

## Loss Reserve for Investment Protection



The investment on CBO Fund is safeguarded from any loss from the first day till the end of the investment. How does it work? When the investor hires CBO Trading as his partner, the profit of stock trading by CBO Trading, using the investor's fund, is distributed daily like the following:

1. 20% for the loss reserve.
2. the balance of the profit after deducting loss reserve is divided like:
  - a. 40% for the investor,
  - b. 60% for CBO Trading.

It should be reminded that the rate of the investor's profit is based on (a) 40% distribution.

### **Monthly Investors' Profit Update**

The monthly rate of the return on the investment is always computed based on the contents of "Investment Package Table V4".

When the monthly investment return process for all the investors are reviewed and updated per the Investment Package Table V4, any deficiency will be made full from fetching the shortage amount from the "Loss Reserve".

### **Details of Loss Reserve System**

The 20% amount of daily allocation of stock trading profit is added to the sum of loss reserve as much as 20% of the total CBO trading fund.

Any loss in the daily trading activity will be restored by transferring the same amount from this loss reserve and thus the loss reserve will be reduced by the deduction amount. This shortfall of the Loss reserve, which may last a day or more, will be refilled via the subsequent addition of daily 20% trading profit allocation and it will continue until the loss reserve amounts to 20% of CBO trading fund.

When the 20% amount of daily profit is accumulating to 20% of the CBO Fund, and begins to exceeds 20% requirement of the daily CBO trading fund, the excess amount will be allocated to the corporate management use.

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