

GLOBALINK AND MONTANA  
THE NEW PARTNERSHIP FOR CAPITAL PRESERVATION

CAPITAL PRESERVATION REQUIRES SECURITY AND PRIVACY. CAPITAL OWNERSHIP'S HISTORIC PERCEPTION OF THE LACK OF PRIVACY AND, OCCASIONALLY, SECURITY OF FUNDS DEPOSITED INTO INSTITUTIONS LOCATED IN THE UNITED STATES OF AMERICA HAS CREATED HESITANCY TO DEPOSIT OFFSHORE CAPITAL IN THE U.S.A.

IN FACT, UNTIL RECENTLY, NO U.S. JURISDICTION IMPLEMENTED THE GUARANTEES OF PRIVACY AND SECURITY SOUGHT BY THE INTERNATIONAL CAPITAL MARKETS. THIRTY MONTHS AGO, THE STATE OF MONTANA CREATED THE NECESSARY LEGAL FRAMEWORK. MONTANA OFFICIALS SOUGHT AN INTERNATIONAL FINANCE PARTNER TO FURTHER DEVELOP AND IMPLEMENT A TRULY SUCCESSFUL FOREIGN CAPITAL DEPOSITORY PROGRAM IN THE STATE.

GLOBALINK BEGAN TO EXAMINE THE MONTANA PROGRAM IN LATE 1999 AND BEGAN DISCUSSIONS OF A POSSIBLE PARTNERSHIP WITH THE STATE LAST YEAR.

FIRST, LET ME SAY THAT GLOBALINK BELIEVES, FIRST AND FOREMOST, THAT THE SINGLE MOST IMPORTANT FOUNDATION OF THE MONTANA PROGRAM IS THE SANCTITY OF THE "RULE OF LAW" IN THE UNITED STATES AND IN THE STATE OF MONTANA. THE LAW, WHICH PROVIDES CLEAR PROTECTIONS FOR DEPOSITORIES AND DEPOSITORS, IS VIGOROUSLY OBEYED BY PRIVATE CITIZENS AND PUBLIC OFFICIALS IN MONTANA. THE LAW, BOTH IN ITS ENACTMENT AND ITS RESPECT BY GOVERNMENT OFFICIALS NOW FINALLY PROVIDES THE STABILITY, THE PRIVACY AND THE SECURITY SOUGHT BY FOREIGN CAPITAL IN THE UNITED STATES.

BASED ON RECENT STATUTORY AND REGULATORY CHANGES IN THE LAW ITSELF, GLOBALINK TODAY BELIEVES THAT THE MONTANA PROGRAM PROVIDES A NEW REAL OPPORTUNITY FOR THE INTERNATIONAL CAPITAL COMMUNITY. GLOBALINK IS PLEASED TO SHARE WITH YOU TODAY WHY IT BELIEVES THE MONTANA PROGRAM CAN DELIVER SECURITY AND PRIVACY TO YOU AND YOUR CLIENTS.

**GLOBALINK HAS TAKEN AGGRESSIVE ACTION WORKING WITH STATE OFFICIALS TO DEVELOP AND REFINE THE MONTANA PROGRAM.**

ON APRIL 10, 2000, GLOBALINK, L.L.C. SIGNED A LONG TERM, SOLE SOURCE CONTRACT WITH THE STATE OF MONTANA. UNDER THIS AGREEMENT GLOBALINK WILL PROVIDE TWO SPECIFIC GENERAL SERVICES TO THE STATE OF MONTANA.

**FIRST**, GLOBALINK WILL "VET" OR PERFORM DUE DILIGENCE INVESTIGATIONS OF ALL PERSONS OR ENTITIES APPLYING FOR A DEPOSITORY CHARTER IN THE STATE OF MONTANA. AFTER CONDUCTING THE DUE DILIGENCE RESEARCH, GLOBALINK WILL RECOMMEND TO THE MONTANA COMMISSIONER OF BANKING AND FINANCIAL INSTITUTIONS EITHER APPROVAL OR DISAPPROVAL OF EACH CHARTER APPLICATION. GLOBALINK WILL ASSURE THAT EACH APPLICANT HAS THE PROPER FINANCIAL, LEGAL AND MANAGEMENT CAPACITY TO OPERATE A DEPOSITORY. IN ADDITION, GLOBALINK WILL ASSURE THAT THE APPLICANT HAS IN PLACE THE INTERNAL POLICIES AND PROCEDURES NECESSARY TO MEET THE STATE AND FEDERAL INSTITUTIONAL REGULATIONS.

**SECOND**, GLOBALINK WILL, ON BEHALF OF THE STATE OF MONTANA, INVESTIGATE AND RECOMMEND DISPOSAL OF ALL COMPLAINTS FILED WITH THE STATE REGARDING DEPOSITORY AND DEPOSITOR COMPLAINTS AND CONFLICTS. GLOBALINK WILL ALSO BE IN A POSITION TO UTILIZE MONTANA'S ARBITRATION AND MEDIATION STATUTES TO FACILITATE PRIVATE RESOLUTION OF POSSIBLE CONFLICTS FREE FROM UNWANTED AND UNWARRANTED PUBLICITY.

**IN ADDITION**, GLOBALINK WILL, AT THE INVITATION OF THE STATE, USE ITS CLOSE WORKING RELATIONSHIP WITH MONTANA'S BANKING AND GENERAL GOVERNMENT OFFICIALS TO ASSIST THE STATE IN THE IMPROVEMENT AND ENHANCEMENT OF THE LAW GOVERNING FOREIGN CAPITAL DEPOSITORIES CHARTERED IN THE STATE.

**THE FIRST RESULT** OF GLOBALINK'S DIRECT RELATIONSHIP WITH THE STATE OF MONTANA SAW THE STATE'S LEGISLATURE MEET IN SPECIAL SESSION IN MAY. BY A MARGIN OF 144-4 THE STATE LEGISLATURE REAFFIRMED ITS SUPPORT OF THIS PROGRAM AND REDUCED THE ASSESSMENT OR TAX ON DEPOSITS BY HALF. THE ACTION NOW MAKES THE MONTANA PROGRAM MORE THAN COMPETITIVE WORLDWIDE.

IN ADDITION, TWO APPLICATIONS FOR DEPOSITORY CHARTERS HAVE RECENTLY BEEN FILED WITH THE OFFICE OF THE COMMISSIONER RESULTING DIRECTLY FROM GLOBALINK'S PARTNERSHIP WITH THE STATE OF MONTANA.

IN REAFFIRMING HIS SUPPORT OF GLOBALINK'S PARTNERSHIP WITH THE STATE OF MONTANA AND THE RECOGNITION OF THE RESULTING CHARTER APPLICATIONS, GOVERNOR MARC RACICOT SAID, "WE THINK THIS IS A VERY POSITIVE STEP FORWARD."

IN SHORT, GLOBALINK IS NOW ENERGETICALLY INVOLVED IN THE DEVELOPMENT AND ENFORCEMENT OF THE LAW RESULTING FROM THE FOREIGN CAPITAL DEPOSITORY PROGRAM IN THE STATE OF MONTANA.

#### **WHAT EXACTLY DOES THIS PARTNERSHIP MEAN?**

I WOULD LIKE TO SEPARATELY ADDRESS BOTH THE **SECURITY** AND **PRIVACY** NEEDS OF **DEPOSITORY OWNERS** AND **DEPOSITORS** UNDER THIS NEW PARTNERSHIP.

**JUST A BRIEF COMMENT ON SECURITY.** AS I NOTED EARLIER, THE RULE OF LAW AND THE COMMITMENT OF THE U.S. REGULATORY AND LEGAL SYSTEMS AND AGENCIES TO HONOR RATHER THAN ABUSE THE LAW CREATES THE SAFEST PLACE IN THE WORLD TO KEEP, IN THE WORDS OF AMERICA'S FOUNDING FATHERS, "LIFE, LIMB AND PROPERTY". DEPOSITORY OWNERS AND DEPOSITORS NEED NEVER FEAR THAT THEIR PROPERTY WILL BE TRAMPLED UPON OR ABSCONDED WITH IN THE STATE OF MONTANA.

BUT WHAT OF **PRIVACY**? FIRST, MONTANA IS ONE OF A VERY FEW STATES IN THE UNITED STATES WHICH HAS A PERSONAL RIGHT TO PRIVACY ENSHRINED IN ITS CONSTITUTION. UNLIKE THE CASE IN MANY NON-AMERICAN JURISDICTIONS, MONTANA'S RIGHT TO PRIVACY EXTENDS TO ALL PERSONS LIVING OR DOING BUSINESS IN THE STATE OF MONTANA. THE RIGHT DOES NOT MERELY EXTEND TO CITIZENS OF MONTANA; IT EXTENDS TO ALL PERSONS.

SECOND, THE PRIVACY RIGHT IS INGRAINED DEEP INTO THE FABRIC OF MONTANA SOCIETY. POPES, FILM STARS AND THE WEALTHY FROM AROUND THE WORLD (ONE OF THE WORLD'S LARGEST INTERNATIONAL ARMS DEALERS COMES TO MIND) LIVE, PLAY AND WORK IN MONTANA BECAUSE THEY ARE LEFT ALONE BY OTHER MONTANANS. I WOULD NOT HESITATE TO SAY THAT THE STATE CONTAINS THE FEWEST "AUTOGRAPH SEEKERS" OF ANY STATE IN THE UNION. I FINALLY NOTE THE SUCCESS OF THE YELLOWSTONE CLUB IN SUPPORT OF THIS IMPORTANT SOCIAL CUSTOM.

IT IS ALSO IMPORTANT TO NOTE THAT, HISTORICALLY, THE LAW IN MONTANA PRECLUDES EXPOSURE OF DEPOSITORY AND DEPOSITOR DATA. IN THE STATE'S 111 YEAR HISTORY, BANKING INSTITUTIONAL INFORMATION HAS BEEN SOUGHT TWICE BY COURT ORDER; BOTH ATTEMPTS FAILED. IN THE FIRST CASE THE ORDER WAS QUASHED. IN THE SECOND CASE THE SUBPOENA (SOUGHT BY CREDITORS OF A FAILED BANK) WAS QUASHED AFTER AN "IN CAMERA" REVIEW OF INSTITUTIONAL INFORMATION RATHER THAN DEPOSITOR INFORMATION.

AS TO FOREIGN DEPOSITS IN MONTANA, THE LAW IS CRYSTAL CLEAR; **NO EXAMINER, REGULATOR, OR ANY OTHER GOVERNMENT AGENT OR PERSON IS ALLOWED TO KNOW OR LEARN THE NAME, ADDRESS, OR ANY OTHER INFORMATION REGARDING A DEPOSITOR IN A MONTANA DEPOSITORY---PERIOD.**

**LET ME REPEAT THAT,----**  
**NO EXAMINER, REGULATOR, OR ANY OTHER GOVERNMENT AGENT OR PERSON IS ALLOWED TO KNOW OR LEARN THE NAME, ADDRESS, OR ANY OTHER INFORMATION REGARDING A DEPOSITOR IN A MONTANA DEPOSITORY. PERIOD.**

THE RULE OF LAW WHICH IS THE VERY FOUNDATION OF U.S. SAFETY AND SECURITY ASSURES THAT MONTANA DEPOSITORS' IDENTITIES WILL FOREVER REMAIN SECRET UNLESS, I REPEAT AND ONLY UNLESS THE DEPOSITOR HIM OR HERSELF CHOOSES TO MAKE THEIR PRESENCE IN MONTANA KNOWN. EVEN IN THE EVENT OF A SERIOUS DISPUTE, GLOBALINK'S PRESENCE AND ROLE IN DISPUTE RESOLUTION AND INVESTIGATION ASSURES THAT PRIVACY CAN BE HAD AND MATTERS RESOLVED WITHOUT ANY PUBLIC OR GOVERNMENTAL AGENCY KNOWLEDGE OR INVOLVEMENT.

UNDER MONTANA LAW, DEPOSITORIES CAN BE ESTABLISHED IN A MANNER THAT ADDRESSES OWNERSHIP CONCERNS ABOUT PRIVACY AS WELL AS SECURITY. AGAIN, GLOBALINK'S INVOLVEMENT ASSURES DEPOSITORY OWNERS THAT THEIR OWNERSHIP AND MANAGEMENT PROCESSES WILL NOT BE EXPOSED WHILE ASSURING THE STATE THAT DEPOSITORIES APPLYING FOR CHARTERS MEET THE REQUIREMENTS OF THE LAW WHICH GIVES THEM PRIVACY UPON CHARTER.

BEFORE CLOSING, LET ME MENTION THREE ADDITIONAL ISSUES WHICH AR OF SOME IMPORTANCE.

**FIRST, TRANSACTION TAXES.** THE STATE OF MONTANA DOES NOT HAVE A STATE SALES OR TRANSACTION TAX. IN FACT, THE PEOPLE OF MONTANA HAVE REPEATEDLY REFUTED ALL ATTEMPTS TO INTRODUCE ANY TAX COLLECTION OF THIS SORT. THE MOST RECENT ATTEMPT WAS DEFEATED BY A THREE TO ONE MARGIN IN A 1997 PLEBISCITE ELECTION.

**SECOND, INTERNATIONAL CUSTOMS.** LIKE ALL STATES, SELECTED MONTANA CITIES CURRENTLY HAVE FULL CUSTOMS AND IMMIGRATION SERVICES AVAILABLE TO PERSONS WISHING TO ENTER THE U.S. DIRECTLY FROM INTERNATIONAL LOCATIONS.

**THIRD, BANKING IN MONTANA.** MONTANA, WHILE A SMALL POPULATION STATE, HAS A HISTORY OF STRONG FINANCIAL AND BANKING INSTITUTIONS. ONE OF THE VERY FEW BRANCHES OF THE UNITED STATES FEDERAL RESERVE BANKING SYSTEM IS LOCATED IN MONTANA'S CAPITAL CITY, HELENA. THE CITY IS HOME TO A BRANCH OF THE MINNEAPOLIS FEDERAL RESERVE BANK.

**GLOBALINK AND MONTANA; THE NEW PARTNERSHIP FOR CAPITAL PRESERVATION. A PARTNERSHIP DESIGNED TO PROVIDE SECURITY AND PRIVACY IN THE ULTIMATE LOCATION IN THE WORLD; THE UNITED STATES OF AMERICA.**