



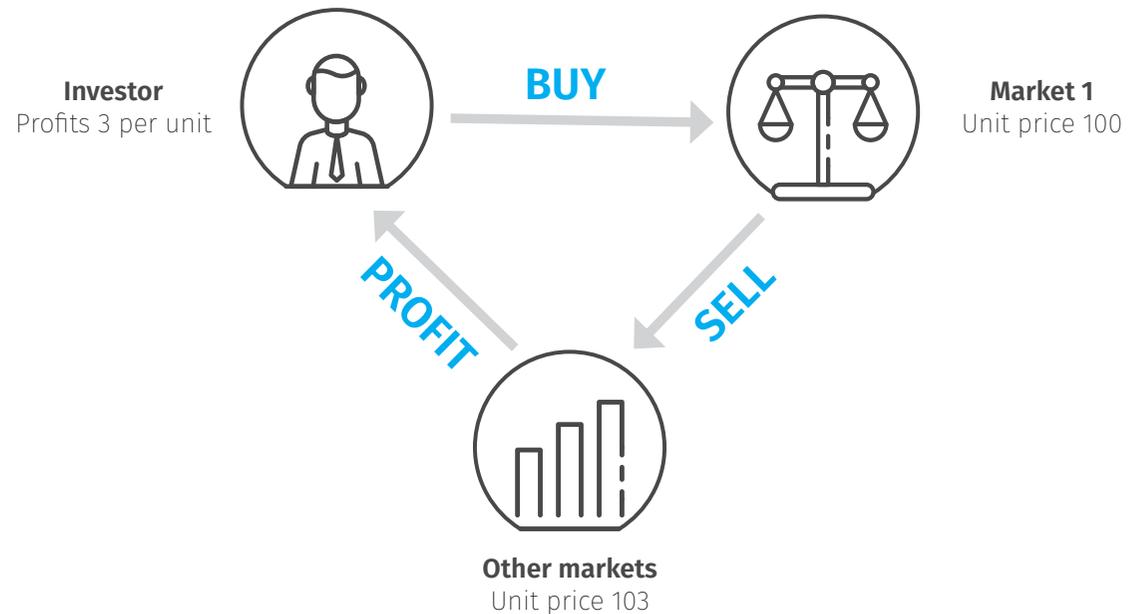
ALTERNATIVE CAPITAL
INVESTMENTS

The Offering

What Is Arbitrage?

Arbitrage is the simultaneous purchase and sale of the same asset in different markets in order to profit from tiny differences in the asset's listed price. It exploits short-lived variations in the price of identical or similar financial instruments in different markets or in different forms.

The Process



Definitions

Before we get started let's discuss a few definitions

1 Cryptocurrency

Cryptocurrency is a digital payment system that doesn't rely on banks to verify transactions. It's a peer-to-peer system that can enable anyone anywhere to send and receive payments.

2 Single discretionary allowance (SDA)

The SDA allows South African residents aged 18 years and older to make international payments and investments of up to R1 million per calendar year without any supporting documents.

3 Foreign Investment allowance (FIA)

In addition to your single discretionary allowance, every South African resident over the age of 18 years is also entitled to a foreign investment allowance (FIA) of up to R10 million per calendar year.

The Concept

By Using the arbitrage concept explained above we realise profits through mismatched pricing between our local South African bitcoin price and the overseas Bitcoin Price.

The Opportunity

By using your **R1 million SDA** (Single discretionary Allowance) and your **R10 million FIA** (Foreign Investment Allowance) you **profit** from Bitcoin's price mismatches around the world. Over the past 4 years, BTC/ ZAR markets have traded at an average premium of **4.6%** to BTC/ USD markets. This rate varies day by day and there is no guaranteed rate. By Fixing the rate on both sides the **risk is mitigated.**



Lets use an **example:**

Meet Joe. Joe has asked us to **activate the [arbitrage service](#)** for him. He wants to use his **Single Discretionary allowance (SDA)** of **R1 million**. The nett arbitrage rate is **2%** on the day after costs and fees. We use a **R100000** for the transaction. We will be using part of Joe's **R1 million Rand Single Discretionary Allowance (SDA)**. **This is available to every South African aged 18 years and older automatically** and we don't need clearance for that. After this transaction Joe will have **R900000** left of his yearly allowance. **Thus, Joe would make R2000 on the specific arbitrage trade. It's as simple as that.**

If we used Joe's full SDA **we would execute 10 trades totalling R 1 million** and **assuming all 10 trades had the 2% nett return Joe would have made R20000 profit**. If we do two trades per week, he would have this return in **5 weeks**. There is no set time due to the varying arbitrage rate every day but the above example gives you a good indication of the concept.

If Joe were to further use his R10 million **Foreign Investment Allowance (FIA)** and we used **R200000 per trade**, we would execute **50 trades** over the calendar year taking around six and a half months to use up his full allowance. Assuming average 2% nett return he would make **R200000 over the calendar year**. You are allowed to use your tax allowances once a year and then have to apply again in the new year.



JOE



ALLOWANCE



TRADE

Offering you an arbitrage service to realise profits through mismatched cryptocurrency pricing between Local and Offshore markets.

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