

Frequently asked Questions

1 | How Does the Investment Work?

SunCash enables investment in renewable energy through the purchase of Solar Assets. Each asset represents ownership in a real world solar site, offering income from electricity generation.

As an investor, you become a Limited Partner in a limited partnership, thus, allowing you to claim the S12B SARS deduction and entitling you to a share of the profits from electricity generated from the solar site linked to your investment.

2 | Earning Income as an investor?

Investors earn from the electricity generated by the solar site and sold to the consumer of the electricity. Income is distributed on a quarterly basis in USDC, a stablecoin, the frequency of which is expected to be increased in the future.

3 | Performance in Low Electricity Generation Scenarios ?

In instances where a solar site generates less electricity than expected, returns may be affected. SunCash incorporates a number of risk mitigation strategies, such as the use of minimum take-or-pay clauses (which guarantees a minimum payment amount from the consumer regardless of how much electricity they consume) and significant site due diligence, before committing to site development. However, investors should be aware of these variable factors.

4 | Production and Installation of Solar Sites

SunCash collaborates with experienced and specialized partners for solar site installation to ensure high-quality and efficient deployment. If you have premises available for a large solar site, feel free to [contact us](#).

5 | Does SunCash Produce and Install Solar Panels?

No. SunCash in collaboration with specialized partners, through the use of SLA's, ensure the solar site is designed effectively, utilizes optimal equipment and performs as expected.

6 | Selling your Investment

SunCash, utilizing Momint's infrastructure, provides a unique advantage in the market with its liquid secondary market by allowing investors to buy and sell their entire or proportion of solar assets held to members of the community through a 'willing buyer, willing seller' model. Unlike traditional competitors who may require locking in significant capital for over a decade, Momint's platform enables a more flexible investment and exit strategy, setting it apart in the solar energy investment industry.



7 | Timing of Withdrawals

As our secondary market is based on a 'willing buyer, willing seller' model, much like the financial markets, the timing of the withdrawal of your investment and conversion to USDC is dependent on market forces.

In the near future we are looking to create a liquidity pool which will allow SunCash to purchase your digital asset immediately, for a predetermined price, to ensure optimal liquidity.

8 | Long-term Investment Security?

The metadata of each Solar Asset includes embedded references or links to the specific legal agreements pertaining to the solar site. This ensures the security of your asset by locking these crucial documents into the immutable data structure on the blockchain ledger. Furthermore, the nature of solar projects - in that they represent real world assets designed to last many years - supports the long-term security of your investment.

9 | Safety of Blockchain-Based Investments

SunCash leverages blockchain technology not simply for its inherent security and transparency, but also for its link to real-world-assets. Unlike the majority of blockchain based investments, the value of solar assets is anchored to a tangible asset, namely the solar sites and property they represent. This connection to physical assets adds stability and value. Further, our use of the blockchain is utilized to:

- 1 Secure Your Investment: Ensuring enhanced security for your asset and investment.

- 2 Ease of Purchase: Facilitating straightforward and the easy acquisition of solar assets.

- 3 Transparent Record Keeping: Maintaining a clear and accessible record of investments and profit distribution.

- 4 Efficient Distribution: Allowing for faster and more cost effective distribution of your investments yields, in comparison to traditional methods.

However, we encourage you to exercise your own due diligence with any investment, including blockchain to ensure you understand the benefits and associated risks.

10 | Cap on Returns

Returns are directly linked to the performance of the solar site and are not capped at a specific percentage, however, SunCash targets a 12% return.

11 | Regulatory Status of Momint and SunCash

Momint and SunCash are not classified as Financial Services Providers and do not hold PSCA certification. However, both Momint and SunCash companies operate under specific legal and regulatory frameworks.

12 | Claiming S12B Tax Deduction

SunCash in collaboration with legal experts Webber Wentzel and tax specialists AJM, has structured its partnership model to align with the S12B deduction requirements.

This partnership ensures that the claim process has been designed leveraging significant experience.

To aid our investors, SunCash will provide a statement of account, detailing your investment specifics. Additionally, we offer a step-by-step guide for completing tax returns for both individuals and businesses, designed to simplify your tax submission process.

Please be aware that while we have enabled all structures to enable eligibility for the tax allowance, the approval of any tax return is ultimately at the discretion of SARS. As tax laws and individual circumstances vary, we strongly recommend consulting a tax specialist to better understand your specific situation.

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Currency Fluctuation Impact on Investment and Income Payout

When investing in SunCash solar assets, you have the option to purchase via Momint in USDC or through SunCash in Rands, with payouts expected in USDC. Currency slip, or the fluctuation in exchange rates between the US Dollar and the South African Rand, can affect the value of your investment and the actual returns you receive.

Considering the historical depreciation of the Rand against the Dollar at approximately 6% per annum and the inflation rate in South Africa being around 5% (as of 2021), the effective USD return on an investment yielding 12% in ZAR could be perceived as an attractive 6% considering the exchange rate risk. This perspective takes into account the relative stability of the US Dollar against the Rand's depreciation.

However, currency markets can be volatile and unpredictable. Therefore, while the long-term trend may

indicate a certain pattern, short-term fluctuations could significantly impact your investment returns and dividends in either currency.

This explanation provides a general overview of how currency fluctuation can impact your investment in SunCash. It's important to consider these factors, along with other investment risks, when making decisions. Consulting with a financial expert is also advisable for a more tailored analysis of your specific situation.

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What happens if the solar infrastructure gets damaged or destroyed by acts of God?

The solar infrastructure is fully insured against most of these types of incidents. If such an incident occurs, the insurance payout will generally fully cover the capital cost of the infrastructure. However, it will not provide (and you unfortunately will not be provided) compensation for the lost revenue that would have accrued from the sale of the electricity generated by the solar site

