

Giving Group

Executive Summary

Patents & Possibilities Benefits to Potential Collaborators in:

**Implementing US Patent No.
US 6,581,041 B1**

Presented By:

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OVERVIEW

The Financial Services industry today is dominated by a few very large financial institutions. Two significant revenue venues within the financial services industry are Investments and Credit / Debit cards. www.ici.org states that as of December 2007 Mutual Fund assets alone totaled over 12.029 trillion dollars. This valuation is in addition to the valuation of individual security holdings held by investors, life insurance cash values and cash values of annuities. This also does not reflect the value of retirement assets which alone total over 17.4 trillion dollars through the second quarter 2007.

MasterCard / Visa project that the combined U.S. credit / debit card transactions in 2007 was between 4 and 5 trillion dollars of “card spend”. www.nilsonreport.com

The stakes are high in these two mature markets for financial institutions to gain a larger piece of the market. To this end, these financial institutions are moving more intensely towards an Affinity / Loyalty marketing model. The purpose of this loyalty direction being: to lever affinity / cause towards the consumer / investor utilizing their (the financial institution's) particular financial instrument.

ISSUE:

- 1) Virtually all “Affinity” cards today are a one affinity link **and** are non-deductible to the card user.
- 2) Loyalty cards are all about giving cash and merchandise to **me** the card owner.

OPPORTUNITY:

Bring to market a patented suite of financial service instruments and solutions.

BEGINNING WITH A CREDIT / DEBIT CARD

PATENTABILITY

The reality is that traditional investments / credit / debit cards as an art form, lie within the public domain, and are therefore un-patentable. In order to affect a patent on these financial instruments, a patent application within these financial instruments must be “novel” and not “obvious”. Another criterion for patenting is that the patent must benefit society.

On June 4, 1999 a patent application was filed to transform financial instruments into specialized tools of philanthropy. On June 17, 2003 US Patent No.: US 6,581,041 B1 was issued.

Key to its issuance (see diagrams) was the element of the investment owner / card owner being able to (through the internet), be able to direct a portion of an imbedded fee into a (donor advised account/”micro-foundation”) inside a community foundation (administrative hub.)

PATENTED FEATURES

Patented and patent pending functions for financial instruments [including but not limited to: credit and debit cards, mutual funds, insurance products, annuities]: creates incentives including, but not limited to:

- Financial Advisors / Financial Institutions
- CPA’s / Attorneys
- Card Processors / Administrators
- Merchants
- Corporations
- Charities

to introduce these financial instruments to their client / affinity base. *Note: Non-Advisors who recommend to their affinity base become “Charitable Liaisons.”

PURPOSE

The effect of the patent is to direct investors / card owners into this philanthropic financial instrument model. Its purpose being to harness the power of the wealth of America into doing good through charitable giving while simultaneously fulfilling the intended purpose of the specific financial instrument.

In essence the patent becomes a water wheel, harnessing the power of the “flow” of the financial instrument to simultaneously “power” fruitful 501 (c) (3) s in doing good in America and the World. Various country patent issuances are pending.

Some have asked - Why hasn't this been done before? Two answers become obvious. 1.) It wasn't until 1998 that the Supreme Court issued a ruling stating that ideas / processes can be patented. And. 2.) A principle which drives many financial institutions today is greed not necessarily good. This patent's purpose is all about doing good!

OPPORTUNITY

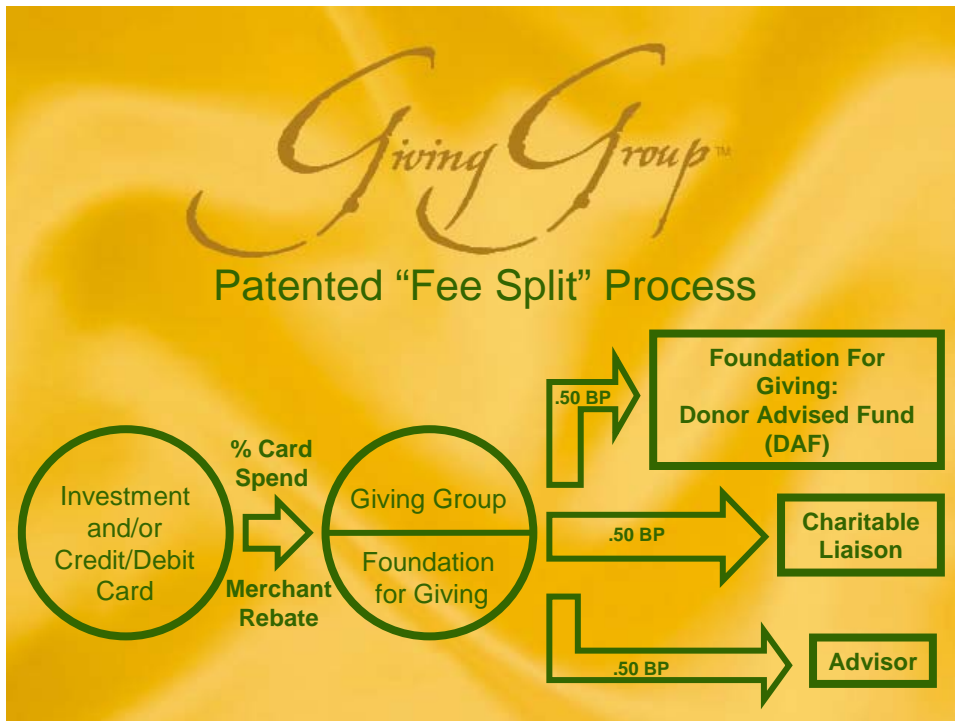
This patent brings with it the opportunity and responsibility of its purpose through issuance of licensing to “franchisees/licensees.” Both corporate (including 501 (c) (3) s) and individual licensees will need to adhere to the highest principles of integrity, ethics and purpose. In our litigious culture of today, this is a must, so as to protect the integrity of the patent's purpose, its participants and licensees.

For illustration purposes are examples of three different sized “Affinity Groups”: 1,000; 100,000; and 1,000,000 member groups. Two financial instrument models will be illustrated for each affinity size: 1.) Financial Investment Assets. (I.E. Mutual Fund, Annuity, etc.) And. 2.) Credit /Debit Card Financial instruments and their transactions (card spend). Further assumptions for these models are as follows: Investments - \$25,000 asset size per investor. Monthly Credit / Debit card spends per cardholder are \$700/mo. ½% of the monthly spend is credited to the charitable liaison (C.L.), and ½% of the monthly spend is credited to the donor advised account inside the community foundation hub 501 (c) (3).

Financial Investment Assets:

\$25,000
x .005
\$125 first year

1,000	member affinity group	\$125,000 first year credited to C.L.
100,000	member affinity group	\$12,500,000 first year credited to C.L.
1,000,000	member affinity group	\$125,000,000 first year credited to C.L.



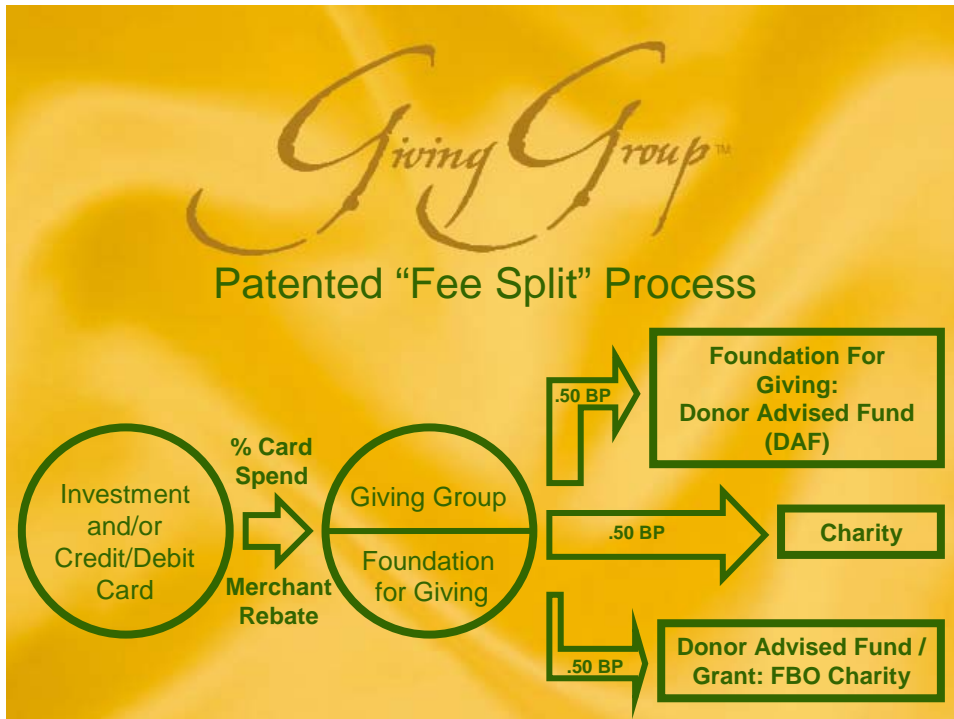
Note: This diagram illustrates involvement of a financial advisor with Investor/Donor. Non-Advisor "Charitable Liaison" can be charity.

Credit / Debit Card Spend:

\$700.00 per month
x .005
\$3.50
x 12 mo.
\$42 first year

1,000 member affinity group
100,000 member affinity group
1,000,000 member affinity group

\$42,000 first year credited to C.L.
\$4,200,000 first year credited to C.L.
\$42,000,000 first year credited to C.L.



Note: This diagram illustrates no involvement of a financial advisor of record. This diagram also illustrates the flexibility to replicate the DAF function for the benefit of the charity as well.

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Please note – these calculations assume no increase in the investment asset size (either due to rate of return or contributions to it principle.) Neither do the Credit / Debit card assumptions assume any increased card spend on the part of the card owner. Please note also that the above calculations reflect only the monies going to the charitable liaison (C.L.). This amount of money also is credited into the investor / card owner's donor advised account inside the community foundation hub.

Should the donor wish to direct these monies from the donor advised account to the charitable liaison (assuming it is also a 501 (c) (3) organization, then that charitable institution's receipts for that year are doubled.

Special attention should now be given to the latest movement in the "Loyalty" aspect of the Credit / Debit card industry. In addition to the traditional "Affinity Card" type rebate, the card industry now has, (in addition), begun offering "Loyalty" rebates on card purchases of and through specific merchants. I.E. Banana Republic and Eddie Bauer. These additional rebates may range from 3% to as much as 20% of the price of the item purchased.

The opportunity to also allow the card owner to re-direct some or all of this additional rebate of the card spend is only in its infancy. This percent of card spend, when translated into monies to do good, could be almost unfathomable, when leveraged by many affinity members!

FOR SUCH A TIME AS THIS

No other investment / credit or debit card today has this flexibility, leverage, robustness or as meaningful incentives.

The opportunity is great!...More importantly...the need is now!

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