



**SOCIETE HAITIENNE DE VALEURS MOBILIERES, SA  
HAITIAN STOCK EXCHANGE, HSE**

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## **(1) The Path to Phenomenal Growth –**

The HAITIAN STOCK EXCHANGE (HSE) is poised to be launched. With its launch, there will be set in motion one of the biggest business opportunities in Haiti in the last fifty years.

HSE's goals are far reaching as they vary among other activities:

- From encouraging the formation of new businesses, to the expansion of all the economic sectors.
- From the facilitation of the flow of capital to Haiti, to the growth of per capita income.
- From the reduction of poverty, to a general increase in the aggregate level of output, employment and wealth.



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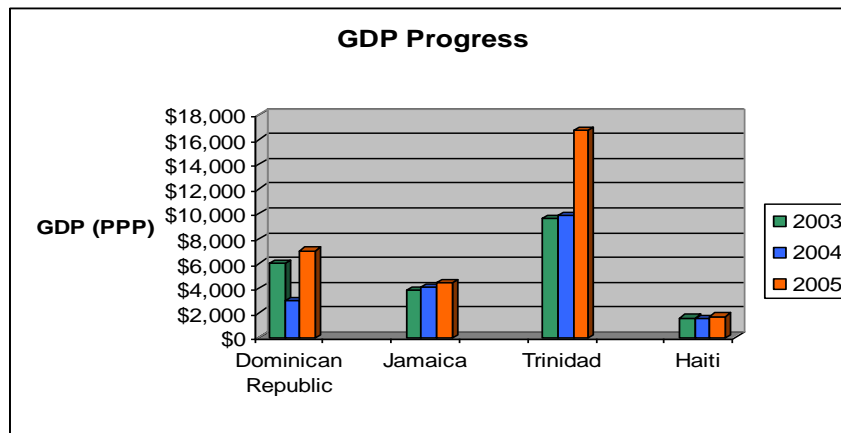
## II. HAITI AND ITS CARIBBEAN NEIGHBORS

There is empirical evidence to suggest that, within the last three years, the rate of growth of GDP in Haiti has trailed the rate of growth of GDP of many other countries in the Caribbean Basin. It is often argued that the lag is due to three main factors:

1. A lack of financial infrastructure to attract capital
2. Insufficient capital investment per worker
3. Inadequate and underutilization of human capital.

## III. QUESTION OF FINANCIAL INFRASTRUCTURE

Fig-1



The lack of financial infrastructure is well captured in the fig (1) It is reflected directly in the level of GDP produced in Haiti and it is best seen when GDP in Haiti is compared to the GDP of other countries in the Caribbean region.

It is argued in most of the development literature, Increasing GDP necessarily requires the flow of foreign direct investment. Foreign direct investment does not just happen. It generally goes to countries where there exists reliable financial infrastructure

There is ample evidence that Dominican Republic, Jamaica, Trinidad all enjoy on an annual basis, large inflow of foreign capital. This is best reflected in the level of national debt of the countries (Fig 2).



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<b>Country</b>	<b>DEBT (bil.)</b>	<b>Credit Risk</b>
<b>Haiti</b>	1.2	B- / CCC (excl. Remittances)
<b>Dom. Rep</b>	7.1	B
<b>Trinidad</b>	2.7	BBB
<b>Jamaica</b>	6.2	B

Fig- 2

**IV. GDP GROWTH AND ECONOMIC RESSOURCES**

In addition to financial infrastructure and foreign direct investment, GDP growth is also a function of how available economic resources are allocated in the production of output. The following chart (Fig 3) portrays how Haiti measures up when compared to other countries in the Caribbean region.

<b>Country</b>	<b>LABOR (mil.)</b>	<b>GDP (bil.)</b>	<b>GDP Labor</b>	<b>Res Labor</b>	<b>AV. Net Profit 40%</b>	<b>Literacy</b>
<b>Haiti</b>	1.6	3.8	2375	1437	950	43%
<b>Dom. Rep</b>	2.3	18	7826	2895	3130	85%
<b>Trinidad</b>	.620	13	20967	7757	8386	99%
<b>Jamaica</b>	1.2	9.5	6300	2331	3780	88%

Fig-3

Let's analyze the charts. The bureau of statistics from the IMF, the World Bank and the ECONOMIST agree that in Haiti, the population is estimated to be about 8.5 million people with a labor force of about 1.6 million and GDP for the fiscal year 2004-2005 of about 3.8 billion, hence on average \$350.00 per capita.

Given a labor force estimated at 1.6 million workers, (3.8billion/1.6million), estimated GDP per worker is on average about \$2,375.00.

If we assume a standard minimal rate of net profit of 40% per worker, the aggregate profit realized in the Haitian economy is at a minimum of about 1.5 billion dollars.



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Given the aggregate GDP of \$3.8 billion in 2005 and an aggregate profit of 1.5 billion the cost of producing the total GDP in Haiti is about 2.5 billion dollars

Economic resources per worker (Fig- 4)

$$\frac{2.3 \text{ Billion}}{1.6 \text{ Million}} = 1437.50$$

GDP per worker	Economic resources per worker	Assumes a 39.5 % net profit
\$2,375.00	\$1437.00	$938/2375 = 39.5\%$

Fig-4

With GDP per worker of about \$2,375.00 and resources allocated per worker of about \$ 1437.00 it is evident that average capital invested per worker in Haiti represents another crack in the ability of the country to grow. This crack is best captured as we compare the resource per worker in Haiti with the resources per worker in other countries of the Caribbean region. (Fig-5)

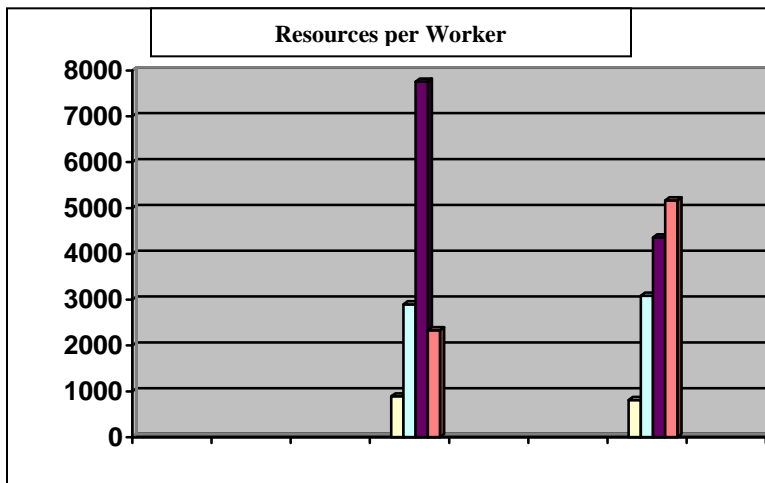
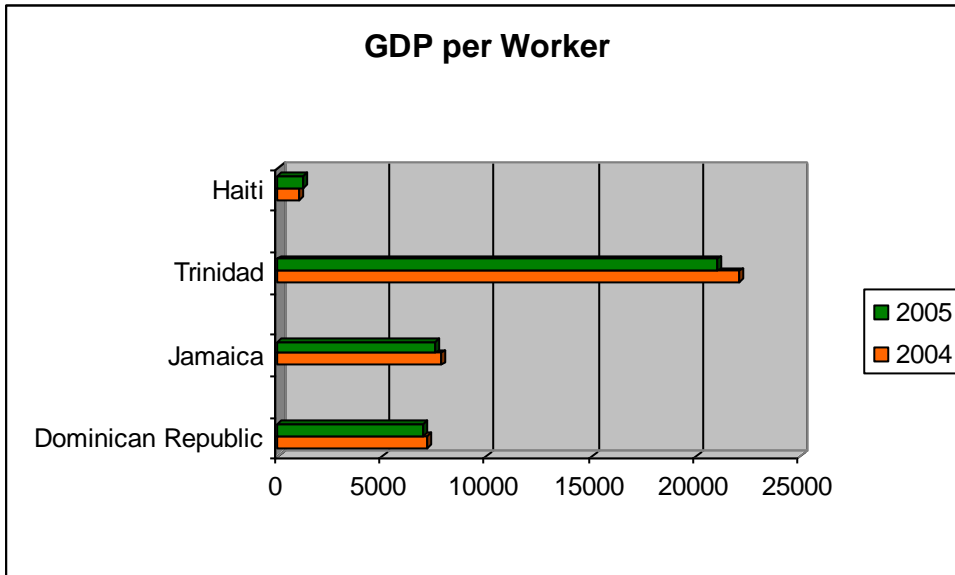


Fig. 5

The lag in GDP growth that Haiti experiences when compared to other countries in the Caribbean region is not a one-year phenomenon. Let's compare the GDP per worker (Fig 6).



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GDP PER WORKER

Fig-6

And GDP over the most recent three-year period.

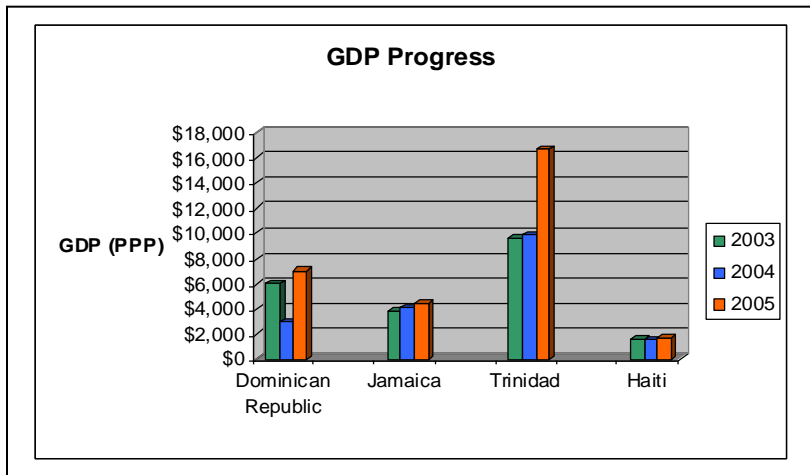


Fig -7

One must realize at this point that the lack of GDP growth in Haiti is a phenomenon that is very recent. To realize it let's compare the dominant sectors of the Haitian economy to those of other Caribbean countries (Fig-8).



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**V. COMPARING ECONOMIC BASES**

Jamaica	Trinidad	Dominican Republic	St. Kitts & Nevis	Haiti
Tourism	Tourism	Tourism	Tourism	
Bauxite/alumina				
Agro processing	Agro industry	Agro processing		Coffee bean coco bean
Light Manu fact.	Light manufacturing			
Rum				(Barbancourt)
Cement	Cement	Cement		cement
Metal				
Paper				
Chemical prod.	Chemical prod.			
telecommunication				telecommunication
	Petroleum			Petroleum
	Food Proc.			
	Beverage	beverage	Beverages	beverage
	Cotton/Text	Textiles	Cotton	
		Sugar Proc.	Sugar Proc.	
		Gold/ferro-nickel		
		Tobacco		Tobacco
		Cigar	Salt	
			Copra	x
			Clothing	x
			Footwear	x
				Light assembly.

Fig-8





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**I am sure that many individuals READING THIS TEXT can remember when Haiti enjoyed a healthy mining activity, sugar production and cement and flour Production, had a healthy market share in the coffee and coco bean export.**

### **VI. SEISMIC SHIFTS**

The first seismic shift the country experienced brought about an increase in population in Port au Prince resulting from migration from the countryside.

Among the many explanations for this migration one finds:

1. Persistent decrease of world agricultural prices
2. The impoverishment of the peasant farmers
3. Fiscal policies unfavorable to the peasant farmers
4. Decrease investment in the agricultural sector
5. Unfavorable pricing on the local market for export crops
6. Normal urbanization process

### **VII. HAITI vs. HAITI**

Today about 3.5 million people live in the Greater Port au Prince area. By 2015 it is estimated that the population in Port au Price alone will reach 4 to 4.5 million. Pressure will be felt all across the city. The pressure will be felt on the socio-economic relations, on the, roads, the telecommunication system, the electricity grids, water supply, energy demand, national security, health care, sanitation, the environment, land, real estate etc.

Using Port au Prince as an example, if nothing is done today; by 2015 Haiti current situation will appear mild compared to what will occur. Do not forget in the 1960's the population of the whole country was about 5 million people. This increase population the country is experiencing will represent as much a threat as it will represent economic opportunities. There will be

- Geometric expansion of consumer market due to the density of the population
- Increase velocity of the money supply
- Expansion of labor force
- Expansion of the tax base
- New sources of investment

People will want schools for their children, cars to drive, a steady job and retirement plan, healthcare facilities and healthcare professionals, etc.

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This first seismic shift will be viewed as miniscule compared to the effect the projected increase in population in Port au Prince will have on the country. When it can be envisioned that Port au Prince is a microcosm of what may happen elsewhere, it become imperative that remedial action be taken now.



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## **PART 2**

### **VIII. A STOCK EXCHANGE / THE TIME HAS COME**

Let's review what a stock exchange is and how it is used.

But before I begin, let me say that a stock exchange is not built as a tool to defraud people. It is a tool that has been conceived where by the participants agree to conduct themselves according to prescribed rules and operate according to pre-established regulatory guidelines. To participate in a stock market requires a certain level of maturity to understand that the goal is to increase the size of the pie. No matter how you look at it 10% of 10 billion is a lot greater than 10% of 5 billion.

Let us assume an economy with stock exchange having one saver and one business.

A stock exchange is an outlet (virtual or physical), where a saver interacts with a business owner. The interaction is to induce the saver to participate in the ownership of a business and to induce the business owner to offer ownership participation in the business to a saver.

At the successful completion of the interaction, the saver becomes an investor hence a shareholder in the business. In exchange for accepting the shareholder's saving the business owner is held to certain reporting standard and responsibilities.

Among those standards and responsibilities we can enumerate:

1. Open communication
2. Full disclosure and accountable management
3. Maintaining a solid balance sheet
4. Financial reporting according to certain financial standard (US GAPP is the preferred accounting method)
5. Managing the business in such a way that the shareholder can expect prudent decisions, growth in the revenue of the business, appreciation in the price of the shares, and dividend distribution from retained earning



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As such when a business owner agrees to accept shareholders he is making a statement and implicitly pledge that he will try to run the business profitably, generate for the shareholders a rate of return that will be superior to the rate of inflation while seeking growth in revenue.

### IX. FROM SELF INTEREST TO GENERAL INTEREST

It is evident that both business owner and saver, by successfully completing their interaction, are acting out of their own self-interest. But the benefit expected by both the business owner and the saver can only be achieved if the business owner hires available labor to work, manufactures a product or provide a service that is in demand and that can be sold at a profit.

At this simple level it must be apparent that if we expand the model from one saver and one business to a million savers and 1000 businesses it becomes evident that alliances, rules, and expertise are required to make it work. And an outlet where the multitude of interactions should take place becomes a necessity.

It also becomes apparent that the growth of the businesses involved in accepting shareholders, will bring about a portfolio of benefits at the macro economic level:

1. Growing utilization of labor, and other resources.
2. Sustainable increase in production of goods and services
3. Increase in the aggregate level of income in an economy
4. The reduction of poverty in a society, as whole
5. Improvement in the balance of trade

The macroeconomic benefits are the benefit that all Haitians are clamoring for. **THEY ARE THE GOALS** the Haitian Stock Exchange seeks to achieve for the Haitian economy.

Contrary to popular belief, IT CAN BE DONE.

#### a) ANTECEDENTS FROM EASTERN EUROPE AS AN EXAMPLE:

When the Soviet system collapsed many Eastern European countries were experiencing economic distress, decreased productivity, and social instability and uncertainty; just as it the case in Haiti today.

Many governments in Eastern Europe determined to reverse the downward spiral and bring about economic growth and economic stability, invited many American economic and finance

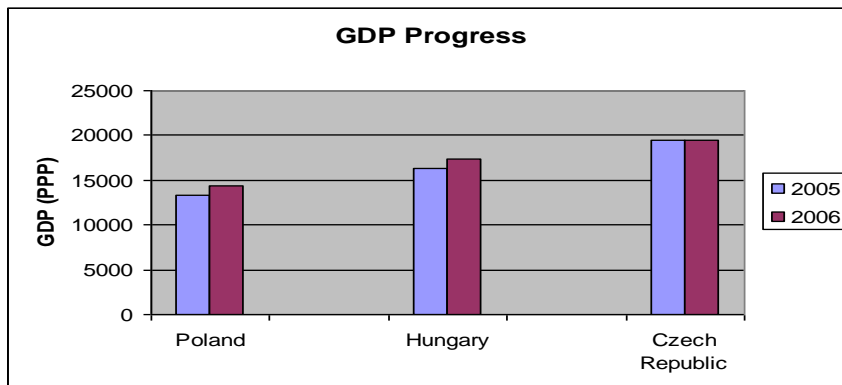


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experts to come to their country and clarify for them the intricacies of the capital market and how best to make it work in their country.

The Eastern block countries were embarking on a very ambitious plan to privatize the industries previously owned by their respective states. Their goals were among many to turn many individuals into shareholders, giving them a stake in the economic progress of their country, while encouraging the realization of the macro economic benefits of the stock exchange:

1. Growth in the utilization of labor, and other resources.
2. Sustainable increase in production of goods and services
3. Increase in the aggregate level of income in an economy
4. The reduction of poverty in a society, as whole
5. Improvement in the balance of trade



For the most recent statistic, the level of GDP in some of the eastern European countries is well in excess of 12 billion a year.. A minimum of 3 times greater than the GDP of Haiti.

### b) OTHER COUNTRIES EXPERIENCE

As we speak, there are discussions taking place in Vietnam, in the Palestinian territories, the Eastern Caribbean nations, and many countries in Africa concerning the problems similar to that, which exist in Haiti. These discussions make mention of how best to regulate and render efficient the interaction between savers and business owners.

The goal in all of these countries is also the expansion of share ownership and the effective facilitation of the interaction between savers and business owners as well as the realization of the macroeconomic benefits of the stock exchange.



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1. Growth in the utilization of labor, and other resources.
2. Sustainable increase in production of goods and services
3. Increase in the aggregate level of income in an economy
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5. Improvement in the balance of trade

In addition to the macroeconomic benefits that will accrue to individuals and businesses, the creation of a stock market will also bring many benefits to Haiti, its government and its current administration, its Central Bank and its banking system.

## X. ADDITIONAL BENEFITS OF THE STOCK EXCHANGE

### a) FIXED INCOME MARKET

Issuance of stock has a dilutive effect. As such, companies who elect not to dilute the interest of existing stockholders can, by resolution of their board, offer to borrow money from investors in exchange for a fixed rate of interest over a given period of time. A prime example of such a security is a fixed income instrument-debt instrument.

In this scenario, the company demanding capital is known as an issuer. It is still required to abide by rules and standards:

1. Open communication
2. Full disclosure and accountable management
3. Maintaining a solid balance sheet
4. Financial reporting according to certain standard - (in the US we use GAPP)
5. Management of the business in such a way that the shareholder can expect prudent decisions, growth in the revenue of the business, appreciation in the price of the shares, and dividend distribution from retained earning

In addition the company must satisfy a series of financial ratios:

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

$$\text{Quick Ratio} = \frac{\text{Cash + Receivables}}{\text{Current Liabilities}}$$



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### Current Liabilities

$$\text{Debt Coverage Ratio} = \frac{\text{the ratio of net income} + \text{interest payment (p + i)}}{\text{Interest payment (p + i)}}$$

### **b) THE GOVERNMENT AND THE FIXED INCOME MARKET**

Government agents such as the BRH and the Treasury can also issue debt instruments.

Their ability to participate on the fixed income market can tremendously contribute toward sound monetary and fiscal policy. These are two conditions that can contribute a great deal towards the creation of a stable financial environment which as we mentioned earlier is a requirement to attract foreign direct investment.

### **c) FISCAL POLICY**

In Haiti there currently is no fixed income market to speak of. Loans not made from a bank are made by an entities demanding usury rate of interest. A usury rate of interest is economically catastrophic. It is passed on to the consumer in the form of higher prices. As such, all efforts made to fight inflation are literally overcome by the usury rate of interest small businesses and non-bankable merchants have today.

Participation of the government in the fixed income market will help establish a benchmark to determine a long term as well as short-term rate of interest. Customers and lenders can use said rates as benchmarks alike when it comes time to negotiate rates on a fixed income instrument.

### **d) MONETARY POLICY AND THE BRH**

Generally the goal of the Central Bank is to achieve sound monetary policy, a stable exchange rate and a non-inflationary growth of the economy.

A fixed income market will provide to BRH an avenue where the “Bond BRH” can be distributed to a wider market. Once the investor pool has increased the interest cost for the Central Bank may be reduced.

As the interest cost is reduced the money supply will increase, the saving should permeate throughout the economy and into the banking system. The banking system as a whole may be able to issue loan at a lower rate of interest to businesses and to consumers.

A lower cost of capital to consumer may have the effect of increasing effective demand, and effective demand has a way of encouraging increase in production. A lower cost of capital to





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businesses should translate into a lower cost to consumers, higher retained earnings and the greater ability to amortize debt, pay dividend or just reinvest in the business.

### e) BANKING SYSTEM

Currently the banks in Haiti are subject to a reserve requirement of about 31% of the deposit for certain accounts. The reserve requirement provides security to the banking system as a whole. That is appreciable. But it also prevents the banks from earning a return on 100% of the deposit in question.

A fixed income market can go a long way towards making it possible for the bank to manage their loan portfolios and increase their liquidity.

Increased liquidity for a bank will contribute a great deal to their return on equity.

As the liquidity position of the banking system improves, its leverage will increase and interest on loans, from mortgages to car loans and general consumer loans, may decrease.

A stock exchange will make available to the banking system financial instruments with different characteristics than that of traditional banking.

It is anticipated, according to the regulation to be adopted, that the banks in the country will become the broker's that will serve as the intermediaries between potential investors and issuers.

The exchange will therefore create for the banking system as a whole a source of activities where fees for services can become an additional source or revenue for banks.

The general effect of a decrease in the rate of interest on consumer loans will encourage consumers to take out more loans. This will increase the size of the loan portfolio of a bank. An increase in the size of the loan portfolio will increase the financial leverage for a bank; there by increasing its return on equity.

## XI. OUR GOAL IN FOUNDING THE HAITIAN STOCK EXCHANGE

In founding the Haitian stock exchange our goal is to have Haiti included in the family of nations where savers and business owners interact. We want to see the country benefit from the macro economic contributions of a stock market:





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1. Growth in the utilization of labor, and other resources.
2. Sustainable increase in production of goods and services
3. Increase in the aggregate level of income in an economy
4. The reduction of poverty in a society, as whole
5. Improvement in the balance of trade

While this is far reaching, one must be reminded of the success of stock exchanges in the Eastern European nations. The stock exchange in Haiti can successfully be established. To begin we need to establish:

- worldwide alliances
- Engage Haitians with a high level of expertise in economics and international finance and having an understanding of how the world capital market works, its potential and its pitfalls

## XII. HSE's CURRENT RESOURCES

### a) IN AMERICA

HSE has established working relationships with financial firms that are registered with the Securities and Exchange Commission and that enjoy Membership status with the major regulatory authorities in the U.S

- National Association of Securities Dealers
- Municipal Securities Rule making Board
- National Futures Association
- Securities Investors Protection Corp.

As a result of those relationships, we can say that HSE is in position to offer shares and debt instruments of companies listed on the Haitian exchange to investors in the United States and Canada.

### b) IN EUROPE

HSE enjoys a working relationship with private money managers in Austria, Hungary and Switzerland ready to present to private clients financial instruments and investments opportunities available in the Haitian market.



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**c) FIDUCIARY RELATIONSHIP**

HSE has ongoing discussion with a fiduciary company in the US that has offered training assistance if and when needed in the areas of clearing and settlement and other fiduciary responsibilities.

**d) TECHNOLOGY**

The Haitian stock exchange has a technological platform capable of handling trades on the Internet. The platform will enable account holders with a brokerage firm in Haiti to trade on the Haitian stock exchange in shares of Haitian companies listed on the Haitian Stock Exchange. The platform can be seen on our website:

[www.haitianstockexchange.com](http://www.haitianstockexchange.com)

**XIII. WHAT HSE HAS DONE IN HAITI**

The company has performed a comprehensive a review of the commercial code in force in Haiti. The company identified all the provisions of the code that cover its activities.

HSE is looking for state sponsored bank or a private bank that would accept to fulfill the function of central depository on behalf of the Haitian stock exchange.

HSE will train a series of employees from that bank who will be working in a department where the function of CENTRAL DEPOSITORY for clearing and settlement of trades will be performed.

**a) TRAINING**

We have prepared the materials to train brokers on how to understand the stock market and present a financial product to a potential client.

**b) REGULATIONS**

The regulatory framework is in place.

**c) WE ARE READY**

All the founding members have accepted HSE's status. We are ready to launch. Our doors will be opened to potential issuers, investors and intermediaries.

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### **CONCLUSION**

If ever there was a time for us to sing our national motto “L'UNION FAIT LA FORCE” this project is it.

Its successful completion will not only enrich every one of us individually, it will also increase the general welfare as we seek to act in our own self-interest.



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**SUMMARY OF PROPOSED BUSINESS PLAN  
FULL COPY OF THE CONFIDENTIAL  
BUSINESS PLAN IS AVAILABLE UPON REQUEST.**

The Company intends to organize in HAITI a Société Anonyme to be named SOCIETE HAITIENNE DE VALEURS MOBILIERES, SA-HAITIAN STOCK EXCHANGE - that will work on:

1. Developing a securities market in HAITI
2. Organizing primary and secondary markets for fixed income and stocks in the Republic of Haiti- Train recruit the personnel; create the alliances and the institutional framework necessary to support the operation of a securities market in Haiti
3. Conceiving the regulatory requirements for listing on the Haitian market and for affiliation with the Haitian Stock Market
4. Work on securing listing on the US market, for Haitian companies listed on the Haitian market
5. Maintaining close contact with the GL TG who will ensure that said entity operates in the spirit of the rules and regulations established in the USA and which regulates the activities of GL TG.
6. Marketing the equities traded on the Haitian Exchange and markets also the shares of HSE

The HSE will strive to:

- Provide to the Haitian Government institutions, such as its Treasury and its Central Bank, the municipal authorities in the departments the town of Haiti an outlet to offer their respective debt instruments to the general public. As such a debt market would be developed in Haiti and with its development the advent of all the accompanying benefits
- Competitive rates of return on investment in debt instruments
- Culture of issuance of long term and of intermediate term bonds
- Create a market for local commercial paper
- Create a Secondary market and market making activities
- A greater sense of governmental economic responsibility and state continuity



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**SCHEDULE OF ACTIVITIES**

Global Trading Group, INC. "GLTG," a New York registered company, hereafter designated in the present text as "GLTG," evolves from European American Equity Trading a business organized in August 1996 for the purpose of organizing a securities market in Haiti. In March 1999 the name of the company was amended to European American Capital Corp. The name was further amended in April 1999 to GLTG.

GLTG is incorporated in the State of New York. The company provides services in the areas of investment banking, securities trading, fixed income trading, commodities trading, derivative products trading and asset management. The company is registered with:

- The Securities and Exchange Commission, (SEC)
- The Securities Investors Protection Corp (SIPC)

The Company is a member firm of:

- The National Association of Securities Dealers, Inc. (NASD).
- The Municipal Securities Rule Making Board MSRB.
- The National Futures Association (NFA).

The Company intends to organize in HAITI a "Societe Anonyme" to be named SOCIETE HAITIENNE DE VALEURS MOBILIERES, SA-HAITIAN STOCK EXCHANGE, hereafter HSE. HSE will endeavor to:

1. Developing a securities market in HAITI
2. Organizing primary and secondary markets for fixed income and stocks in the Republic of Haiti-Train recruit the personnel; create the alliances and the institutional framework necessary to support the operation of a securities market in Haiti
3. Conceiving the regulatory requirements for listing on the Haitian market and for affiliation with the Haitian Stock Market
4. Securing listing on a US market, for Haitian companies listed on the Haitian market
5. Maintaining close contact with GLTG who will ensure that HSE operates in the spirit of the rules and regulations established in the USA and which regulates the activities of GLTG.
6. Marketing the equities traded on the Haitian Exchange and market and also the shares of HSE
7. Developing the alliances necessary for settling, clearing and for central depository functions



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<b>Dates</b>	<b>Activities</b>	<b>Description</b>	<b>Duration</b>	<b>Documents</b>	
			<b>WEEK OF</b>		
Fall 1996	Visit to Haiti- Conception of the Haitian Stock Exchange	Assessment of Haitian economy and financial markets	Three months	Business plan for the Haitian Stock Exchange	Done
Winter 1997	Trip to Haiti- discussion with individuals and banks	Presentation of the project	Two weeks		Done
Summer 1996	Meeting in Washington with NASDAQ	Discussion of requirements	Two days		Done
Fall 1998	Meeting in New York with SRO in the USA	Discussion of Requirements	Six months		Done
Summer 1999	Trip to West Africa	Working Meeting with Founding members of Exchanges	Three weeks		Done
Winter 1999	Trip to Europe working meeting with founding members of exchanges	Working Meeting founding members of stock exchanges	two weeks		Done
Summer 2000	Trip to Haiti	Meeting with Jean Marie Vorbe et Roger Lefevre			Done
2000- 2005	Regular trips to Haiti	Meetings and presentation of the project to individuals and businesses			Done
Fall 2004	Meeting with Brandt and marc Etienne and Constantin mayard Paul				Done
Dec 05	Montana Meeting Meeting with lawyers- formation of Executive committee	Group presentation of HSE	One week	Minutes of the meeting	done
Dec 05	Update financial projection/ update business plan			Updated Prospectus of HSE-	done



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Dec 05	Meeting prospective participants			Pilot project	done
January 06	Meeting with BRH Board-discussion about functions and services to HSE	Presentation discussion		Architecture minimal for HSE Pilot Project	done
	Assessment Of personnel- Technology-Physical infrastructure			Rules for clearing & settlement Guidelines for disclosure Guideline for participation – issuer – broker Customer guidelines and disclosures	done
	Meeting with Businesses leader-				Scheduled 2006- Done
	Meeting with banking community				Scheduled 2006- Done
Summer 06		Preparation of training and regulatory manuals			Done



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	Meeting with Professional			Scheduled 2006-
	Meeting with the press			Scheduled 2006
Jan 07	Trip to Haiti	Assessment of personnel-		Done
Jan 07	Review of the Regulations			Done
Feb 07	Elaboration and review of procedures			Done
Feb 07	Permanent office space			IDENTIFIED
Feb – march 07	Equipments acquisitions			IDENTIFIED
March 07 – April 09	Review of all procedures and testing of system- Review of all technology Secure funding national and international sources	Recruitment and training of staff		IN PROGRESS
June 2010	LAUNCHED			





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**DETAIL – USE OF PROCEEDS**

CATEGORIES	BUDGETED AMOUNT	SUBTOTAL	VARIANCE
*Professional Services	\$ 25,000.00		
Accounting	\$ 12,000.00		
Misc.	\$ 5,000.00		
Subtotal		\$42,000.00	
<b>DOPOSITS</b>			
rent	\$ 6,000.00		
**liquidity- need	\$ 3,000,000.00		
Misc. Deposits	\$ 15,000.00		
<b>Subtotal</b>		<b>\$3,021,000</b>	
<b>EQUIPMENT</b>			
Computers/Server	\$ 18,000.00		
Scanner	\$ 750.00		
Printer	\$ 5,000.00		
TV	\$ 500.00		
Fax	\$ 1,000.00		
Internet/tech/ network	\$ 7,500.00		
Misc.	\$ 5,500.00		
***Software	\$ 19,500.00		
<b>Subtotal</b>		<b>\$57,750.00</b>	
<b>SUPPLIES</b>			
Stationeries	\$ 15,000.00		
Office product	\$ 7,500.00		
Marketing	\$ 100,000.00		
Training /Materials /for broker- clearance -settlement	\$ 150,000.00		
Misc.	\$ 12,750.00		
<b>Subtotal</b>		<b>\$285,250.00</b>	
**** Operating capital	\$ 344,000.00	344,000.00	
<b>Subtotal</b>			
<b>Total</b>		<b>\$3,750,000*****</b>	

NOTES TO USE OF PROCEEDS

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\*Legal services may sometimes be needed by American lawyers. At that point the fees for legal services will increase substantially.

\*\* Desired amount to ensure the minimum liquidity in the system

\*\*\* Company assumes that it will benefit from the good will of Haitian software engineers. Other wise the company software expenditures will increase.

\*\*\*\* Projected to sustain operation for three years. The business should begin to generate adequate cash flow and become self sustaining.-

\*\*\*\*\* The \$500,000.00 in excess of the offering is supposed to be funded from grants