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JAMES W. ZEEB

February 1, 2010

VIA FEDERAL EXPRESS AND FACSIMILE

His Excellency Jason C. Yuan, Representative (202) 966-8639  
Taipei Economic and Cultural Representative Office in the United States  
4201 Wisconsin Avenue, N.W.  
Washington, D.C. 20016

Lee Sush-Der, Minister of Finance (011) 886-2-23568774  
Ministry of Finance of the Republic of China  
2, Aiguo W. Road  
Taipei, 10066  
Taiwan, Republic of China

Fai-Nan Perng, Governor (011) 886-2-2357-1971  
Central Bank of the Republic of China  
2, Sec. 1, Roosevelt Road  
Taipei, 10066  
Taiwan, Republic of China

President Ma Ying-jeou  
President of the Republic of China on Taiwan and Chairman of the Kuomintang  
Office of the President of the Republic of China on Taiwan  
122, Sec. 1, Chongqing S. Rd.  
Zhongzheng District, Taipei City 100  
Taiwan, Republic of China

Re: Chinese Government Full Faith and Credit Sovereign Debt in the Form of  
Bearer Bonds – **DEMAND FOR FAIR SETTLEMENT OF CLAIMS**

Dear Officials of the Republic of China:

Please be advised that the undersigned serves as counsel to the Starwood Trust, a Trust organized under the laws of the State of Arizona, the Trustee of which is Sovereign Advisers, Inc., an Arizona corporation. The Starwood Trust represents the holders of the various series of full faith and credit sovereign obligations issued in mainland China by the National Government of the Republic of China (the "Chinese Government") prior to 1949. The obligations were issued in order to consolidate China's financial needs and were guaranteed by

tax revenue and other assets. These obligations of both the former and the successor National Government of China, whom also guaranteed payment on the former government's loans, were issued in the form of bearer bonds and were offered and sold to investors around the world by the Chinese Government and its authorized agents and representatives.

The Chinese Government defaulted on these obligations on or about 1939, and in 1949, due to national convulsions, the government retreated to Taiwan and the People's Republic of China subsequently repudiated the debt claiming it is the debt of the former successive Governments of China.

In its final decision dated March 11, 1971, the Foreign Claims Settlement Commission of the United States held that all bonds issued by the Nationalist Government of China were in default at least by the end of 1939 and continued in default throughout the pre- and post-World War II periods. Bonds not secured by property constituted general obligation bonds and, as such, were chargeable to the Nationalist Government of China. Under United States Statutes (22 U.S.C. § 3303(b)(3)(A)) the United States Government has again stated that the Republic of China will be held responsible for its obligations, even those incurred before the United States' recognition of the People's Republic of China.

Further, on July 31, 1992, the Constitution Act governing relations between the People of the Taiwan Area and Mainland Area was enacted by the Republic of China on the basis of the delegation provided in Article 11 of Amendments. Article 63, Paragraph 3, of that Act, subsequently amended March 1, 2004, when Article 63(3) became Article 63 para (1) and (2) and 63(3) was deleted, provides that all national gold-based bonds issued before the government's retreat to Taiwan in 1949 would be repaid but should be deferred until national reunification. Such deferral violates the property rights of the bond holders recognized by the Republic of China's Constitution and its Amendments, and therefore, on behalf of the Starwood Trust, demand is respectfully made for a prompt and fair settlement of the Trust's claims on these obligations, which are lawful and just obligations of the Republic of China.

Moreover, the Starwood Trust has registered the serial numbers of the various series of bearer bonds comprising the Chinese Government's full faith and credit sovereign debt held by individual holders and bondholder associations in various countries around the world. The Starwood Trust represents a substantial quantity of the Chinese Government Gold Loan Bonds extant, all ranking equally and without preference, since the measure of the obligation was defined in gold.

Specifically, the bond securing all tranches of the debt, provided for the principal and interest to be payable in the currency of the country in which it was issued, and as the unit of currency was defined by the weight and fineness of gold as of the date of issue, each bondholder

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is entitled to receive payment in legal tender equal to the gold value of the sum of the principal and interest specified in each bond until payment has been satisfied.

The failure of the Republic of China and the KMT to respond to this demand for repayment of the subject debt will result in the filing of litigation in the United States against the Republic of China and the KMT, both jointly and severally, and certain other parties which have assisted the Republic of China in evading its repayment obligation. The continuation of default of these debts may also affect any forthcoming international sales of the Republic of China's treasury bonds. Please immediately contact either me or Kevin O'Brien, President of Sovereign Advisers, Inc., (520-327-2482) to discuss this matter and either make arrangements to remit payment to the holders of the debt or to enter into negotiations to conclude a full, fair and prompt settlement of the matter. Thank you for your cooperation in this matter.

Very truly yours,

PHILLIPS, MOELLER & CONWAY, PLLC

Steven W. Phillips

cc: Mr. Kevin O'Brien, Sovereign Advisers, Inc.  
Trustee of the Starwood Trust

LAW OFFICES

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2010年2月1日

透過聯邦快遞和傳真發送

His Excellency Jason C. Yuan, Representative (袁健生大使)  
Taipei Economic and Cultural Representative Office in the United States  
4201 Wisconsin Avenue, N.W.  
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中華民國財政部  
財政部長李述德  
中華民國臺灣  
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馬英九總統  
中華民國總統兼國民黨主席  
中華民國總統府  
中華民國臺灣  
臺北市中正區重慶南路一段122號

關於： 無記名債券形式的中國政府充分保證和主權信用債務 – 公平  
求償解決要求

尊敬的中華民國政府官員：

敬請注意，以下簽署人擔任喜達屋信託 (Starwood Trust) 的顧問，這是一家根據美國亞利桑那州法律組建的信託公司，該信託公司的受託人為主權顧問公司 (Sovereign Advisers, Inc.)，一家美國亞利桑那州公司。喜達屋信託代表 1949 年之前中華人民共和國政府 (簡稱「中國政府」) 在中國大陸發行之充分保證和主權信用債務的各

類持有人。這些債務為鞏固中國財政需要而發行，並具有稅收收入和其他資產的擔保。中國前政府和擔保對前政府貸款還債的後繼政府的這些債務，均以無記名債券的形式發行，並由中國政府及其授權代理和代表向全世界投資者提供和發售。

中國政府約於 1939 年中斷履行償債義務，1949 年因國家動亂，該政府撤退到臺灣，隨後中華人民共和國便拒付這筆債務，聲稱該債務是前中國政府之債務。

在其 1971 年 3 月 11 日的最終判決中，美國對外索賠解決委員會（Foreign Claims Settlement Commission of the United States）認為，中國政府至少在 1939 年底持續到二戰時期前後一直拖欠債務。沒有財產做抵押的債券構成一般債務債券，因此應由中華民國政府償付。根據美國法令（22 U.S.C. § 3303(b)(3)(A)），美國政府再次表明，中華民國將有責任承擔其債務，即使這些債務產生在美國承認中華人民共和國之前。

此外，1992 年 7 月 31 日，中華民國根據《修訂案》第 11 款中授權為基礎，制定了管理臺灣地區和大陸地區人民的憲法法案。該法案的第 63 款第 3 條，隨後在 2004 年 3 月 1 日進行了修改，原有的條款 63(3) 修改成了條款 63 款第 (1) 和 (2) 條，且 63(3) 被刪除，其中提出，在 1949 年政府撤退到臺灣之前發行的所有基於黃金的國家債券均將償還，但要延期，直到國家重新統一為止。這種延期已違背了中華民國憲法及其《修訂案》所認可的債券持有者的財產權，因此，謹代表喜達屋信託，要求立即公平地解決這些「信託」債務的理賠，這些債務是合法的，也是中華民國的正當債務。

此外，喜達屋信託已登記各類無記名債券的編號，這些由全世界各國之單個持有人及債券持有人協會持有的債券構成了中國政府充分保證和主權信用債務。喜達屋信託代表大量的現存中國政府黃金借貸債券，所有排列均同等且沒有優先權，因為債務的衡量已由黃金定價。

具體而言，債券包括債務的所有風險分層，規定本金和利息應以發行國家的貨幣支付。由於貨幣單位由發行之日的黃金重量和純度定價，每個債券持有者均有資格獲取等同於每張債券上指定的本金和利益的法定貨幣償還款，直到全部付清為止。

中華民國和國民黨若不回應償還所涉債務的訴求，將導致我們在美國共同和分別訴訟中華民國和國民黨，及其他協助中國政府逃避其還債義務之各方。繼續不履行這些債務可能還會影響到中華民國國庫券今後的國際銷售。請馬上聯絡我本人或主權顧問公司總裁凱文•奧布賴恩（Kevin O'Brien），電話：520-327-2482，討論有關事宜，或安排匯款給債務持有人，或進行協商，以全面、公平、立即解決問題。謝謝您就此事的合作。

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敬上，

菲力浦斯，莫勒與康維專業有限責任公司  
( PHILLIPS, MOELLER & CONWAY, PLLC )

史蒂文 • W • 菲力浦斯 ( Steven W. Phillips )

抄送：凱文 • 奧布賴恩先生，主權顧問公司  
喜達屋信託受託人