



UNDERSTANDING THE PURCHASE OFFER

Upon your review, you will notice that the Purchase Offer that we have submitted has a component that proposes payment in barter for a portion of the purchase price. As you consider whether this Offer is viable for you, please review the following information before you make your decision.

1. **What is barter?** Organized commercial barter has evolved over the last 30 years into an electronic banking system with a currency that makes it possible for businesses to trade excess capacity and excess inventory for products and services that they need. Just as the US Dollar has value because of the products and services that you can purchase with it, barter credits have a similar value in that they can be used to purchase many of the same products and services that you purchase everyday with US Dollars.

In the absence of a cash buyer, barter has become popular because it fills a void where a cash transaction is not possible and because it just makes good business sense. The prospective purchaser making this offer has agreed to deposit their goods and/or services or excess assets into Equitrade International, Inc., a barter finance facilitator that provides a marketplace for commercial barter transactions, and use their barter account to fund a portion of this purchase.

2. **How does it work?** To receive payment in barter for the barter portion of this proposed sale, you will simply open an account with Equitrade International, Inc. at www.equitradeintl.com into which the proposed amount of barter credits will be deposited. You may then spend the barter credits in your account with Equitrade in lieu of cash for items that you purchase every day.

Items that you may consider purchasing with your new barter account will include:

- Advertising & Marketing
- Personal Services
- Vacations and Travel
- Dining and Entertainment
- Home Improvements
- Professional Services
- Real Estate Investments
- Medical and Dental

3. **Why doesn't the prospective purchaser just pay in cash?** As you know, cash has been hard to come by in recent years due to the economic downturn. Barter makes it possible for buyers to use their excess capacity and excess assets to pay for other items they need. The prospective purchaser has offered their goods and services to other Equitrade clients for payment in barter dollars, which they use to offset cash in their every day purchasing. The advantages to paying for anything in barter rather than cash are obvious. A barter sale is incremental, meaning that fixed costs and overhead are already being paid and that the extra barter sale only has costs associated with raw product costs. This means that when you barter, your cost is limited to your wholesale cost and that you receive a discount equal to your gross profit margin.
4. **Why should I consider this offer?** You may have an idle asset that may be costing you hard cash every month just to keep it and maintain it. In the absence of a cash buyer it makes perfect sense to sell your asset and receive payment in barter rather than let it sit idle.

If you are selling real estate, the prospective buyer will be assuming or perhaps refinancing your existing debt, which relieves you of a liability and perhaps even negative cash flow. If your property has no debt, consider accepting barter as a down payment and offering seller financing to create a cash income stream. Removing as many cash related obstacles as possible will insure that your property gets sold quickly.

If you are selling a vehicle or a piece of equipment the prospective buyer will be making it possible for you to convert an idle asset to a currency that can be used to purchase other goods and service that you need.

If you are offering a service, you have an opportunity to capture the value of those services into an account today rather than letting the time that you have for sale expire unsold.

When you use your barter credits to replace cash in your own spending, you conserve your cash and the product or service that you bartered converts to cash.

5. **What will this cost me?** Equitrade charges a transaction fee of 12% in US Dollars when you spend your barter dollars. The account setup fee of \$495 will be waived if you accept this offer.

For more information about how to make this offer work for you, please call Jim West @ 678-951-9030 or visit www.equitradeintl.com.