

INVESTMENT OPPORTUNITY

Bank Name Bank, Ltd. (“the Bank”) is licensed as a Category “B” Bank and is located in Grand Cayman, Cayman Islands. It is regulated by the Cayman Islands Monetary Authority (“CIMA”). A Category “B” Bank is permitted to conduct banking activities worldwide but is restricted from any retail business within the Cayman Islands. The Bank is fully-compliant with all relevant regulatory bodies, adheres to Basel II, and performs Know Your Customer/Anti-Money Laundering (“KYC/AML”) on all customers regardless of size or type. The Bank provides services for high net worth individuals, hedge funds, private equity clients and corporations. The Bank also provides operating and high-yield term deposits and bank accounts for high net worth individuals and corporates.

The Bank is implementing an automated, blockchain-based application process which will increase efficiency and allow the Bank to increase the number of clients, deposits, and investments, with minimal incremental costs.

The Bank is highly profitable with its industry pretax margins in the top 5%.

The Bank desires to increase its regulatory capital as defined by the Cayman Islands Monetary Authority (“CIMA”) and is flexible with regard to the manner in which this is accomplished.

This investment is well-suited for accredited investors seeking an above-average return with a low risk profile. The management team has completed several “startup-grow-exit” projects in diverse industries which have been profitably exited. The Bank’s main investment vehicles are lucrative, poised for continued growth and are highly profitable, and each can be expanded with limited additional capital, so effectively all of the capital raised will be deployed in one or both of the two main investments areas, or others that fit the risk/return profile of the Bank. Since the Bank is a highly-regulated financial institution, it provides the investor additional risk mitigation. Under the Rules of Basel II and with additional “buffers” enforced by the local Regulator, the Bank is required to maintain a prudent minimum CAR (“Capital Adequacy Ratio”) of 15%. As a bank it is able to leverage this capital to an extent greater than some other investors. With the addition of more capital, this will permit the Bank to make additional and/or larger loans and expand geographically.

Tango Research, LLC

Circumstances of the Transaction

The Bank seeks to raise up to \$5,000,000 in regulatory capital to strengthen and enhance its balance sheet and expansion of its investment products

Investment Options

Equity

- 8-9% Perpetual Preferred - Non-voting, cumulative, other terms negotiable (e.g., conversion to non-voting common equity with profit participation. Holder Right to ask for redemption but NOT a bank requirement)

Subordinated Debt

- Term Note – 8-9% annual rate, interest paid semi-annually, 5-year balloon payment on principal, unsecured promissory note.

Contact

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Additional Information

Auditors – BDO
Financial Consultant - Fname Lname, FCCA
Compliance – GCS Advisory

Bank Name Bank, Ltd.
Address 1
City
Grand Cayman
Cayman Islands
www.website.com

Historical Statements of Operations (figures in US Dollars)

	2018	2017	2017	2016	2015
	1st six mos.	1st six mos.	Full year	Full year	Full year
	Unaudited	Unaudited	Unaudited	Actual	Actual
Net Interest Income	933,271	677,648	1,388,729	(41,747)	300,964
Operating Income	352,595	208,558	414,467	357,365	224,836
Net Revenue	1,285,866	886,206	1,803,196	315,618	525,800
Operating Expenses	(537,392)	(465,852)	(1,039,390)	(788,643)	(513,611)
Net Income before Owner's Commission	748,474	420,354	763,806	(473,025)	12,189
Owner's commission	(240,000)	-	(180,000)	-	-
Net Income	508,474	420,354	583,806	(473,025)	12,189
Staff	4	4	4	4	2

Historical and Current Balance Sheets (figures in US Dollars)

	6M ended 6/30/2018	6M ended 6/30/2017	Full Year 2017	Full Year 2016	Full Year 2015
	Unaudited	Unaudited	Unaudited	Actual	Actual
Assets					
Cash and Cash Equivalents	43,534,647	21,402,074	35,028,124	26,855,137	58,881,628
Mortgage Participations	19,539,242	16,105,523	18,393,029	9,593,384	-
Other Assets	673,165	392,506	357,659	332,545	168,667
Total Assets	63,747,054	37,900,103	53,778,812	36,781,066	59,050,295
Liabilities and Equity					
Deposits	61,693,260	36,679,508	52,329,042	35,896,927	57,835,392
Other liabilities	233,364	76,017	141,723	160,049	142,637
Shareholder's equity	1,820,430	1,144,578	1,308,047	724,090	1,072,266
Total Liab. and Equity	63,747,054	37,900,103	53,778,812	36,781,066	59,050,295
ROE before owner's commissions	106.6%	92.7%	75.2%	NA	1.1%
ROE after owner's commissions	74.6%	92.7%	57.5%	NA	1.1%

Business Summary - In addition to providing traditional fee-based escrow, wire services, establishment of bank accounts, custodial, and foreign exchange services to its high net worth, hedge funds, and private equity clients worldwide (including U.S. persons and entities), the Bank has several low-risk, profitable, scalable and expanding investment specialties.

Investment Areas

USA Residential Real Estate Mortgage Participations

The Bank generates significant interest income from its Asset-Based Lending (“ABL”) residential real estate mortgage participations and/or purchasing agreements. These products are focused on U.S.-based residential real estate via 1st lien bridge lending (under 1 year duration) to qualified investment funds, real estate developers, and non-bank finance companies who originate and service the loan portfolios, on behalf of the Bank, with Loan to Value (“LTV”) generally not exceeding 75%. The Bank has incorporated some additional protections into its documents that provide further safeguards to its principal such as requiring Personal Guarantees (“PG”) and corporate guarantees from principal owners of the Bank’s origination partners and developer clients, as well as a requirement to replace an asset in the event that certain measures of the original asset fail to meet certain performance criteria. In the event that such conditions occur, the Bank may also put the loan back to the originator.

The US secured bridge lending industry is highly diversified by loan size, geography and is estimated overall in 2017 to have generated U.S. revenues of \$40 billion of which the residential sector is approximately \$15 billion.

2017 was a robust year for the U.S. Housing Market. The value of the entire U.S. housing stock increased by 6.5% - or \$2 trillion - according to a report from Zillow. All homes in the country are now worth a cumulative \$31.8 trillion. The gain in home values was the fastest since 2013, when real estate was in the early stages of its recovery from the recession. Yet it still trails the surge in other assets, with the S&P 500 Index up about 19%.

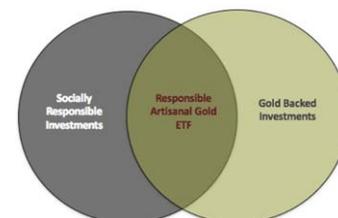
Real Estate responds to market fluctuation regionally. This characteristic serves to mitigate the cyclical risk. The Bank’s investments are all in residential, single, and multifamily real estate, none of which are owner-occupied. The Bank invests in multiple states and intends to seek investments in all geographical areas of the USA.

Los Angeles is the most valuable U.S. housing market at \$2.7 trillion, according to Zillow’s estimate of owner-occupied and rental homes, with New York second, at \$2.6 trillion. The 10 most valuable metropolitan areas are worth \$11.3 trillion combined, or 36 percent of the total value of the U.S. housing stock. Even though some of the tax incentives in the new federal tax laws are going to remove some of the benefits of home ownership, especially in the high-tax states, the market is still expected to be robust. These types of investments account for approximately 80% of the Bank’s gross income, and expansion is generally limited only by the availability of capital. In 2016 and 2017, this Real Estate Mortgage Participation portfolio returned a 10% gross yield.

Gold Financing

The Bank is a secured investor through its unique gold financing program which is of short duration (less than 30-day repeating cycle) earning superior, safe, and consistent returns backed by its physical gold and backstopped additionally by set-off rights of its joint venture partner’s equity. All physical gold purchases and subsequent gold sales have prearranged pricing which acts as a natural hedge function. Each transaction is also supported by a blanket A.M. Best “A” rated insurance syndicate and is compliant with OECD standards.

Gold is a popular and worldwide investment for many reasons, for bank purposes, one of its attractions is that it carries risk weighting of zero, meaning that its risk is viewed as identical to a US Treasury Bill. What makes the Bank’s gold investment business unique is that it is focused on artisanal gold which is purchased directly from the licensed small scale artisanal mining groups. By implementing this innovative buying strategy, we not only obtain the metal at a significant discount to spot pricing but also improve the lives of miners in South American and African countries. Our volume and consistency of gold purchases also enables us to take advantage of pricing advantages on the sell-side. The Bank currently purchases more than \$2 million of new gold within a 30 day period. In 2016 and 2017, the gold financing activities yielded approximately 15%.



The Bank is currently experiencing an abundance of high-quality opportunities in both its real estate lending and its gold financing activities and intends to apply the vast majority capital raised in this Offering to these asset-backed areas.

Crypto/Blockchain

The Bank has also positioned itself as one of the first Cayman Banks to provide bank account services for compliant Crypto/Blockchain companies requiring FIAT currency denominated bank accounts to support their business. The Bank has implemented an enhanced KYC/AML and onboarding process for these prospective and ongoing clients, has added several as clients, and is experiencing an active pipeline.

Blockchain and Crypto is an area which the Bank believes can become another attractive source of additional bank fee income. The Cayman Islands government has indicated a desire to establish Cayman as a leading jurisdiction for blockchain and crypto

companies. Cayman Enterprise City, a privately-held and financed technology-focused Special Economic Zone in recent months has become home to dozens of companies developing FinTech, blockchain, and crypto technology. The Bank is already participating in the Island's developing Crypto/Blockchain industry with several clients, and plans to remain involved in the Special Economic Zone and increase its participation as the industry develops on the Island.

Competitors/ Competitive Advantage – There are numerous competitors in the short term residential real estate lending area. The Bank's unique characteristics that distinguish it from other lenders, from an Investor's perspective, are the numerous additional safeguards that it has built into its loan documents which greatly reduce the Bank's exposure to loss of principal.

Management Bios

Masked - Download an NDA

There are additional factors that positively impact the expansion and the safety of this investment and we would welcome the opportunity to discuss these matters with prospective investors. Please call

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