

**KING ARTHUR ACCOUNT FACT SHEET**

King Arthur 4  
Exhibit  
FOR IDENT/IN EVIDENCE  
DANA CHIPKIN 7/17/92

- What does it pay?** 13.5%. The interest income is paid quarterly. When the combined account size is \$2 million, the rate will increase to 14%. If you reinvest, 13.5% compounded quarterly is 14.1% annually.
- Is it safe?** Yes. 100%. At no time is a trade made that puts your money at risk. In over 20 years there has never been a losing transaction.
- How long do I need to invest?** In general, this is an investment vehicle for one year or longer. However, there is no risk of capital and if funds are needed you may get a check in 20 days.
- Is it liquid?** Yes. Twenty days' written notice is all that is required.
- What is the minimum account size?** \$10,000 for individual accounts. \$2,000 for I.R.A.s.
- When does my money start to earn interest?** Three days after your check or wire order is received by Avellino & Bienes.
- What paperwork will I receive?** When your money is received, you will get, by return mail, a confirmation from Avellino & Bienes. Every quarter thereafter, you will receive a statement (with a check or a rollover notice, if no check) showing the amount of interest earned for the quarter and the total of your funds. At the end of the year you will receive a Form 1099-Interest showing the total amount earned for income tax purposes.
- When should I expect to receive a check or a statement?** You will receive your check or statement within five to ten days of the end of the quarter, depending on mail time. Quarters are the calendar quarters ending March 31, June 30, September 30 and December 31. If your initial investment is after the 15th of the third month of the quarter, you can expect to wait until the following quarter to receive a check or statement. No income will be lost. You will be credited with a longer quarter.

**Who is this suitable for?**

Just about everyone. This is a safe fund with no risk of capital paying high income. That makes it good for retirees wanting income, I.R.A.s or pension plans, or growth of investment capital.

**How does it work?**

The funds you send to Avellino & Bienes are treated as a "loan" by them. All of these funds are sent to a New York broker who invests same on behalf of Avellino & Bienes. The underlying trades, made for the account of Avellino & Bienes are, in general, made as simultaneous purchases of convertible securities and its short sale of the common stock, locking in a profit. Other forms of riskless trading are also used. The brokerage firm that makes these trades is a wholesale dealer that makes the market in Big Board 250 highest volume trading stocks. In practice, the trades are handled by computer for speed and accuracy.

**Who handles this account?**

Avellino & Bienes of New York City. Over 20 years ago Avellino & Bienes, a CPA firm, started this using this form of trading for themselves and a select group of their clients. Eventually the arbitrage became so successful that they concentrated all of their efforts on this venture and gave up their accounting practice. They are classified as an Institutional Client of the brokerage firm that makes the trades.

**How do I invest?**

For individual accounts or self-directed pension plans, fill out the enclosed application. Make checks payable to Avellino & Bienes. Mail the application and check to:

Andrew Copperman  
4444 Geary Boulevard, Suite 307  
San Francisco, California 94118

For I.R.A.s, fill out the enclosed application and an application to Retirement Accounts. Make checks payable to Retirement Accounts and mail checks and applications to Andrew Copperman, as above.

**If you would like additional information:**

Please call 415/387-0707