

# [Vaultbanc but a portion of potential periodic earnings](https://assignbuster.com/vaultbanc-but-a-portion-of-potential-periodic-earnings/)

[Business](https://assignbuster.com/essay-subjects/business/), [Strategy](https://assignbuster.com/essay-subjects/business/strategy/)

Vaultbanc seeks to minimize the volatility of the Vaultbank Token by supporting its value through aportfolio of secured credit assets. In turn, the yields of the portfolio’s credit assets will be then reinvestedback into the portfolio of credit assets to attempt to increase the underlying fundamental value of eachVaultbank Token. The portfolio of credit assets will further be secured by a surety wrap to enhance stability and returns. TheFund Manager will use artificial intelligence and machine learning to build a portfolio of secured creditassets. Vaultbanc intends to lever the portfolio with warehouse lines of credit, secured by the portfolio ofbetween 4: 1 and 10: 1 leverage, depending on the class of assets. Investment Objective and StrategyThe Fund’s investment objective is to provide attractive returns on invested capital through a proprietaryquantitative approach to underwriting credit assets, to be provided by Random Forest Capital.

The Fundwill adhere to an investment strategy driven by data science, in which machine learning within fully nonparametricstatistical models are applied to the problem of expected gains in financial investments. The Fund Manager seeks to identify “ optimal” loans to invest in and utilizes a multistage approach topurchase such loans. The Fund seeks diversification of its assets through investments in loans of varyingsizes and maturities, based on the type of loan. The net income earned by the Fund during any given monthshall generally be retained for reinvestment, but a portion of potential periodic earnings may be used fordistributing quarterly dividends to Vaultbank Token holders, where such dividends are approved byVaultbanc’s board and voting shareholders. At its discretion, the Fund may change or use additional strategies to achieve its investment objective, andintends to employ leverage, as further described in the Offering Memorandum. There can be no assurance that the Fund will achieve these objectives or that substantial losses will notbe incurred. Blockchain Technology Enables Efficient Liquidity for InvestorsBlockchain technology has the potential to provide greater integrity, safety, security, and transparency.

Assuch, Vaultbanc will use the blockchain to ensure immediate transaction adjudication at low costs in hopesof providing greater liquidity for investors. Efficient Prepaid Debit CardsVaultbanc is teaming up with Volopa to provide debit cards that will be accepted worldwide, and will allowcustomers to pay with cryptocurrency through traditional plastic debit cards. The account holders will beempowered to select from multiple cryptocurrencies for use as tender, and when they initiate a transaction(e. g. a dinner that costs $83. 65), either prepaid debit cash will be used, or the holder can elect to use asupported cryptocurrency, which will then be sold at spot price to complete the transaction.

Since Vaultbancdebit cards will be accepted at all point of sale terminals, for the first time, cryptocurrency will be able tobe used as tender for everyday purchases. Furthermore, Vaultbanc also plans to provide transaction servicesfor partner tokens, enabling those tokens to be used as tender.