....	B/.	-	7,162,847
Other payables .....		19,204	37,156
	B/.	<u>19,204</u>	<u>7,200,003</u>

## 8 Related party transactions

On January 2, 2007, **NEWLAND** entered into an agreement with one of its stockholders for the purchase of land located at Contadora Island in the Republic of Panama for the purpose of developing a beach club (**BEACH CLUB**) near the **TRUMP TOWER** project. Included in other assets is the total payment towards the purchase of the land in the amount of B/.900,000.

On February 3, 2006, **NEWLAND** entered into a purchase and sales agreement with a related party for the design and architectural plans of the **TRUMP TOWER** project and the **BEACH CLUB** located at Contadora Island in the Republic of Panama (see note 6). The total contract fee for both projects is B/.9,115,000. The amount payable as of June 30, 2007, and the amount paid since inception of the **TRUMP TOWER** project to the related party amounted to B/. 153,600 (unaudited) and B/. 2,776,000 (unaudited), respectively. There was no fee during 2006.

On November 15, 2006, **NEWLAND** entered into a construction contract with a related party for the construction of the **TRUMP TOWER** project and the **BEACH CLUB**. The total estimated cost for both projects is USD\$228,310,000. Construction cost payable as of June 30, 2007, and total construction costs paid since inception of the **TRUMP TOWER** project to the related party amounted to B/.147,596 (unaudited) and B/.1,599,652 (unaudited), respectively. There were no construction fees during 2006.

The detail of the accounts and transactions with the related party as of June 30, 2007 is as follows:

		Accounts payable as of June 30, 2007 (unaudited)	Transactions Since inception of the project (unaudited)
Upper Deck – Architectural Services .....	B/.	153,600	2,776,000
Opcorp International, Inc. – Construction ....		147,596	1,599,652
	B/.	<u>301,196</u>	<u>4,375,652</u>

## 9 Share Capital

As of December 31, 2006, the Company has a total of 500 shares authorized, issued and outstanding. The capital structure as of December 31, 2006 for **NEWLAND** is comprised of the following ownership and share capital structure:

	Majority Owner	Minority Owner	Total Shares		Par Value
Class A.....	315	-	315	B/.	6,300
Class B.....	-	135	135		2,700
Class C.....	35	15	50		1,000
	<u>350</u>	<u>150</u>	<u>500</u>	B/.	<u>10,000</u>

Pursuant to the Stockholder Agreement dated February 22, 2006, profits from the sale of condominium units of the **TRUMP TOWER** project will be distributed 63% to Class A shares, 27% to Class B shares and 10% to Class C shares and profits from the sale of the **BEACH CLUB** (See note 6) will be distributed 67.5% to Class A shares, 22.5% to Class B shares and 10% to Class C shares. Total estimated pre-operating costs for the development of the **TRUMP TOWER** of USD\$9,300,000 will be funded initially by a USD\$3,700,000 commitment by the minority owner. Pre-operating costs in excess of the USD\$3,700,000 will be funded 70% by the majority owner and 30% by the minority owner.

On May 11, 2007, **OCEAN** contributed to **NEWLAND** its only assets consisting of land located at Punta Pacifica, County of San Francisco, District and Province of Panama, with an area of one hectare and 1,177.45 mtsz of land and a book value of B/.25,000,000 at the date of contribution, and received in exchange 100% of the capital shares of **NEWLAND**. On the same day, **NEWLAND** changed the par value of its common stock from B/.20 to non par value shares.

On June 30, 2007, the composition of shares of **NEWLAND** was divided into 500 common shares with non par value consisting of 315 Class A shares, 135 Class B shares and 50 Class C shares. Each share was assigned an issuance value of B/30,000. As of June 30, 2007, **OCEAN** is the only stockholder of **NEWLAND**.

## **10 Financial risk**

**NEWLAND** is subject to real estate market risk, which is comprised of real estate investment and real estate construction risk originating from changes in real estate market prices and drivers of the real estate development process, respectively. Management performs periodic risk assessments of real estate market risk in order to mitigate such risk.

The main risks arising from **NEWLAND'S** financial instruments are credit risk and liquidity risk. Management reviews and agrees policies for managing each of these risks which they are summarized below:

### Liquidity risk

Liquidity risk is generated by the difference between the size and maturity of assets and liabilities. **NEWLAND'S** objective with regards to liquidity risk is to maintain sufficient and continuous funding for construction costs through Stockholder loan commitments, capital calls and by securing financing from a reputable financial institution for the funding of such costs.

### Credit risk

**NEWLAND** is exposed to credit risk from its various customers that purchase condominium units of the **TRUMP TOWER** project. Management requires certain levels of deposits from such customers in order to secure the sale of a specific condominium unit. **NEWLAND'S** cash and restricted cash is also exposed to credit risk, which arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Management deposits its cash and restricted cash in reputable international financial institutions in order to mitigate credit risk.

## **11 Subsequent events**

On July 16, 2007, **NEWLAND** entered into a Bridge Loan Agreement with a U.S.-based commercial lender for the funding of the construction cost related to the development of the **TRUMP TOWER** project. The Bridge Loan Agreement provides **NEWLAND** with a USD\$15 million bridge loan until permanent financing is secured.



**Annex A**

CB Richard Ellis Appraisal Report

A handwritten signature in black ink, appearing to be 'R. Ellis', is written over the text 'CB Richard Ellis Appraisal Report'.

**Annex B**

Executive Summary of Independent Engineer Report of Louis Berger

A handwritten signature in black ink, appearing to be 'evp' with a vertical line extending downwards from the 'p'.

## ANNEX C

### FINANCIAL PROJECTIONS

#### Overview

Due to our limited operating history, we have prepared a financial model to estimate possible cash flows and selected balance sheet items for the six months ending December 31, 2007 and the seven years ending December 31, 2014, or Model Period.

In this offering memorandum, we have included cash flow and selected balance sheet projections to assist you in considering a possible investment in the Notes. Our financial projections may provide you with an indication of the hypothetical funds available to pay our obligations under the Notes. However, our projections are not a promise or representation as to the future.

Our financial projections are based on a set of assumptions, including assumptions regarding macroeconomic conditions, sales, construction costs, and selling, advertising and administrative expenses. We prepared our financial model and assumptions in good faith and based on data that we deemed reliable and which was primarily available to us as of June 30, 2007. In this offering memorandum, we have included a description of the significant assumptions underlying our financial model to help you understand some of the variables that could affect our cash flow and balance sheet projections during the Model Period.

It should be emphasized that actual future conditions can be expected to vary substantially from the assumptions used in our financial model, in terms both of amount and timing. Variations in macroeconomic conditions and other matters that may affect our financial projections are inherently unpredictable, beyond our control and may not be foreseen at this time. Accordingly, actual cash flows and balance sheet items can be expected to vary substantially from our financial projections. No form of assurance can be given with respect to our financial projections, including whether or when they will be realized. In addition, our financial projections and assumptions do not purport to be all-inclusive or to contain all the information that you may desire in evaluating Newland, Trump Ocean Club or an investment in the Notes.

Neither Newland nor the Sole Manager nor any of their respective affiliates or advisors makes any representation or warranty (actual or implied) or assumes any responsibility as to the reasonableness, accuracy, adequacy or completeness of our financial model, financial projections, assumptions or calculations. You should make your own assessment of our assumptions and financial projections.

We do not intend to update or otherwise revise our financial model or our financial projections to reflect circumstances existing after the date of this offering memorandum or to reflect the occurrence of future events, even in the event our assumptions or the estimates underlying our assumptions are shown to be in error.

*IN MAKING AN INVESTMENT DECISION, YOU SHOULD NOT RELY, AND WILL BE DEEMED NOT TO HAVE RELIED, ON OUR FINANCIAL MODEL OR OUR FINANCIAL PROJECTIONS. SEE "RISK FACTORS – RISKS RELATED TO OUR BUSINESS – PROJECTIONS INCLUDED IN THIS OFFERING MEMORANDUM MAY TURN OUT TO BE INACCURATE."*

Our financial projections are based on a financial model that has been reviewed by our independent financial advisor, KPMG

KPMG has reviewed the integrity and mathematical accuracy of our financial model, confirmed the reasonableness of the assumptions by comparing them to the underlying supporting information, and confirmed that the resulting financial projections have been derived correctly from our financial model.

The financial projections included in this offering memorandum have been prepared by, and are the responsibility of, our management. KPMG conducted only a limited review of our projections and provides no assurances regarding the accuracy of the information used by our management to prepare our financial projections.





In addition, certain assumptions regarding Trump Ocean Club's construction costs and construction program were reviewed by Louis Berger, our independent construction and engineering consultant. Louis Berger issued a report dated September 2007, in respect of its review. See "Annex B – Executive Summary of Independent Engineer Report of Louis Berger."

Grant Thornton, has neither examined nor compiled our financial projections. Accordingly, Grant Thornton does not express an opinion or any other form of assurance with respect to our financial projections. The Grant Thornton report included in this offering memorandum relates to our historical financial information. It does not extend to our financial projections and should not be read to do so.

### **Basis of Presentation**

We prepared our cash flow projections based on the direct method of measuring and reporting cash flows and our balance sheet projections in accordance with IFRS. Our financial model was not intended to, and does not, comply with the published guidelines of the U.S. Securities and Exchange Commission or the American Institute of Certified Public Accountants regarding assumptions or forecasts or accounting principles generally accepted in the United States. Significant differences exist between IFRS and accounting principles generally accepted in the United States, which might be material in relation to the financial projections included in this offering memorandum. We have not identified or quantified the effects of any of these differences. In making an investment decision, you must rely upon your own examination of the financial information included in this offering memorandum.

Panama has enjoyed low inflation commensurate with the levels of inflation generally prevailing in the United States and IFRS does not require that companies adjust financial statements for the effects of inflation. We can give no assurance as to what level of inflation, if any, will occur during the Model Period.

Our functional currency is the U.S. dollar, as this is the currency in which all of our significant transactions are conducted. Accordingly, the financial projections included in this offering memorandum are presented in U.S. dollars. Since 1904 the U.S. dollar is also legal tender in and the functional currency of Panama. References to the "Balboa" are to the official currency of Panama, which serves only as coinage, and has been pegged at parity with the U.S. dollar since 1904.

### **Financial Model Assumptions**

We used the following principal assumptions in preparing our financial model.

#### *Macroeconomic Assumptions*

Our performance will be closely linked to certain macroeconomic factors affecting Panama and Latin America generally. As a result, to develop our financial model, we have made certain assumptions about the future macroeconomic environment in Panama and Latin America. Our assumptions concerning these macroeconomic factors are summarized below.

#### *Absence of a Global or Regional Recession*

We have assumed that there will be no global or regional recession during the Model Period. A regional or global recession could have an adverse impact on prices of, and demand for, real estate products in Panama which, in turn, would adversely affect our ability to sell our products and generate our projected cash flows.

#### *Absence of Raw Material Scarcity*

We have also assumed that there will be no shortage of raw materials, concerted actions by raw material suppliers or any other actions which may cause prices for raw materials to increase significantly during the Model Period. Any significant shortage or increase in prices of raw materials could adversely affect the demand for real estate products in Panama, with resulting adverse effects on our business.



*Other Macroeconomic Assumptions*

We have also assumed, among other things, that Panama will experience economic and political stability during the Model Period and that neither our contractors nor we will experience any type of labor disputes that might negatively affect our construction program, costs or sales. We have also assumed that the Panamanian Government will maintain its current monetary and economic policies during the Model Period.

Furthermore, we have assumed that the development of Trump Ocean Club and the sale of our products will not be interrupted or adversely affected by natural disasters or any other event out of our control. See “Risk Factors – Risks Related to Our Business – Delays or unexpected casualties related to the construction of the project could result in substantial increases in cost and could disrupt our business and adversely affect our results.”

*Business Assumptions*

The financial projections derived from our financial model rely on business assumptions about sales, construction costs, and selling, advertising and administrative expenses. These business assumptions are discussed below.

*Sales*

The following table sets forth historical sales data as of June 30, 2007, as well as the estimated future sales that we assume will be achieved during the Model Period and the estimated value of all assets that we assume will be retained by Newland:

<u>Sales by Real Estate Product Offering and Value of Retained Assets</u>	<u>Number of Units</u>	<u>As of June 30, 2007</u>	<u>Estimated Future Sales</u>	<u>Estimated Gross Sellout Value</u>
			<i>(dollar amounts in millions)</i>	
<i>Residential condominium units:</i>				
One bedroom units .....	156	US\$ 53.6	US\$ 5.2	US\$ 58.8
Two bedroom units .....	200	70.7	48.9	119.6
Three bedroom units.....	74	38.5	14.9	53.4
Curve units.....	65	8.3	31.3	39.7
Three bedroom combo units.....	13	11.9	11.4	23.3
Penthouse units .....	1	—	6.7	6.7
Baylofts.....	118	3.0	59.2	62.2
Subtotal.....	627	186.1	177.6	363.7
<i>Hotel condominium units:</i>				
One bedroom suite units.....	10	3.4	1.7	5.1
Curve units.....	39	8.1	12.5	20.6
Studio units .....	320	68.7	17.4	86.1
Subtotal.....	369	80.2	31.6	111.8
<i>Private Beach Club Memberships:</i>				
Residential condominium units	627	4.6	3.5	8.2
Hotel condominium units	369	4.7	1.1	5.6
Subtotal.....	996	9.3	4.6	13.9
<i>Commercial units:</i>				
Boutiques and Shops .....	29	3.1	17.6	20.7
Office Lofts .....	20	—	2.2	2.1
Subtotal.....	49	3.1	19.8	22.9
Total Sales <sup>(1)</sup> .....	1045	US\$ 278.7	US\$ 233.6	US\$ 512.3
<i>Assets retained by Newland:</i>				
Restaurants.....	4	—	11.8	11.8
Casino .....	1	—	29.2	29.2
Spa .....	1	—	3.6	3.6
Subtotal.....	6	—	44.6	44.6
<b>Total Sales and Retained Assets.....</b>	<b>1051</b>	<b>US\$ 278.7</b>	<b>US\$ 278.2</b>	<b>US\$ 556.9</b>

(1) Pursuant to our unit purchase agreements, we may increase the price of units in an amount up to 6% of the sale price to reflect equivalent increases in construction costs, the cost of salaries, manual labor, worker’s compensation, tax related liabilities and the price of construction material

The estimated future sales described above are primarily a function of further assumptions regarding the timing of our sales, the sales price for each of our products and Trump Ocean Club's completion date. These assumptions are discussed in further detail below.

Through June 30, 2007 we have presold approximately 65% of the building's units, excluding office lofts. We estimate that we will presell substantially all of our real estate products prior to completing construction of Trump Ocean Club, and will have received significant cash payments from our customers to repay the principal of and any accrued interest on the Notes. Accordingly, we do not anticipate our post-completion operating activities, including casino and hotel operations, to be a necessary source of funds for the repayment of the Notes. Neither our financial projections nor the assumptions underlying our financial model present or include any estimation of possible future cash flows from post-completion operating activities.

*Timing of Sales.* We have assumed that we will sell our products at particular times during the Model Period, based on historical sales data for products launched into the market in the nine-months ended June 30, 2007, and on certain market information provided by ISG Latin America, our master real estate broker. As of June 30, 2007, we have sold approximately 64% of all products launched into the market.

The following table sets forth historical data and assumptions regarding the timing of our sales for each of the products and periods described below.

Units Sold by Product Offering	Total Units	As of	For the year ended		For the six	For the six	For the year		
		June 30, 2007	December 31, 2005	December 31, 2006	months ended June 30, 2007	months ending December 31, 2007	ending December 31, 2008	2009	2010
<i>(number of units)</i>									
<b>Residential condominium units:</b>									
One bedroom units.....	156	146	—	141	5	5	5	—	—
Two bedroom units.....	200	130	—	120	10	5	25	25	15
Three bedroom units.....	74	56	—	47	9	4	8	3	3
Curve units.....	65	18	—	11	7	6	15	16	10
Three bedroom combo units.....	13	7	—	4	3	1	3	2	—
Penthouse units.....	1	—	—	—	—	1	—	—	—
Baylofts.....	118	9	—	—	9	30	42	24	13
Subtotal.....	627	366	—	323	43	52	98	70	41
<b>Hotel condominium units:</b>									
One bedroom suite units.....	10	8	—	8	—	1	1	—	—
Curve units.....	39	18	—	5	13	5	6	6	4
Studio units.....	320	274	—	249	25	19	12	8	7
Subtotal.....	369	300	—	262	38	25	19	14	11
<b>Other real estate products:</b>									
Commercial units.....	29	6	—	—	6	4	6	6	7
Office Lofts.....	20	—	—	—	—	—	—	10	10
Subtotal.....	49	6	—	—	6	4	6	16	17
Total.....	1045	672	—	585	87	81	123	100	69

*Sales Prices.* We have assumed that we will charge certain prices for our products based on historical sales data for products launched into the market in the nine months ended June 30, 2007. Our prices take into account the premier amenities and luxury characteristics of our products, as well as the international prestige and name recognition associated with the "Trump" brand name in the real estate industry.

Unit price estimates on a per square meter basis are applied to the different net-sellable areas identified for each of our different real estate products. In the case of residential and hotel condominium units, these areas are the enclosed areas of the units and any terrace or other complementary areas. In addition, under our standard unit purchase agreement, the buyers of a hotel and residential condominium unit are also required to purchase a Trump Ocean Club membership entitling the buyers to use any available amenities and common areas, including the pier facility and yacht club, the pool deck and the private beach club on the island of Contadora.

Under our current pricing strategy, we bundle our products into groups which are launched into the market in separate project phases. Before launching a new project phase, we adjust the price of our products in response to market demand for the previous phase. We launched our first project phase and commenced the sale of our real estate products (except for baylofts or the office lofts) in the first quarter of 2006. We launched and commenced the sale of baylofts in June 2007. The sales price of our hotel condominium units has increased 70% since we launched our products in the first quarter of 2006, from US\$ 4,380 per square meter in our first phase to US\$ 7,467 per square meter in our current phase. Similarly, the sales price of our residential condominium units increased 73% during that same period, from US\$ 2,800 per square meter in our first phase to US\$ 4,842 per square meter in our current phase. Our financial model assumes that our product inventory will be sold at the sales price used in our last project phase, except for commercial units. We believe that commercial units will be sold over an extended period of time, since most investors will have to wait up to 3 years until their units are completed and delivered. Taking into account this long-term sales outlook, prices for commercial units are expected to increase along our construction time-frame. Although sales prices for our other product offerings are also expected to rise in the future, they were assumed to remain constant in our financial model.

The following table sets forth historical and future estimated base sales prices for each of our main type of products. The actual price per square meter that we charge for each of our hotel and residential condominium units varies according to floor level and type of view of each unit.

Sales Prices by Product Offering	Total Number of Units	Average Area per Unit <i>(in square meters)</i>	Base Sales Price per Square Meter(1)		
			As of Product Launch Date	As of June 30, 2007	Estimated Average as of Sellout Date
<b>Residential condominium units:</b>					
One bedroom units .....	156	98	US\$ 2,800	US\$ 4,842	US\$ 4,842
Two bedroom units .....	200	153	2,800	4,842	4,842
Three bedroom units .....	74	183	2,800	4,842	4,842
Curve units .....	65	136	2,800	4,842	4,842
Three bedroom combo units .....	13	395	2,800	4,842	4,842
Penthouse units .....	1	1376	—	4,842	4,842
Baylofts .....	118	93	4,700	5,700	5,700
Subtotal .....	627				
<b>Hotel condominium units:</b>					
One bedroom suite units .....	10	103	4,380	7,467	7,467
One bedroom curve units .....	39	76	4,380	7,467	7,467
Studio units .....	320	49	4,380	7,467	7,467
Subtotal .....	369				
Total .....	996				
<b>Other areas</b>					
Commercial Units .....	29		9,000	9,000	10,000

(1) Our current pricing methodology establishes base price per square meter for each type of unit using the price of such unit as though located in the middle of the building.

*Sales Collections.* We have assumed that cash collections from our sales will occur as set forth in our standard unit purchase agreement:

- 10% upon execution of a unit purchase agreement.
- 10% on thirty days following execution of the unit purchase agreement.<sup>1</sup>
- 5% on six months following execution of the unit purchase agreement.
- 5% on twelve months following execution of the unit purchase agreement.
- 70% upon completion and delivery of a condominium unit to a customer.

*Construction Costs*

We entered into a construction contract with Opcorp, our affiliate, for the construction of Trump Ocean Club, including: (i) construction of all real estate products included in Trump Ocean Club; (ii) supply of the work force, materials, and mechanical, electrical and technical equipment required to construct Trump Ocean Club; (iii) detailed review and comments on Trump Ocean Club's technical specifications; (iv) supply of furniture, fixtures and equipment for the residential and hotel condominium units; and (v) management of the project. Pursuant to the terms of the construction contract, Opcorp has agreed to complete construction of the Trump Ocean Club for the lump-sum price of \$ 228.3 million. Opcorp must perform all specified work to the satisfaction of Newland and Louis Berger, the independent engineer designated under the construction agreement to certify construction completion. The lump-sum price includes all direct and indirect costs associated with the construction of Trump Ocean Club, including US\$ 10.9 million in project management fees and US\$ 16.2 million in construction fees.

We developed our construction budget based on construction cost estimates received from Opcorp. Louis Berger reviewed the construction cost estimates prepared by Opcorp for Trump Ocean Club and issued a report dated September 2007, in respect of its review. See "Annex B – Executive Summary of Independent Engineer Report of Louis Berger." To prepare this report, Louis Berger visited the work site, reviewed our plans and specifications, and verified the quotations and supporting documentation used by Opcorp as the basis for its construction cost estimates.


Based on the Louis Berger report, the construction cost estimates prepared by Opcorp and the lump-sum price established under the construction contract appear to be adequate and therefore are used as part of the assumptions underlying our financial model.

We have also assumed that we will incur indirect costs amounting to US\$ 2.5 million, in connection with the development of Trump Ocean Club and the sale of our products, representing the following:

- US\$ 0.4 million to comply with Panamanian horizontal property regulations;
- US\$ 0.7 million to create, modify and release mortgages over our real estate property as described in this offering memorandum; and
- US\$ 1.4 million to cover insurance premiums.

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<sup>1</sup> We broke ground on May 5, 2007. Prior to our ground breaking, our customers were required to pay an initial deposit of 10% of the purchase price upon execution of a unit purchase agreement, an additional 10% of the purchase price upon ground breaking at Trump Ocean Club; an additional 5% one year from the date of groundbreaking; and 5% two years from the date of groundbreaking.



The following table sets forth the total breakdown of the Opcorp Contract.

<u>Construction Budget Items</u>	<u>Amount</u> <i>(in millions)</i>
<b>Direct Construction Costs</b>	
General Requirements.....	US\$ 0.7
Site Work.....	0.7
Concrete.....	49.7
Masonry.....	1.0
Metals.....	5.0
Carpentry.....	15.0
Thermal & Moisture Protection.....	1.0
Doors, Windows & Glazing.....	4.6
Finishes.....	37.1
Specialties.....	2.6
Equipment (Hotel Kitchen).....	1.7
Furnishings.....	0.4
Special Construction.....	2.0
Conveying Systems.....	5.0
Mechanical (A/C, plumbing, etc).....	11.2
Electrical (incl. 5 generators).....	12.4
Other Cost (Beach Club, Marine, Heliport).....	8.1
Indirect Cost (Staff, Operation, Etc.).....	4.9
Unforeseen and Renewable Fund.....	10.0
<b>Subtotal.....</b>	<b>173.0</b>
<b>Project Overhead:</b>	
Construction Fees.....	16.2
Project Management Fees.....	10.9
<b>Subtotal.....</b>	<b>27.1</b>
<b>Furniture, Fixtures and Equipment:</b>	
Residential Condominium Units.....	10.4
Hotel Condominium Units.....	17.8
<b>Subtotal.....</b>	<b>28.2</b>
<b>Total.....</b>	<b>US\$ 228.3</b>

The following table sets forth our estimation of the remaining hard cost to complete Trump Ocean Club as of the date of closing of this offering:

<u>Construction Costs</u>	<u>Amount</u> <i>(in millions)</i>
Direct Construction Costs.....	US\$ 173.0
FF&E.....	28.2
Construction Fees (Project Overhead).....	16.2
Project Management Fees (Project Overhead).....	10.9
<b>Subtotal Opcorp Contract.....</b>	<b>228.3</b>
Architectural and Technical Design Fees (Project Overhead).....	9.1
Licenses, Rights and Inspector (Project Overhead).....	3.1
Indirect Costs (Project Overhead).....	2.5
<b>Total Construction Costs.....</b>	<b>243.0</b>
Land Costs.....	25.9
<b>Total Costs.....</b>	<b>268.9</b>
Less Project Overhead.....	41.9
<b>Total Hard Costs.....</b>	<b>227.1</b>

Less Hard Costs to date.....	26.9
<b>Hard Costs</b> .....	<b>200.2</b>
Less Estimated Hard Costs through Closing	14.7
<b>Hard Costs Remaining</b> .....	<b>US\$ 185.5</b>

On the closing date of this offering, amounts on deposit in the Construction Escrow Account will exceed our remaining hard costs by US\$ 15.1 million, and we anticipate that such amounts on deposit will amount to approximately US\$ 200.6 million.

*Completion Timeline*

We entered into a construction contract with Opcorp for the construction of Trump Ocean Club. Opcorp prepared and delivered to us a construction work program that includes completion date estimates for each development item.

Louis Berger reviewed the Trump Ocean Club construction program and completion date estimates, and issued a report entitled "Independent Engineer Report", dated October 29, 2007, in respect of its review. See "Annex B – Executive Summary of Independent Engineer Report of Louis Berger."

Based on the Louis Berger report, the Trump Ocean Club construction program appears to be accurate and therefore is used as part of the assumptions underlying our financial model. As of June 30, 2007, Opcorp has met all material benchmarks included in the construction program.

The following table sets forth the semi-annual construction program and completion time estimates prepared by Opcorp for each principal development phase.

	<b>Term</b> (days)	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>General Program</b>	1716	[Timeline bar spanning 2005 to 2010]					
<b>Architectural and Technical Designs</b>	1716	[Timeline bar spanning 2005 to 2010]					
General Project	730	[Timeline bar spanning 2005 to 2007]					
Details	730	[Timeline bar spanning 2006 to 2008]					
Supervision	944	[Timeline bar spanning 2007 to 2010]					
Technical Plans	650	[Timeline bar spanning 2006 to 2008]					
<b>Approvals and Licenses</b>	460	[Timeline bar spanning 2006 to 2008]					
General Project approval	300	[Timeline bar spanning 2006 to 2007]					
Preliminary work approval	169	[Timeline bar spanning 2006 to 2007]					
Foundations approval	296	[Timeline bar spanning 2006 to 2007]					
Construction approval	443	[Timeline bar spanning 2006 to 2008]					
<b>Construction</b>	1640	[Timeline bar spanning 2006 to 2010]					
Feasibility stage	195	[Timeline bar spanning 2006 to 2007]					
Permits and Licences	547	[Timeline bar spanning 2006 to 2008]					
Construction - bid stages	365	[Timeline bar spanning 2007 to 2008]					
Foundations	220	[Timeline bar spanning 2007 to 2008]					
Superstructure	820	[Timeline bar spanning 2008 to 2010]					
Finishings	800	[Timeline bar spanning 2008 to 2010]					
Construction completion		[Timeline bar spanning 2008 to 2010]					

*Selling and Advertising Expenses*

We have assumed that we will incur certain selling and advertising expenses during the Model Period, including fees to the master broker and co-brokers, fees under our license agreement with Trump Marks Panama LLC, and advertising and warranty expenses. These assumptions are discussed below.

*Fees to Master Broker and Co-Brokers.* We entered into a master broker agreement with ISG Latin America for the commercialization of our residential and hotel condominium units. Pursuant to the terms of the master broker agreement, ISG Latin America has agreed to market our condominium units in exchange for a broker fee equivalent to up to 8%<sup>(1)</sup> of the sales price of each unit sold through ISG Latin America and an ISG Latin America co-broker. We agreed to pay broker fees in installments and per unit, as follows<sup>(2)</sup>:

- 10% upon execution of a unit purchase agreement by the buyer;
- 80% upon payment by the buyer of the second 10% down payment, as required under the unit purchase agreement; and
- 10% upon collection of the full sales price from the buyer.

*Trump Fees.* We entered into a license agreement with Trump Marks Panama LLC to acquire the right to use the “Trump” brand name to identify and market our luxury tower, products and services. We paid an initial fee of US\$ 1.2 million upon execution of the license agreement, and agreed to subsequently pay the following license fees and royalties:

- A base license fee of 4% on all gross revenue generated by the sale of hotel, residential, office and retail units, parking spaces and boat slips at Trump Ocean Club.
- Variable incentive fees based on the selling price of individual residential and hotel condominium units.
- A base license fee of 12% on all consideration received from the lease of commercial space at Trump Ocean Club.
- Royalties on our sale of products or services offered in connection with the operations of Trump Ocean Club, in an amount equivalent to 15% of the gross proceeds derived from wholesales and 12% of the gross proceeds derived from retail sales.

Based on our sales price assumptions described in this Annex C, we estimate that our aggregate liability for all license fees and royalties paid and payable in the future to Trump Marks Panama LLC under the license agreement will be US\$ 75.4 million. We used this estimate as part of the assumptions underlying our financial model.

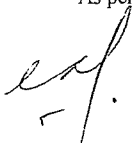
*Advertising Expenses.* We have assumed that we will incur advertising expenses during the Model Period equivalent to 0.5% of total cash sales. Based on our sales price assumptions described in this Annex C, we estimate aggregate advertising expenses to amount to US\$ 2.5 million.

*Warranty Expenses.* We have assumed that we will pay aggregate warranty expenses during the Model Period of US\$ 6.1 million, to pay for repairs to condominium units at Trump Ocean Club following completion and delivery to our customers. This amount is in excess of the Construction Completion Support Agreement and insurance policies.

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(1) As of the date of this offering memorandum, we estimate the average fee to be 7% of the sales since co-brokers have not been used for all sales.

(2) As per actual payment schedule (20% down payment), 90% of the commission is paid upon execution of a unit purchase agreement.





### *Administrative and Other Expenses*

We have assumed that administrative and other expenses incurred in the development of Trump Ocean Club and the sale of our products will amount to US\$ 6.5 million during the Model Period, including consulting, trust, legal, office, land plot and travel expenses.

### *Tax Rates and Basis for Tax Estimates*

We have assumed that the applicable effective income and other tax rates (and the method of calculating such taxes) will not change in any respect during the Model Period. Upon completion of this offering and the execution of a hotel management agreement for Trump Ocean Club, we will be eligible for registration with the Panamanian Institute of Tourism and may benefit from certain tax incentives. These tax incentives are not included in the assumptions underlying our financial model.

### *Timing of Payments*

Our most significant payables are materials and supplies, real estate broker fees and license fees and royalties under the Trump license agreement. Pursuant to our current arrangements, we have assumed that our invoices for materials and supplies and for real estate broker fees will be outstanding for 30 days, and payment on Trump license fees and royalties will be made upon construction completion.

### *Exclusions*

Our financial model excludes a number of elements that could enhance the economics of the Trump Ocean Club. Below we highlight certain items that ARE NOT included in the assumptions underlying our financial projections:

- Our right to increase the purchase price of any unit by up to 6% of the contract price.
- Tax benefits for which we will be eligible upon registration with IPAT, including exemptions from import duties on construction materials and equipment and property transfer taxes.
- Recurring revenue from the operation of Trump Ocean Club's international casino, luxury hotel, restaurants, wellness spa, private beach club and yacht club.

### *Closing Date*

Our financial model assumes that the closing date for this offering of Senior Secured Notes is November 1, 2007.

A handwritten signature in black ink, appearing to be 'eaf', with a horizontal line underneath it.

## Financial Projections

The following tables set forth possible cash flows and selected balance sheet items derived from our financial model and its assumptions, for the six months ended December 31, 2007 and for each of the seven years ending December 31, 2014.

CASH FLOW DATA	For the 6 months ending Dec. 31,		For the year ending December 31,						
	2007		2008	2009	2010	2011	2012	2013	2014
<b>Cash Inflows:</b>									
Collection of payments.....	US\$	20.7	US\$ 37.3	US\$ 33.8	US\$ 375.1	US\$ —	US\$ —	US\$ —	US\$ —
Construction Escrow Account Disbursements.....		7.1	73.2	44.4	75.8	—	—	—	—
Bond Proceeds (Excluding Construction Escrow).....		34.0	—	—	—	—	—	—	—
Bridge Loan.....		15.0	—	—	—	—	—	—	—
Interest income.....		1.8	8.6	5.4	7.3	12.0	9.1	5.6	2.1
Total Cash Inflows.....		<u>78.7</u>	<u>119.1</u>	<u>83.6</u>	<u>458.1</u>	<u>12.0</u>	<u>9.1</u>	<u>5.6</u>	<u>2.1</u>
<b>Operating Cash Outflows:</b>									
Construction Costs and FF&E.....		21.8	73.2	44.4	60.7	—	—	—	—
Project Overhead.....		7.8	13.3	9.6	7.3	—	—	—	—
Selling and Advertising Expense.....		18.0	5.2	4.0	87.0	—	—	—	—
Administrative and Other Expenses.....		1.0	1.3	1.3	0.6	—	—	—	—
Total Operating Cash Outflows.....		<u>48.6</u>	<u>93.0</u>	<u>59.3</u>	<u>155.6</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Project Cash Flow.....		30.0	26.1	24.3	302.5	12.0	9.1	5.6	2.1
<b>Other Cash Outflows:</b>									
Interest Payments.....		0.8	19.3	19.3	19.3	19.3	15.1	9.6	4.1
Bank Fees.....		9.9	—	—	—	—	—	—	—
Tax Payments.....		—	—	—	—	16.1	—	—	—
Total Other Cash Outflows.....		<u>10.8</u>	<u>19.3</u>	<u>19.3</u>	<u>19.3</u>	<u>35.3</u>	<u>15.1</u>	<u>9.6</u>	<u>4.1</u>
Cash Flow Before Debt Amortizations:		19.3	6.8	5.0	283.3	(23.3)	(6.0)	(4.1)	(2.1)
<b>Mandatory Amortizations/Escrows:</b>									
Bridge Loan Payment.....		15.0	—	—	—	—	—	—	—
Amortization of Notes.....		—	—	—	—	31.4	62.9	62.9	62.9
Debt Service Reserve Requirements / (Excess).....		9.6	—	—	—	30.1	(2.8)	(2.8)	(34.2)
Construction Escrow Account <sup>(1)</sup> Investment Account Requirements / (Excess).....		14.6	—	—	220.0	(62.9)	(62.9)	(62.9)	(31.4)
Total Mandatory Amortizations/Escrows.....		<u>39.2</u>	<u>—</u>	<u>—</u>	<u>220.0</u>	<u>(1.4)</u>	<u>(2.7)</u>	<u>(2.8)</u>	<u>(2.7)</u>
Dividends.....		—	—	—	—	—	—	—	37.5
Partners Reimbursement.....		—	—	—	—	—	—	—	31.2
Free Cash Flow.....		(19.9)	6.8	5.0	63.3	(21.9)	(3.3)	(1.3)	(68.0)
Initial Unrestricted Cash.....		39.3	19.4	26.2	31.2	94.5	72.6	69.3	68.0
Ending Unrestricted Cash.....	US\$	19.4	US\$ 26.2	US\$ 31.2	US\$ 94.5	US\$ 72.6	US\$ 69.3	US\$ 68.0	US\$ —

(1) Represents cash to be transferred from the HSBC Panama Account and the Bridge Escrow Account into the Construction Escrow Account.

**SELECT BALANCE SHEET DATA**

As of December 31,

	2007	2008	2009	2010	2011	2012	2013
<b>Assets:</b>							
Cash.....	US\$ 19.4	US\$ 26.2	US\$ 31.2	US\$ 94.5	US\$ 72.6	US\$ 69.3	US\$ 68.0
Investment Account.....	—	—	—	220.0	157.1	94.3	31.4
Construction Escrow Account.....	193.5	120.3	75.8	—	—	—	—
Debt Service Reserve Account (DSRA).....	9.6	9.6	9.6	9.6	39.7	36.9	34.2
Total Cash and Escrows.....	222.4	156.1	116.7	324.1	269.4	200.5	133.6
<b>Certain Liabilities</b>							
Total Debt.....	220.0	220.0	220.0	220.0	188.6	125.7	62.9
Net Debt.....	(2.4)	63.9	103.3	(104.1)	(80.8)	(74.8)	(70.7)
Customer Deposits.....	US\$ 67.5	US\$ 104.7	US\$ 138.5	US\$ —	US\$ —	US\$ —	US\$ —

**RATIOS AND OTHER DATA**

As of December 31,

	2007	2008	2009	2010	2011	2012	2013
Eligible Receivables.....	US\$ 266.8	US\$ 309.9	US\$ 336.7	US\$ —	US\$ —	US\$ —	US\$ —
Investment Account Cash.....	—	—	—	220.0	157.1	94.3	31.4
X 1.25.....	—	—	—	275.0	196.4	117.9	39.3
Eligible Receivables and Equivalents (Numerator) <sup>(1)</sup> .....	266.8	309.9	336.7	275.0	196.4	117.9	39.3
Total Debt.....	220.0	220.0	220.0	220.0	188.6	125.7	62.9
Principal Portion of DSRA.....	—	—	—	—	31.4	31.4	31.4
Denominator (Collateralization).....	220.0	220.0	220.0	220.0	157.1	94.3	31.4
Construction Escrow Account.....	193.5	120.3	75.8	—	—	—	—
Denominator (Withdrawal).....	26.5	99.7	144.2	220.0	157.1	94.3	31.4
Collateralization Ratio <sup>(2)</sup> .....	1.21x	1.41x	1.53x	1.25x	1.25x	1.25x	1.25x
Withdrawal Ratio <sup>(3)</sup> .....	10.05x	3.11x	2.33x	1.25x	1.25x	1.25x	1.25x

(1) Includes cash in Investment Account multiplied by 1.25x.

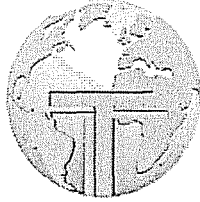
(2) Measured as the ratio of (i) Eligible Receivables and Equivalents to (ii) Total Debt minus the Principal Portion of the DSRA.

(3) Measured as the ratio of (i) Eligible Receivables and Equivalents to (ii) Total Debt minus the Principal Portion of the DSRA minus the Construction Escrow Account balance.

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We have not authorized any dealer, salesperson or other person to give any information or represent anything not contained in this offering memorandum. You must not rely on any unauthorized information. This offering memorandum does not offer to sell or buy any securities in any jurisdiction where it is not lawful. The information contained in this offering memorandum is current only as of its date.

**US\$ 220,000,000**



**T R U M P**  
**O C E A N C L U B**  
INTERNATIONAL HOTEL & TOWER  
PANAMA

*Newland International Properties, Corp.*

**9.50% Senior Secured Notes due 2014**

To fund construction of  
Trump Ocean Club International Hotel & Tower, Panama

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OFFERING MEMORANDUM

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**Bear, Stearns & Co. Inc.**

November 7, 2007

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