Libex Quota™

47 on Queens Whitepaper

**A new era of fractionalized ownership.
Unlocking access to high-value assets.**

Powered by

Libex™ SCHINDLERS
attorneys - conveyancers - notaries

Contents

Libex Quota™

345 Rivonia Boulevard
Rivonia, 2128, South Africa
Email: libexquota@libex.ai

Reg: 2022/ 671116/ 07

Introduction

In recent years, advancements in blockchain technology have paved the way for transformative innovations across various industries, including real estate. One of the most promising applications within the real estate sector is the concept of real asset tokenisation. This innovative approach holds the potential to reshape how properties are owned, financed, and traded, offering a more accessible, efficient, and liquid investment landscape for potential investors.

Libex (herein referred to as the "**Company**") has recognised that real asset tokenisation will reshape the landscape of property investment, making it more inclusive, efficient, and accessible and has created the LibexQuota Platform to allow both investors and property owners to participate in new edge real estate investment opportunities.

The real estate market is notoriously illiquid making it difficult for landowner to raise capital for development. Financial institutions are equally conservative when lending capital to developers. The LibexQuota Platform allows investors from around the world to participate in Global real estate projects. It seeks to empower investors who otherwise would not have been able to participate in these assets. This is done by fractionalising assets into smaller affordable portions. The platform improves liquidity options for the asset owner whilst rewarding the investor with attractive market returns.

The Team

Our team of professionals have extensive combined experience in navigating the digital, legal, financial and trading worlds providing investors with an automated, compliant and risk-mitigated experience.

CEO- Asif Aziz

COO- Nyosi Tshabalala

CTO- Warren Schwartz

Platform engineer- Naeem Razak

Legal and Compliance- Schindler's Attorneys

Marketing Strategist- Megan-Kim Chinian

345 Rivonia Boulevard
Rivonia, 2128, South Africa
Email: libexquota@libex.ai

Reg: 2022/ 671116/ 07

What are the advantages of tokenising real estate assets:

Tokenising real estate assets offers a range of advantages that can revolutionise the way real estate is owned, traded, and accessed. tokenising real estate assets, including but not limited to the following:

1. **Fractional Ownership**: One of the main advantages of STOs (Securitised Token Offerings) for the real estate market is the ability to offer fractional ownership. This means that investors can purchase a fraction of a property, which reduces the minimum investment required to participate. This can make real estate investment more accessible to a wider range of investors, which can lead to increased demand for properties and potentially higher valuations. In addition, investors can diversify their portfolios by holding assets in multiple properties across different locations.

2. **Increased Liquidity**: Real estate investments are traditionally illiquid, with investors often having to hold their investments for long periods before they can be sold. However, tokenisation increases liquidity by allowing investors to buy and sell tokens representing ownership in a property on a secondary market. This can provide investors with more flexibility, reduce barriers to entry and potentially yield higher returns.

3. **Transparency and Security:** The use of blockchain technology, provides a secure and transparent record of ownership and transaction history. This reduces the risk of fraud and increases investor confidence and trust amongst stakeholders.

4. **More Efficient Fundraising:** Tokenisation provides an efficient and cost-effective way to raise capital for real estate projects compared to traditional fundraising methods. By offering tokens representing securities, companies can reach a wider pool of potential investors, including those who might not have been able to participate in traditional fundraising rounds.

5. **Access to Global Capital:** Tokenisation provides access to global capital markets, allowing real estate companies to reach investors from around the world. This can increase competition for investment opportunities and potentially lead to higher valuations.

6. **Accessibility:** Tokenisation breaks down investment minimums, allowing a wider range of investors to participate in real estate ventures, including retail investors who may not have had access before.

345 Rivonia Boulevard
Rivonia, 2128, South Africa
Email: libexquota@libex.ai

7. **24/7 Trading:** Traditional real estate markets have trading hours and can be subject to delays. Tokenised assets can be traded 24/7, providing flexibility and reducing transaction times and costs.

8. **Reduced Intermediaries:** Tokenisation can streamline the investment process, potentially reducing the need for intermediaries such as brokers, agents, and custodians, leading to cost savings.

9. **Lower Costs:** Tokenisation can reduce administrative and operational costs associated with property management, record-keeping, and transaction processing.

10. **Fractional Returns:** Investors receive proportional returns based on their ownership, enabling them to benefit from rental income and property appreciation without the need to invest in an entire property.

11. **Enhanced Portfolio Diversification:** Tokenised real estate assets provide an alternative investment class that can enhance portfolio diversification beyond traditional asset classes.

12. **Potential for Secondary Markets:** As the tokenised real estate market matures, secondary markets for trading property tokens may develop, providing even greater liquidity and investment opportunities.

13. **Reduced Entry Barriers:** Tokenisation can enable smaller developers and property owners to access a wider pool of potential investors, facilitating project funding and reducing reliance on traditional financing.

The Investment Opportunity Overview:

The investment opportunity entails the tokenisation of 47 on Queens, namely the development of 24 luxurious and modern sectional title units nestled in the heart of Bryanston, Johannesburg, Gauteng, South Africa. This enables the investor the opportunity to participate in a property-focused limited partnership, providing exposure to real estate markets and potential profits from property sales, all while maintaining limited liability protection:

- **Total Target Raise**: the total amount sought to be raised is R11 708 000.00 (Eleven Million Seven Hundred and Eight Thousand South African Rands);

- **Property:** the immovable property situate at Erf 157 Queens Road, Bryanston (half share);

345 Rivonia Boulevard
Rivonia, 2128, South Africa
Email: libexquota@libex.ai

- **Sectional Title Units:** 24 luxurious and modern sectional title units (half share);
- **Investment Type:** Investors will become limited partners in the property's "en commandite" partnership.
- **Minimum Buy In**: the minimum investment required to participate is R10 per token.
- **Number of Available Tickets**: A total of 1 170 800 tokens are available for investors.

The investment opportunity involves the investor becoming a limited partner in an "en commandite" partnership structure. An "en commandite" partnership, also known as a limited partnership, is a legal structure that allows for the formation of a business partnership with two types of partners: a general partner and limited partners. This arrangement offers a unique blend of active management and passive investment, making it a popular choice for ventures that require specialised expertise and funding.

General Partners: The general partner with the responsibility of managing day-to-day operations of the partnership. General partners have unlimited liability for the partnership's obligations.

Limited Partners: Investors who purchase the Project Tokens become limited partners. Limited partners contribute the capital required for the partnership and share in profits generated from rentals and property sale after a specified period. Limited partners have limited liability, restricted to their investment amount and do not have any management rights or responsibilities.

Investment and Benefits:

- Investors contribute funds toward the purchase and development of the Property.
- Profits from property sales after a specified period are shared among limited partners based on their proportional partnership interest in the partnership.
- Limited partners receive automated allocation benefits through smart contracts, directed to their wallets.

Liability and Lock-In Period:

- Limited partners have limited liability, while general partners have unlimited liability.

345 Rivonia Boulevard
Rivonia, 2128, South Africa
Email: libexquota@libex.ai

- The investor interests are held by the Company for a period of [three months] in order to reach the Total Target Raise amount, ensuring limited liability protection for the investors.

- If the Total Target Raise is not reached, investors, through the automatic redemption of the Project Tokens shall be reimbursed their initial capital contribution which can then be converted into fiat Rands or invested into an alternative investment on the Libex platform at the election of the investor.

- If the Target Total Raise amount is achieved, the capital raised will be paid to the 47 on Queens Partnership where the token holders will become limited partners.

- The development of the Units will commence.

- The Project Tokens can be traded on the secondary market but cannot be redeemed other than in accordance with the terms of the investment set out below.

Distribution of Benefits:

The Project Tokens can be redeemed under certain circumstances including but not limited to by the investor:

(i) upon the investment hitting an IRR of the capital return plus 25% prior to the sale of all of the Units; and

(ii) upon the redemption date being a period calculated as approximately 24 months from the date on which the development of the Units commence and the acquisition of Project Tokens.

Full details are contained in the terms and conditions available on the website: quota.libex.ai

Please note that this is a general interpretation of the provided information, and any investment decision should be made after thorough due diligence and consultation with legal and financial experts.

Rights associated to the tokens:

Tokens represent the Investors economic interest in the authorised investment, namely the right to receive an agreed share of the economic profits. Investors maintain their limited liability protection by not actively participating in the business of the partnership.

345 Rivonia Boulevard
Rivonia, 2128, South Africa
Email: libexquota@libex.ai

Legal Disclaimers:

The information contained in this white paper is for informational purposes only and does not constitute financial, legal, or investment advice. The material presented herein is not intended to be relied upon as the basis for making any investment decisions and is not to be construed as a solicitation or an offer to buy or sell any tokens, cryptocurrencies, securities, or financial instruments.

Further to the above, the information provided in this White Paper is not intended to be, and should not be construed as, investment advice, financial advice, legal advice, or any other form of advice. Libex is not a licensed financial advisor or investment professional, and the information provided herein should not be relied upon for making investment decisions.

Any investment in tokens or related projects involves a high degree of risk and as such potential investors should carefully consider their own financial situation and risk tolerance before making any investment decisions. It is important to conduct thorough research and seek legal, investment and financial advice from qualified professionals before engaging in any investment activity.

The team and authors of this white paper have taken reasonable measures to ensure the accuracy of the information presented, but they do not guarantee its accuracy, completeness, or timeliness. The team and authors disclaim any and all liability for any direct, indirect, or consequential loss or damage that may arise from the use of or reliance on this white paper or its contents.

This white paper may contain forward-looking statements that are based on the team's and authors' current beliefs and assumptions. These statements involve risks, uncertainties, and other factors that may cause actual results, performance, or achievements to differ materially from those expressed or implied in such statements.

Investors should be aware that regulatory environments and legal interpretations are subject to change, and they should seek legal advice to understand the implications of participating in token-related activities in their respective jurisdictions.

This white paper and any associated materials are subject to copyright and intellectual property rights, and no part of this document may be reproduced, distributed, or transmitted in any form or by any means without the prior written permission of the team and authors.

It is important to understand that token-based projects, blockchain technologies, and related ecosystems are subject to various technological risks and uncertainties.

345 Rivonia Boulevard
Rivonia, 2128, South Africa
Email: libexquota@libex.ai

In light thereof, the Technological risks associated with tokens, especially in the context of blockchain and cryptocurrency projects, can be significant due to the complex and rapidly evolving nature of the technology, these include but are not limited to security vulnerabilities, smart contract bugs, scalability issues, interoperability challenges, regulatory uncertainties, fork risks, user friendly interfaces, and data privacy concerns.

The information provided in this document provides no guidance on tax-related matters in relation to tokens and cryptocurrencies. It is not intended to constitute tax advice and should not be relied upon as such.

Tax laws and regulations related to tokens and cryptocurrencies are complex and subject to change. The tax treatment of tokens can vary widely depending on factors such as jurisdiction, use case, and individual circumstances. Readers, potential investors, and participants in token-related activities should consult with qualified tax professionals to obtain specific advice tailored to their situations.

The Company does not provide tax advice, and the information provided in this document should not be considered a substitute for professional tax advice. The Company disclaims any and all liability for any direct, indirect, or consequential loss or damage that may arise from the use or reliance on the tax-related information provided in this document.

The Company reserves the right to modify, update, or amend the contents of this white paper at any time, without prior notice. Changes may include, but are not limited to, revisions to the project's goals, features, technical specifications, timelines, and any other information presented in this white paper.

It is the responsibility of readers, potential investors, and any other interested parties to stay informed about any updates or changes to the white paper. The Company disclaims any liability for any losses or damages that may arise from changes to the white paper, including any reliance on outdated information.

The information provided in this white paper is based on the legal and regulatory landscape as of the date of publication. It is important to recognise that laws, regulations, and legal interpretations related to tokens, cryptocurrencies, blockchain technology, and related activities are evolving rapidly and may change at any time.

The Company makes no representations or warranties regarding the accuracy, completeness, or timeliness of the information presented in this white paper in relation to the current or future

345 Rivonia Boulevard
Rivonia, 2128, South Africa
Email: libexquota@libex.ai

legal or regulatory environment. The content of this white paper is subject to potential changes or updates due to shifts in legal or regulatory requirements.

Readers, potential investors, and any other interested parties are advised to consider that the legal and regulatory status of tokens and related activities may be altered by new laws, regulations, or interpretations that could impact the viability, legality, or functionality of the project. The Company disclaims any liability for any losses or damages that may arise from changes in laws or regulations affecting the content or implementation of this white paper.

It is the responsibility of users to remain informed about legal developments in their respective jurisdictions and to seek professional legal advice to understand the implications of participating in the project

The contents of this white paper, including all text, images, graphics, charts, diagrams, and any other materials presented herein, are the intellectual property of Libex. All rights are reserved.

No part of this white paper may be reproduced, distributed, or transmitted in any form or by any means, including but not limited to electronic, mechanical, photocopying, recording, or any other information storage and retrieval system, without the prior written permission of the Company.

The information contained in this white paper is provided for informational purposes only. Any use of the contents of this white paper, including but not limited to copying, reproduction, adaptation, distribution, or any other form of use, for commercial purposes or otherwise, is strictly prohibited without the express written consent of the Company.

Unauthorised use of the content of this white paper may result in legal action being taken by the Company to protect its intellectual property rights.

The Company disclaims any and all liability for any direct, indirect, or consequential loss or damage that may arise from the use or reliance on the contents of this white paper, whether or not caused by any negligence on the part of the Company or its agents.

By accessing and reviewing this white paper, you acknowledge and agree to the above disclaimers and limitations of liability. If you do not agree with these terms, please do not proceed with reviewing this white paper or engaging in any related activities.

345 Rivonia Boulevard
Rivonia, 2128, South Africa
Email: libexquota@libex.ai

Reg: 2022/ 671116/ 07