

URGENT MEMO – PROPOSAL TO FIX CRUMBLING ROAD

From: Joseph Gelet, Series 3
476 Calmont Dr.
Swansea, SC 29160

To: Representatives of Calhoun County, Lexington County, State of South Carolina, United States of America.

Dear Sirs,

My name is Joseph Gelet and I'm a financial advisor, and resident of Calmont Properties, in Calhoun County South Carolina. Recently we've learned that my wife is pregnant. Doctor says no trampoline or similar activity (bumpy road). As you know our legal system works 'after the fact' so I'm proposing to think forward and make a potential tragedy for all of us, into a net positive business.

For those of you who are not familiar with Calmont, we live in third world conditions '*at the end of the road*' as Mr. Rucker says. It is difficult to describe in words, how bad the roads are. They are so bumpy they can trigger airbags. Sometimes they are impassible, especially during certain weather conditions. They cause severe vehicle damage. Very often UPS, Fedex, will become stuck. Passenger vehicles are often stuck, crashed, and sometimes abandoned. Fedex Express has created a special delivery zone "F" for this area. A house in Calmont properties on Kas Ct. burned to the ground in 2011 (literally, the metal frame melted all that was left smoldering bricks after 12 hours of burning) while the Lexington County firetruck was stuck on Kas Ct. Later, the Fire Department sent a towing bill to Calmont Properties Association because it needed to be pulled out of the sand with special crane tow-truck. Fortunately for the other owners of Calmont Properties it was raining that night, because the fire was emitting constant embers into the forest. It's only a question of time when someone will become severely injured or die due to the poor conditions of the roads. The liability to the government(s) both financially and politically will be severe, in this case. Hyman Rd. is a county road, Calmont Dr. is 'private' – but the HOA is incapable of maintaining or fixing the road by itself, and Calhoun County granted the license to Calmont Properties HOA.

On the one hand, angry citizenry can sue the HOA and the government (specifically, Lexington County, Calhoun County, and the State of South Carolina) for wrongful death, or worse. Imagine if my child was born with permanent birth defect because of 'bumpy' road. Whether we can connect the dots or not, I'll be proactive in my lawsuits. On the other hand, we have a

great opportunity for financial and political gain, and to help people in the same time. A real win-win-win.

Proposal for infrastructure bond

I hereby propose that we create a municipal bond for complete asphalt pavement of roads, sewer, burying power lines, and fiber internet for Hyman Rd., Winners Ct., Kas Ct., Calmont Dr., and surrounding roads.

Municipal bonds are common in the state of South Carolina.ⁱ The financial markets are increasingly volatile. The stock market offers opportunity but with many risks. The Federal Reserve's ZIRP policy makes most bond investing pointless, and at the same time makes US Dollars' worth less and less every year. I've written a book about this topic "Splitting Pennies"ⁱⁱ which I believe should be available in every school in South Carolina. Because I believe our economic and for that matter all of our problems can be solved by an increase in education and knowledge. Investors have few choices where to invest their savings, which offers a reasonable return with a guarantee. A municipal bond such as proposed here, offers investors a reasonable 5% return, which if tax free is in real terms like 7%. Also it keeps investment locally, in the state. By using local financial professionals, it also stimulates their business as well. Once the bond exists, finding investors for the full amount will not be difficult. Similar bonds offered by Lexington County, SC are owned by bond funds including but not limited to JP Morganⁱⁱⁱ, T Rowe Price,^{iv} and others. I get questions all the time from investors about where to get reasonable returns safely, and so I would be willing to raise funds for this offering using my own contacts I've built over 15 years in the financial business. Speaking to a few clients about investing in this proposed bond in the last few days, I believe that raising the needed investment for a full subscription would not be difficult, especially in this environment.

Example summary:

Name and amount: \$5,000,000 General Obligation Bond – Hyman/Calmont
Underwriter: Merrill Lynch, Pierce, Fenner & Smith Incorporated
Issuer: Lexington County, Calhoun County, the State of South Carolina
Professional advisors: Regions Bank is serving as Registrar/Paying Agent for the Bonds. Parker Poe Adams & Bernstein LLP, Columbia, South Carolina, is serving as Bond Counsel and Disclosure Counsel.
Financial Advisor: Compass Municipal Advisors, LLC, Columbia, South Carolina.

I've created a page on our company's website <http://eliteeservices.net/local/> where I'll update resources regarding this project, including our public paper trail, such as the [personal letter from President Obama in support of this project](#). Although municipal financing is not my focus, the research team at [Fortress](#)

[Capital put together an analysis and article](#) for me on this topic to test the waters, and found that investors have very positive sentiment towards such 'local investing.'

I think this solution speaks for itself. If I can be of assistance in any way such as by organizing the bond offering, raising funds from investors, bringing national awareness to this issue via internet marketing, or financial education, please do not hesitate to contact me.

Joseph Gelet



i <http://bondfunds.com/family/columbia/columbia-sc-interm-muni-bond-a/>

Issue	Coupon	Maturity Date	Amount Owned	% of Fund
Charleston Cnty S C Rev Rev Bds 5.125%	5.12	2015-08-15	\$6,370,000	4.46
South Carolina Transn Infrastr Rev 5.25%	5.25	2020-10-01	\$4,880,000	3.4
Scago Edl Facs Corp For Picken Lease 5%	5	2023-12-01	\$5,000,000	3.28
South Carolina Jobs-Economic D Hos 5.25%	5.25	2021-08-01	\$4,000,000	2.68
South Carolina Jobs-Economic D Rev 4.2%	4.2	2012-11-01	\$3,615,000	2.39
Berkeley Cnty S C Sch Dist 5%	5	2022-12-01	\$3,545,000	2.31
Piedmont Mun Pwr Agy S C Elec Elec 5%	5	2018-01-01	\$3,050,000	2.1
Piedmont Mun Pwr Agy S C Elec Elec 5%	5	2017-01-01	\$3,000,000	2.1
North Charleston S C Swr Dist 5.5%	5.5	2017-07-01	\$3,040,000	2.07
Fort MI S C Sch Facs Corp Inst Instal 5%	5	2017-12-01	\$2,900,000	1.97
Beaufort-Jasper S C Wtr & Swr Ref 4.75%	4.75	2025-03-01	\$3,000,000	1.94
Lexington Cnty S C Health Svcs Re 5.125%	5.12	2021-11-01	\$3,000,000	1.91
Greenville Hosp Sys S C Hosp F Hos 5.25%	5.25	2021-05-01	\$2,750,000	1.83
Greenville Cnty S C Sch Dist 5.25%	5.25	2016-12-01	\$2,625,000	1.8
Charleston S C Wtrwks & Swr Re Rev Re 5%	5	2021-01-01	\$2,500,000	1.77
Renewable Wtr Res S C Swr Sys Swr Sys 5%	5	2020-01-01	\$2,500,000	1.76
Charleston Cnty S C Ctfs Partn Co 5.125%	5.12	2017-06-01	\$2,470,000	1.74
Lexington Cnty S C Health Svcs Hosp 5%	5	2017-11-01	\$2,230,000	1.53
Spartanburg Cnty S C Sch Dist 5%	5	2018-03-01	\$2,000,000	1.44
South Carolina Jobs-Economic D Rev 5.5%	5.5	2023-11-15	\$2,235,000	1.43
Lexington Cnty S C Health Svcs Ref 5.5%	5.5	2023-11-01	\$2,000,000	1.42
Hilton Head Is S C Ref Bds 5%	5	2017-12-01	\$1,960,000	1.42
Lexington S C Wtr & Swr Rev Rev Bd 5.45%	5.45	2019-04-01	\$2,000,000	1.4
Charleston Cnty S C Go Bds 5%	5	2023-08-01	\$2,000,000	1.39

ii <http://www.splittingpennies.com> Forex Book

iii <https://www.jpmorgan.com/cm/BlobServer/HG-ITFB.PDF?blobcol=urldata&blobtable=MungoBlobs&blobkey=id&blobwhere=1320539609853&blobheader=application%2Fpdf&blobheadername1=Content-Disposition&ssbinary=true&blobheadervalue1=inline:filename=HG-ITFB.PDF>

iv <http://individual.troweprice.com/Retail/Shared/PDFs/AnnualReports/arsmi.pdf>