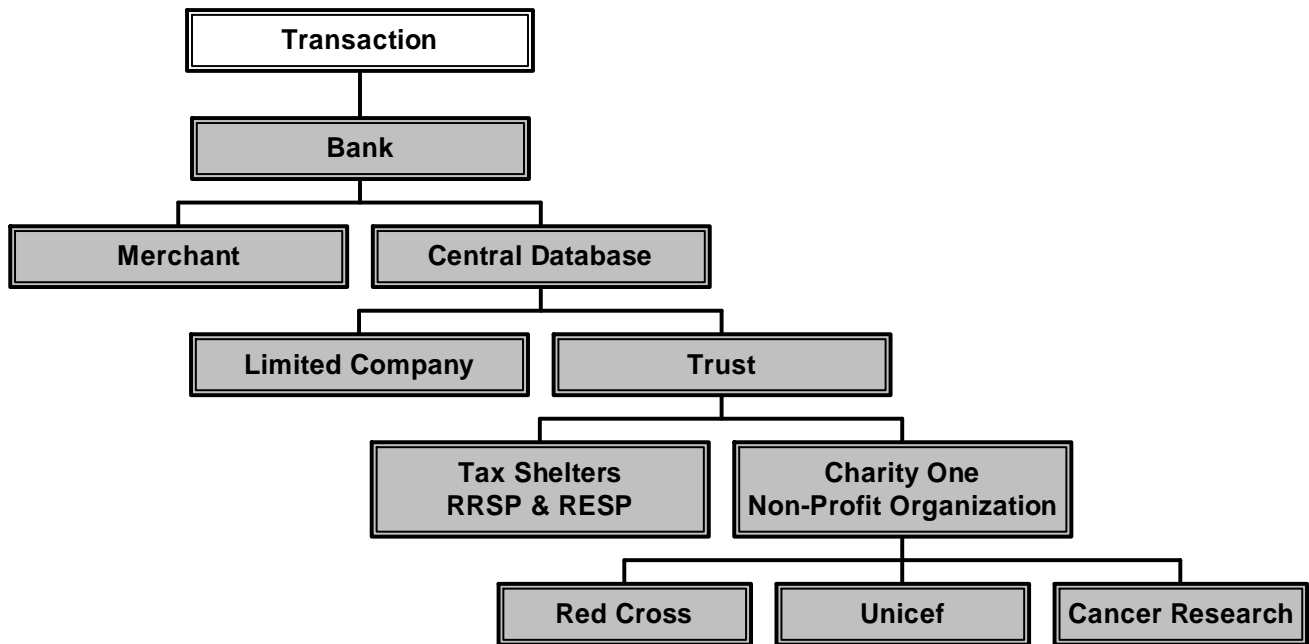




Chart 3: Transaction and Disbursement Flow Chart



- Transaction: a member consumer will purchase a product at a member merchant’s outlet.
- The transaction goes into the bank.
- The merchant receives payment
- Information from the sale goes into the central database.
- The database records a transaction fee for the Charity Club limited Company. The remaining funds go to a trust account.
- Disbursements from the trust account are made to the account holder’s tax shelters and the rest enters a Non Profit Organization.
- The Non Profit Organization disburses 100% of the charitable donations according to the member’s designation.

1.1 Value Proposition

Charitable donations have become an important part of people’s lives and last year, reached record numbers. Charity Club is an innovative concept with far reaching implications in the future of the loyalty marketing and CRM programs. With its unique loyalty-marketing program, Charity Club offers exceptional value to the three member categories:

- Charity members
- Merchant members
- Consumer members

The fees from the constant stream of all transactions that flow through the use of the Charity Club card will be direct revenues for the Company. Additionally, corporate sponsors will pay for the benefits of association with this charitable drive.

